

RESOLUTION NO. 2010-09

RESOLUTION AWARDING THE SALE OF  
\$3,885,000 GENERAL OBLIGATION COMMUNITY DEVELOPMENT BONDS,  
SERIES 2010A

WHEREAS, on March 15, 2010, the Village Board of the Village of Shorewood, Milwaukee County, Wisconsin (the "Village") adopted a resolution entitled: "Initial Resolution Authorizing \$3,885,000 General Obligation Bonds for Community Development Projects in Tax Incremental Districts" (the "Initial Resolution") authorizing the issuance of \$3,885,000 general obligation bonds (the "Bonds") for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the Village's Tax Incremental Districts No. 1 and No. 3 (the "Project");

WHEREAS, the Village Board hereby finds and determines that the Project is within the Village's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the Village directed its financial advisor, Ehlers & Associates, Inc., Brookfield, Wisconsin ("Ehlers") to take the steps necessary to sell the Bonds;

WHEREAS, Ehlers, in consultation with the officials of the Village, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on April 19, 2010;

WHEREAS, the Village Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on April 19, 2010;

WHEREAS, the Notice of Sale provided the option for bidders to submit bids for the Bonds to be issued as tax-exempt bonds ("Tax-Exempt Bonds") or as taxable Build America Bonds - Direct Payment ("Taxable Bonds");

WHEREAS, the Village has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation");

WHEREAS, after reviewing the bids received, the Village has determined to issue the Bonds as Taxable Bonds;

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the Village. Ehlers has recommended that the Village accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference;

WHEREAS, it is the finding of the Village Board that it is desirable and in the best interest of the Village to take the steps necessary to irrevocably designate the Bonds to be qualified "Build America Bonds" within the meaning of Subsection 54AA(g) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder by the U.S. Department of Treasury (the "Regulations") so that the Village may claim refundable credits with respect to each interest payment on the Bonds, payable to the Village by the Secretary of the United States Department of the Treasury ("Treasury"); and

WHEREAS, because the Village Board will designate the Bonds to be qualified Build America Bonds, the interest on the Bonds will be includible in gross income for federal income tax purposes under Subsection 54AA(f)(1) of the Code.

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Village Board of the Village hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the Village and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Award of the Bonds. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a net interest cost and true interest rate as set forth on the Proposal is hereby accepted. The President and Village Clerk or other appropriate officers of the Village are authorized and directed to execute an acceptance of the Proposal on behalf of the Village. The good faith deposit of the Purchaser shall be retained by the Village Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable General Obligation Community Development Bonds, Series 2010A (Build America Bonds - Direct Payment)"; shall be issued in the aggregate principal amount of \$3,885,000; shall be dated May 11, 2010; 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 May 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest is payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2010. 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 Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. (a) Optional Redemption: The Bonds maturing on May 1, 2018 and thereafter shall be subject to redemption prior to maturity, at the option of the Village, on May 1, 2017 or on any date thereafter. Said Bonds shall be redeemable as a whole or

in part, and if in part, from maturities selected by the Village and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

(b) Extraordinary Redemption: The Bonds shall be subject to redemption prior to maturity, in whole or in part, at the option of the Village, on any day, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the date of redemption, in the event that an Extraordinary Event occurs.

An "Extraordinary Event" will have occurred if either (a) Section 54AA or 6431 of the Code is repealed, amended or modified in a manner which results in a reduction or elimination of the Village's 35% cash subsidy payment from the United States Treasury or (b) the United States Treasury fails to make a cash subsidy payment to which the Village is entitled and such failure is not caused by any action or inaction by the Village.

(c) Mandatory Redemption: If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E 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 Bonds as the same becomes due, the full faith, credit and resources of the Village are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the Village a direct annual irrepealable tax in the years 2010 through 2021 for the payments due in the years 2010 through 2022 in the amounts set forth on the Schedule. The amount of tax levied in the year 2010 shall be the total amount of debt service due on the Bonds in the years 2010 and 2011; provided that the amount of such tax carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of principal of or interest on the Bonds in the year 2010.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the Village 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 Bonds, said tax shall be, from year to year, carried onto the tax roll of the Village and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the Village 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 Bonds when due, the requisite amounts shall be paid from other funds of the Village then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The Village hereby appropriates from proceeds of the Bonds or other funds of the Village on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below and used to pay the interest on the Bonds coming due on November 1, 2010 as set forth on the Schedule.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the Village, 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 Village 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 \$3,885,000 Taxable General Obligation Community Development Bonds, Series 2010A (Build America Bonds - Direct Payment)" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The Village Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the Village at the time of delivery of and payment for the Bonds; (ii) any premium which may be received by the Village above the par value of the Bonds 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 Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; (vi) all Direct Payments (defined below) received by the Village; and (vii) 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 Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds 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 Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the Village, be invested by purchasing the Bonds 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 Code and any applicable Regulations.

(C) Remaining Monies. When all of the Bonds 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 Village, unless the Village Board directs otherwise.

**Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund.** The proceeds of the Bonds (the "Bond Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the Village and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. 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 Bonds 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. Qualified Build America Bond Designation; Irrevocable Election; Compliance with Federal Tax Laws.** (a) The Bonds are hereby irrevocably designated qualified Build America Bonds within the meaning of Subsection 54AA(g) of the Code, and the Village hereby irrevocably elects to apply Subsection 54AA(g) of the Code to the Bonds. The Village represents that all Bond Proceeds, less costs of issuance financed with such Bond Proceeds (which costs shall be in an amount not to exceed 2% of such Bond Proceeds) plus all income from temporary Permitted Investments with respect to such Bond Proceeds ("Available Project Proceeds") shall be used only for capital expenditures. The Village acknowledges that among the requirements for the Bonds to qualify and continue to qualify as qualified Build America Bonds is that the Bonds, but for their qualified Build America Bond designation, would be tax-exempt for federal income tax purposes, and hence that the requirements of the Code and Regulations regarding tax-exempt obligations apply to the Bonds. The Village hereby covenants to comply with such requirements.

(b) The Village thus further represents and covenants that the projects financed by the Bonds and their ownership, management and use will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The Village further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the qualified Build America Bond status of the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The Village 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 Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the Bonds to lose their status as qualified Build America Bonds within the meaning of Subsection 54AA(g) of the Code and the Regulations. The Village Clerk or other officer of the Village charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the Village certifying that the Village can and covenanting that it will comply with the provisions of the Code and Regulations.

(c) The Village 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 Bonds provided that in meeting such requirements the Village will do so only to the extent

consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

(d) 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 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the Village, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Qualified Build America Bonds - Application for Direct Payments to the Village. The Village shall claim available refundable credits from the Treasury with respect to each interest payment on the Bonds as provided under Subsection 54AA(g)(1) of the Code ("Direct Payments"). Bond Trust Services Corporation, Roseville, Minnesota is hereby authorized and directed to take all necessary actions on behalf of the Village to apply for the receipt by the Village of such Direct Payments, including the timely filing of necessary Internal Revenue Service forms and information returns for that purpose and/or submitting requests electronically if and as the Treasury establishes an electronic platform in connection with its direct payment procedures. All Direct Payments received by the Village shall be promptly deposited in the Debt Service Fund Account and used for no other purpose than as provided in Section 6 of this Resolution.

Section 10. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the Village by the manual or facsimile signatures of the President and Village 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 Village 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 Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the Village has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds 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 Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Village hereby authorizes the officers and agents of the Village to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, 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 Bonds is hereby ratified and approved in all respects.

Section 11. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the Village Clerk/Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Bonds. The Village shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond 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 Bond 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 Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond 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 President and Village Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds 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 Bond surrendered for transfer.

The Village shall cooperate in any such transfer, and the President and Village Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 13. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the Village at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Village agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the Village and on file in the Village Clerk's office.

Section 15. Payment of Issuance Expenses. The Village authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 16. Official Statement. The Village Board hereby approves the Preliminary Official Statement with respect to the Bonds 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 Village 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 Village official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The Village 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 Village hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") 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 Bonds 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 Village to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

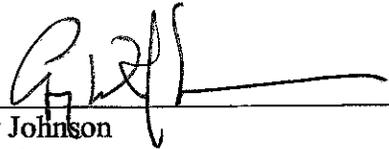
The Village Clerk, or other officer of the Village charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Village's Undertaking.

**Section 18. Record Book.** The Village 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 Bonds in the Record Book.

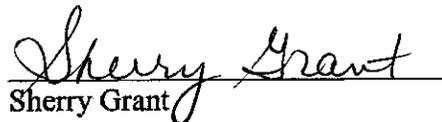
**Section 19. Bond Insurance.** If the Purchaser of the Bonds determines to obtain municipal bond insurance with respect to the Bonds, the officers of the Village are authorized to take all actions necessary to obtain such municipal bond insurance. The President and Village Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the President and Village Clerk including provisions regarding restrictions on investment of Bond 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 Bonds 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 Bond provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Village Board 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 April 19, 2010.

  
\_\_\_\_\_  
Guy Johnson  
President

ATTEST:

  
\_\_\_\_\_  
Sherry Grant  
Village Clerk/Treasurer

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

## APPENDIX E

### NOTICE OF SALE

**\$3,885,000\* GENERAL OBLIGATION COMMUNITY DEVELOPMENT BONDS, SERIES 2010A  
VILLAGE OF SHOREWOOD, WISCONSIN  
(Option offered to bid as Tax-Exempt Obligations or as Taxable Build America Bonds)**

Bids for the purchase of \$3,885,000\* General Obligation Community Development Bonds, Series 2010A (the "Community Development Bonds") of the Village of Shorewood, Wisconsin (the "Village") will be received at the offices of Ehlers & Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Financial Advisors to the Village, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on April 19, 2010, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Trustees for consideration for award at a meeting to be held at 7:30 P.M., Central Time, on the same date. The Village will determine, in its sole discretion, after the bids are opened, whether to issue the Community Development Bonds as Tax-Exempt Bonds or Taxable Build America Bonds. The Community Development Bonds will be awarded to a responsible bidder whose proposal offers to purchase the Community Development Bonds on the basis selected by the Village (Tax-Exempt Bonds or Taxable Build America Bonds) and results in a lower true interest cost to the Village than any other bid offering to purchase the Community Development Bonds on that basis. For bids submitted for Taxable Build America Bonds, the true interest cost to the Village will be determined after subtracting 35% of each interest payment (reflecