

RESOLUTION NO. 14-135

RESOLUTION AWARDING THE SALE OF
\$3,965,000 GENERAL OBLIGATION PROMISSORY NOTES

WHEREAS, on February 3, 2014 the Common Council of the City of Manitowoc, Manitowoc County, Wisconsin (the "City") adopted a resolution providing for the sale of approximately \$4,030,000 general obligation promissory notes for public purposes, including parks projects, street and sidewalk improvement projects, storm sewer projects, upgrades to public buildings, environmental remediation, and the acquisition of equipment (collectively, the "Project") and refunding outstanding obligations of the City, to wit: the callable maturities of the General Obligation Promissory Notes, dated April 9, 2007 (the "2007 Notes") and General Obligation Promissory Notes, Series 2008A, dated May 23, 2008 (the "2008A Notes") (collectively, the "Refunded Obligations") (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding");

WHEREAS, cities are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes and to refinance their outstanding obligations; and

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell the general obligation promissory notes to Robert W. Baird & Co. Incorporated (the "Purchaser"), pursuant to the terms and conditions of its note purchase proposal attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization and Sale of the Notes. For the purpose of paying the cost of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of THREE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$3,965,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, general obligation promissory notes aggregating the principal amount of THREE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$3,965,000) (the "Notes") for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes"; shall be issued in the aggregate principal amount of \$3,965,000; shall be dated March 24, 2014; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on February 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit B-1 and incorporated herein by this reference. Interest is payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2015.

Jim.
3-3-14

Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit B-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on February 1, 2023 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on February 1, 2022 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2014 through 2023 for the payments due in the years 2015 through 2024 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, dated March 24, 2014" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. In order to accomplish the purpose for which the Notes are issued, a portion of the proceeds of the Notes shall be transferred to the Escrow Account, as provided in Section 19 hereof. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed

and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Notes or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers

whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by the City Clerk or City Treasurer (the "Fiscal Agent").

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and

Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 18. Redemption of the 2007 Notes. The 2007 Notes maturing in the years 2015 through 2017 are hereby called for prior payment and redemption on April 3, 2014 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to work with the Purchaser to cause timely notice of redemption, in substantially the form attached hereto as Exhibit D and incorporated herein by this reference (the "2007 Notes Notice"), to be provided at the times, to the parties and in the manner set forth on the 2007 Notes Notice.

Section 19. Escrow Agent; Escrow Agreement; Escrow Account. Associated Trust Company, National Association, Green Bay, Wisconsin, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the 2008A Notes (the "Escrow Agent").

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit E (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the Common Council of any such modifications), with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Note Proceeds allocable to refunding the 2008A Notes, other than any premium not used for the Refunding and accrued interest which shall be deposited in the Debt Service Fund Account created above, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the

required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Note Proceeds and any other necessary funds allocable to refunding the 2008A Notes to the Escrow Account, the taxes heretofore levied to pay debt service on the 2008A Notes shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the 2008A Notes, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The refunding escrow account created by the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the 2008A Notes. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 20. SLGS Subscriptions. The Escrow Agent and Purchaser are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the refunding of the 2008A Notes.

Section 21. Redemption of the 2008A Notes. The 2008A Notes maturing in the years 2016 through 2018 are hereby called for prior payment and redemption on February 1, 2015 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "2008A Notes Notice"), to be provided at the times, to the parties and in the manner set forth on the 2008A Notes Notice.

Section 22. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 23. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 24. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded March 3, 2014.

Introduced _____

(Signed) _____

Adopted _____

(Signed) _____

Approved _____

Justin M. Nickels
Mayor

ATTEST:

Jennifer B. Hudon
City Clerk

(SEAL)

EXHIBIT A

Note Purchase Proposal

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)



NOTE PURCHASE AGREEMENT

March 3, 2014

Mr. Justin M. Nickels, Mayor
and Members of the Common Council
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220-4543

Dear Mr. Nickels and Members of the Common Council:

Robert W. Baird & Co. Incorporated (the "Underwriter") hereby offers to enter into this Note Purchase Agreement (the "Agreement") with City of Manitowoc (the "Issuer") for the purchase by the Underwriter and sale by the Issuer of all its \$3,965,000.00 General Obligation Promissory Notes (the "Securities"), to be dated March 24, 2014. This offer is made subject to acceptance by the Issuer on March 3, 2014. The Securities shall mature, bear interest at the rates, have such terms and be payable at the times, all as set forth in Exhibit A attached hereto. The issuance and terms of the Securities will be duly authorized and adopted by the Issuer by a resolution dated March 3, 2014 (the "Resolution").

Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriter hereby agrees to purchase from the Issuer and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) the Securities, at a price of \$4,062,072.45 (representing the principal amount of the Securities, plus original issue premium of \$144,652.45, less underwriter's discount of \$47,580.00), plus accrued interest, if any, from the dated date to the date of delivery.

The closing shall occur on March 24, 2014, at a time to be determined, or on such other date mutually agreeable to the Issuer and the Underwriter (the "Closing"). The Securities will be delivered as fully registered bonds, bearing proper CUSIP numbers, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, which will act as securities depository for the Securities.

The Issuer confirms that the Preliminary Official Statement (including any addenda or amendments thereto) delivered to the Underwriter was and hereby is "deemed final" as of its date by the Issuer for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"), and the Issuer consented to its distribution and use by the Underwriter prior to the date hereof in connection with the public offering and sale of the Securities.

The Securities are being purchased subject to satisfaction of the following conditions at Closing:

- 1. The Issuer agrees to take such action as necessary so that the Underwriter will be in receipt of a final Official Statement (the "Official Statement") within seven (7) business days after the date hereof and in sufficient time to accompany any confirmation that requests payment from any customer, and in sufficient quantity to comply with paragraph (b)(4) of the Rule and applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer hereby authorizes and approves the Official Statement and consents to the use and distribution of the Official Statement by the Underwriter in connection with the public offering and sale of the Securities. At the time of or prior to the Closing, the Underwriter will file, or cause to be filed, the Official Statement with the MSRB.
2. If applicable, the current rating on the Securities or on the insurer of the Securities shall not have been lowered, put on negative outlook, suspended or withdrawn by an applicable credit ratings agency.
3. Bond Counsel shall provide an unqualified approving opinion in form and substance satisfactory to the Underwriter.
4. The Issuer shall execute and deliver a written undertaking to provide ongoing disclosure for the benefit of holders of the Securities as required by the Rule, subject to any applicable exemptions under the Rule.
5. The Issuer shall deliver true and complete copies of the Resolution authorizing the issuance and sale of the Securities, which shall be in full force and effect.
6. The Issuer shall deliver one or more closing, compliance, tax and other certificates from its duly authorized representatives as the Underwriter may reasonably request.



7. None of the following has occurred or exists as of the Closing: (a) any development adversely affecting the legality of the issuance, sale or delivery of the Securities or the tax treatment of interest to be received on the Securities; (b) any outbreak or escalation of hostilities, a declaration of war by the United States, a national emergency or other national or international calamity or crisis materially affecting the financial markets of the United States; (c) a material disruption in securities settlement, payment or clearance services affecting the Securities or a new restriction on transactions in securities materially affecting the market for securities; (d) a general banking moratorium shall have been declared by authorities having jurisdiction and be in force; (e) an event or circumstance that either makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect.
8. The Issuer agrees to indemnify and hold harmless the Underwriter against any and all losses, claims, damages, expenses or liabilities incurred by the Underwriter that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact made in the Preliminary Official Statement or Official Statement or which arise out of or are based upon the omission or alleged omission to state in such connection a material fact required to be stated therein or necessary in order to make the statements made therein not misleading in light of the circumstances under which they are made.
9. The Issuer shall pay or cause to be paid the fees and expenses of bond counsel, rating agencies and fiscal agent as well as all other expenses incident to the performance of the Issuer's obligations hereunder. The Issuer shall also pay the Underwriter a fee of \$4,800.00 for its services in preparing the Official Statement, providing various financial analyses and payment of certain third party expenses, including DTC, CUSIP, IPREO (electronic bookrunning/sales order system), printing and mailing/distribution charges.

The Issuer acknowledges and agrees that the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, acting solely as a principal and not as a municipal advisor, financial advisor or agent of the Issuer. The Underwriter has not assumed a financial advisory responsibility in favor of the Issuer with respect to the offering of the Securities or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except the obligations expressly set forth in this Agreement, it being the Issuer's understanding that a financial advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a broker, dealer or municipal securities dealer, a person renders advice to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities.

Unlike a municipal advisor or financial advisor, the Underwriter does not have a fiduciary duty to the Issuer under the federal securities law and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests. Although MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors, the Underwriter's primary role is to purchase the Securities with a view to distribution and it has financial and other interests that differ from those of the Issuer. The Underwriter has a duty to purchase the Securities from the Issuer at a fair and reasonable price, but must balance that duty to sell the Securities to investors at prices that are fair and reasonable. The Underwriter has reviewed the Official Statement for the Securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

The Underwriter's compensation in the form of a fee or discount from the public offering price is contingent on the closing of the Offering. Such compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest because it may cause the Underwriter to recommend a transaction that is unnecessary or to recommend that the transaction be larger than is necessary.



Very truly yours,

ROBERT W. BAIRD & CO. INCORPORATED

By: Bradley D. Viegut

Bradley D. Viegut, Managing Director

Date: March 3, 2014

ACCEPTED:

City of Manitowoc

By: _____

Justin M. Nickels, Mayor

Date: March 3, 2014

By: _____

Jennifer B. Hudon, City Clerk/Deputy Treasurer

Date: March 3, 2014

Introduced March 3, 2014

Adopted _____

Approved _____



Exhibit A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/24/2014					
02/01/2015			77,815.97	77,815.97	
08/01/2015			45,625.00	45,625.00	123,440.97
02/01/2016	400,000	2.000%	45,625.00	445,625.00	
08/01/2016			41,625.00	41,625.00	487,250.00
02/01/2017	900,000	2.000%	41,625.00	941,625.00	
08/01/2017			32,625.00	32,625.00	974,250.00
02/01/2018	915,000	2.000%	32,625.00	947,625.00	
08/01/2018			23,475.00	23,475.00	971,100.00
02/01/2019	275,000	2.000%	23,475.00	298,475.00	
08/01/2019			20,725.00	20,725.00	319,200.00
02/01/2020	280,000	2.000%	20,725.00	300,725.00	
08/01/2020			17,925.00	17,925.00	318,650.00
02/01/2021	285,000	3.000%	17,925.00	302,925.00	
08/01/2021			13,650.00	13,650.00	316,575.00
02/01/2022	295,000	3.000%	13,650.00	308,650.00	
08/01/2022			9,225.00	9,225.00	317,875.00
02/01/2023	305,000	3.000%	9,225.00	314,225.00	
08/01/2023			4,650.00	4,650.00	318,875.00
02/01/2024	310,000	3.000%	4,650.00	314,650.00	
08/01/2024					314,650.00
	3,965,000		496,865.97	4,461,865.97	4,461,865.97

EXHIBIT B-1

Pricing Summary

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)



BOND PRICING

City of Manitowoc (A1)
General Obligation Promissory Notes, Series 2014A (FINAL)
BQ ; Callable 2/1/2022 or any date thereafter

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:	02/01/2016	400,000	2.000%	0.500%	102.762				11,048.00
	02/01/2017	900,000	2.000%	0.750%	103.521				31,689.00
	02/01/2018	915,000	2.000%	1.000%	103.769				34,486.35
	02/01/2019	275,000	2.000%	1.300%	103.281				9,022.75
	02/01/2020	280,000	2.000%	1.700%	101.663				4,656.40
	02/01/2021	285,000	3.000%	2.050%	106.043				17,222.55
	02/01/2022	295,000	3.000%	2.300%	105.001				14,752.95
	02/01/2023	305,000	3.000%	2.450%	103.905 C	2.505%	02/01/2022	100.000	11,910.25
	02/01/2024	310,000	3.000%	2.550%	103.182 C	2.631%	02/01/2022	100.000	9,864.20
		3,965,000							144,652.45

Dated Date	03/24/2014	
Delivery Date	03/24/2014	
First Coupon	02/01/2015	
Par Amount	3,965,000.00	
Premium	144,652.45	
Production	4,109,652.45	103.648233%
Underwriter's Discount	(47,580.00)	(1.200000%)
Purchase Price	4,062,072.45	102.448233%
Accrued Interest		
Net Proceeds	4,062,072.45	

EXHIBIT B-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)



BOND DEBT SERVICE

City of Manitowoc (A1)
General Obligation Promissory Notes, Series 2014A (FINAL)
BQ ; Callable 2/1/2022 or any date thereafter

Dated Date 03/24/2014
Delivery Date 03/24/2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/24/2014					
02/01/2015			77,815.97	77,815.97	
08/01/2015			45,625.00	45,625.00	123,440.97
02/01/2016	400,000	2.000%	45,625.00	445,625.00	
08/01/2016			41,625.00	41,625.00	487,250.00
02/01/2017	900,000	2.000%	41,625.00	941,625.00	
08/01/2017			32,625.00	32,625.00	974,250.00
02/01/2018	915,000	2.000%	32,625.00	947,625.00	
08/01/2018			23,475.00	23,475.00	971,100.00
02/01/2019	275,000	2.000%	23,475.00	298,475.00	
08/01/2019			20,725.00	20,725.00	319,200.00
02/01/2020	280,000	2.000%	20,725.00	300,725.00	
08/01/2020			17,925.00	17,925.00	318,650.00
02/01/2021	285,000	3.000%	17,925.00	302,925.00	
08/01/2021			13,650.00	13,650.00	316,575.00
02/01/2022	295,000	3.000%	13,650.00	308,650.00	
08/01/2022			9,225.00	9,225.00	317,875.00
02/01/2023	305,000	3.000%	9,225.00	314,225.00	
08/01/2023			4,650.00	4,650.00	318,875.00
02/01/2024	310,000	3.000%	4,650.00	314,650.00	
08/01/2024					314,650.00
	3,965,000		496,865.97	4,461,865.97	4,461,865.97

EXHIBIT C

(Form of Note)

REGISTERED	UNITED STATES OF AMERICA	DOLLARS
	STATE OF WISCONSIN	
	MANITOWOC COUNTY	
NO. R- _____	CITY OF MANITOWOC	\$ _____
	GENERAL OBLIGATION PROMISSORY NOTE	

MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
February 1, _____	March 24, 2014	_____ %	_____

DEPOSITORY OR ITS NOMINEE NAME: _____ & CO.

PRINCIPAL AMOUNT: (\$ _____) THOUSAND DOLLARS

COPY

FOR VALUE RECEIVED, the City of Manitowoc, Manitowoc County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2015 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$3,965,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes,

for public purposes, including parks projects, street and sidewalk improvement projects, storm sewer projects, upgrades to public buildings, environmental remediation, and the acquisition of equipment and refunding certain outstanding obligations of the City, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on February 3, 2014 and March 3, 2014. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on February 1, 2023 and thereafter are subject to redemption prior to maturity, at the option of the City, on February 1, 2022 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with

a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Manitowoc, Manitowoc County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF MANITOWOC,
MANITOWOC COUNTY, WISCONSIN

By: _____
Justin M. Nickel
Mayor

COPY

(SEAL)

By: _____
Jennifer B. Hudon
City Clerk

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

COPY

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

EXHIBIT D

NOTICE OF FULL CALL*

Regarding

CITY OF MANITOWOC
MANITOWOC COUNTY, WISCONSIN
\$1,780,000 GENERAL OBLIGATION PROMISSORY NOTES
DATED APRIL 9, 2007

NOTICE IS HEREBY GIVEN that the Notes of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on April 3, 2014 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
02/01/2015	\$175,000	3.80%	563588VV1
02/01/2016	175,000	3.80	563588VW9
02/01/2017	175,000	3.80	563588VX7

The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before April 3, 2014.

Said Notes will cease to bear interest on April 3, 2014.

By Order of the
Common Council
City of Manitowoc
City Clerk

Dated _____

* To be provided by registered or certified mail, overnight express delivery, facsimile transmission, or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to April 3, 2014 and to the MSRB.

In addition, if the Notes are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

EXHIBIT E

Escrow Agreement

(See Attached)

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 24th day of March, 2014 by and between the City of Manitowoc, Wisconsin (the "City") and Associated Trust Company, National Association, Green Bay, Wisconsin, a national banking association with trust powers (the "Escrow Agent").

RECITALS

The City has duly issued its General Obligation Promissory Notes, Series 2008A, dated May 23, 2008 (the "Prior Issue").

The City has duly authorized and sold and is delivering this day its \$3,965,000 General Obligation Promissory Notes, dated March 24, 2014 (the "Refunding Obligations") for the purpose, in part, of providing funds sufficient to refund the 2016 through 2018 maturities of the Prior Issue (hereinafter the portion of the Prior Issue being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding").

The Refunded Obligations mature and bear interest on the dates and in the amounts shown on Exhibit A-1.

In order to accomplish the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the principal of and interest on the Refunded Obligations.

To accomplish the Refunding, the Escrow Agent has been appointed depository of a portion of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunded Obligations until the Refunded Obligations are paid in full.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Awarding the Sale of \$3,965,000 General Obligation Promissory Notes" (the "Resolution") adopted by the Common Council of the City on March 3, 2014.

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$1,262,476.07 being a portion of the proceeds of the Refunding Obligations (the "Bond Proceeds") and \$22,537.50 from funds of the City (the "Funds") for a total of \$1,285,013.57.

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of Manitowoc Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$1,259,113.00 to be used to purchase the \$1,259,113.00 principal amount of United States Treasury Certificates of Indebtedness, Notes and/or Bonds - State and Local Government Series ("SLGs"), described on the attached Exhibit B-1, pay for the SLGs from monies in the Escrow Account and hold the SLGs in the Escrow Account (\$1,236,576.07 from Bond Proceeds and \$22,536.93 from Funds),

b) \$0.57 of Funds to be used to establish a beginning cash balance in the Escrow Account; and

c) \$25,900.00 of Bond Proceeds to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay.

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the SLGs, and the Escrow Agent shall not sell or otherwise dispose of the SLGs.

The Escrow Account cash flow prepared by the Accountant defined below is set forth on Exhibit D-1.

Except as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the payment of the Refunded Obligations in the amounts set forth on the attached Exhibit A-1 by depositing such amounts with The Depository Trust Company on or before the dates such amounts are due.

Grant Thornton LLP, Minneapolis, Minnesota, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Robert W. Baird & Co. Incorporated, any bond insurer for the Refunding Obligations, any bond insurer for the Refunded

Obligations, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1. Based upon the summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of principal and interest, when due, on the Refunded Obligations.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing appropriate notice (in substantially the form attached hereto as Exhibit E-1) in the manner and at the times set forth on Exhibit E-1 and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees within ten business days after the closing for the Refunding Obligations to provide a Notice of Advance Refunding and Redemption, in substantially the form attached hereto as Exhibit F-1, to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations, and to any others as described in Exhibit F-1. In addition, if the Refunded Obligations are subject to the continuing disclosure requirements of SEC Rule 15c2-12, the Notice of Advance Refunding and Redemption should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited

hereunder, all investments and all interest thereon and profits therefrom, at all times in a special fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured by the deposit in a Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder such property shall be and remain the property of the City. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, as escrow agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its willful misconduct. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City.

d) Resignations; Successor Escrow Agent. The Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor escrow agent of comparable qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall

take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City of the sum of NINE HUNDRED DOLLARS (\$900.00) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed and the Escrow Agent hereby covenants and agrees, to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or any Regulations promulgated or proposed thereunder (the "Regulations").

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Section 1 hereof. Said prohibition on reinvestment shall continue unless and until the City requests that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an opinion by an independent certified public accounting firm that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a)

such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City for deposit in the account designated "Debt Service Fund Account for General Obligation Promissory Notes, dated March 24, 2014" created by the Resolution and used solely to pay the principal of and interest on the Refunding Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Governing Law. This Escrow Agreement shall be construed, interpreted and governed by and under the laws of the State of Wisconsin.

f) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF MANITOWOC,
MANITOWOC COUNTY, WISCONSIN

By: _____
Justin M. Nickels
Mayor

(SEAL)

By: _____
Jennifer B. Hudon
City Clerk

ASSOCIATED TRUST COMPANY, NATIONAL
ASSOCIATION,
GREEN BAY, WISCONSIN, as Agent

By: _____

(SEAL)

By: _____

(Refunded Obligations)

EXHIBIT A-1

\$3,660,000

City of Manitowoc, Wisconsin
General Obligation Promissory Notes, Series 2008A
Dated May 23, 2008

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
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(See Attached)

COPY

Depository:

The Depository Trust Company
New York, New York

EXHIBIT B-1

U.S. TREASURY SECURITIES

(State and Local Government Series)

For Delivery March 24, 2014

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Coupon Rate</u>	<u>Cost</u>
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(See Attached Subscription Forms)

COPY



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 02/27/2014 02:08 PM EST

Page: 1 of 2

Issue Information

Treasury Case Number 201400562
Status Complete
Issue Date 03/24/2014
Issue Amount \$1,259,113.00
Rate Table Date 02/06/2014

Owner

Taxpayer Identification Number 39-6005511
Underlying Bond Issue City of Manitowoc GO Promissory Notes Series 2014A
Owner Name City of Manitowoc
Address Line 1 900 Quay Street
Line 2
Line 3
City Manitowoc
State WI
Zip Code 54220-4543
Contact Name City Clerk/Treasurer
Telephone
Fax
E-mail

COPY

Trustee

ABA Routing Number 075900575
Bank Reference Number
Bank Name Associated Trust Company, N.A.
Address Line 1 200 N. Adams Street
Line 2
Line 3
City Green Bay
State WI
Zip Code 54301
Contact Name Dan Olson
Telephone 414-278-1988
Fax 414-278-1839
E-mail daniel.olson@associatedbank.com

Funds for Purchase

ABA Routing Number 075900575
Bank Name Associated Bank Green Bay
Contact Name Dan Olson
Telephone 414-278-1988
Fax 414-278-1839
E-mail daniel.olson@associatedbank.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 02/27/2014 02:08 PM EST

ACH Institutions & Instructions

ABA Routing Number 075900575
 Bank Name Associated Bank, N.A.
 Address Line 1 200 N. Adams Street
 Line 2
 Line 3
 City Green Bay
 State WI
 Zip Code 54301
 Contact Name Dan Olson
 Telephone 414-278-1988
 Fax 414-278-1839
 E-mail daniel.olson@associatedbank.com

ABA Routing Number 075900575
 Account Name Associated Trust Co.
 Account Number 0014291449
 Account Type Checking

Subscriber

ABA/TIN 075900575
 Organization Name Associated Trust Company NA
 Address Line 1 330 E Kilbourn Ave Ste 375
 Line 2
 Line 3
 City Milwaukee
 State WI
 Zip Code 53202
 Contact Name Daniel Olson
 Telephone 414-278-1988
 Fax 414-278-1839
 E-mail daniel.olson@associatedbank.com

COPY

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$22,533.00	0.050000000	08/01/2014		
2	C of I	\$1,236,580.00	0.090000000	02/01/2015		

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent, Associated Trust Company, National Association, Green Bay, Wisconsin	\$ 900.00
Escrow Verification, Grant Thornton LLP, Minneapolis, Minnesota	2,500.00
Legal Opinion, Quarles & Brady LLP, Milwaukee, Wisconsin	12,000.00
Rating Fee, Moody's Investors Service Inc., New York, New York	<u>10,500.00</u>
Total:	\$25,900.00

COPY

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

COPY

EXHIBIT E-1

NOTICE OF FULL CALL*

Regarding

CITY OF MANITOWOC
MANITOWOC COUNTY, WISCONSIN
\$3,660,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2008A
DATED MAY 23, 2008

NOTICE IS HEREBY GIVEN that the Notes of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on February 1, 2015 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
02/01/2016	\$390,000	3.625%	563588WW8
02/01/2017	405,000	3.75	563588WX6
02/01/2018	420,000	3.75	563588WY4

The City's Escrow Agent shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before February 1, 2015.

Said Notes will cease to bear interest on February 1, 2015.

By Order of the
Common Council
City of Manitowoc
City Clerk

Dated _____

* To be provided by registered or certified mail, overnight express delivery, facsimile transmission, or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to February 1, 2015 and to the MSRB.

In addition, if the Notes are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

EXHIBIT F-1*

NOTICE OF ADVANCE REFUNDING AND REDEMPTION
OF GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2008A,
DATED MAY 23, 2008 OF THE CITY OF
MANITOWOC, WISCONSIN (THE "2008A NOTES")

Notice is given that the 2008A Notes described below (the "Refunded Obligations"), of the City of Manitowoc, Wisconsin (the "City") have been advance refunded by the City pursuant to an Escrow Agreement dated the 24th day of March, 2014 between the City and Associated Trust Company, National Association, Green Bay, Wisconsin (the "Escrow Agent").

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
02/01/2016	\$390,000	3.625%	563588WW8**
02/01/2017	405,000	3.75	563588WX6**
02/01/2018	420,000	3.75	563588WY4**

The City has instructed the Escrow Agent to call the Refunded Obligations for redemption on February 1, 2015. The City has irrevocably deposited United States government securities and cash in escrow with the Escrow Agent in an amount which, together with investment income on it, is sufficient to pay the interest on the Refunded Obligations up to and including February 1, 2015 and to redeem the Refunded Obligations on February 1, 2015 at a price of par plus accrued interest to February 1, 2015. Interest on the Refunded Obligations will cease to accrue on February 1, 2015.

Dated: March 24, 2014.

Associated Trust Company, National Association,
as Escrow Agent

* Within ten business days after the closing for the Refunding Obligations, notice shall be provided to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations and to the MSRB.

** Indicates refunding of full CUSIP.

In addition, if the Refunded Obligations are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.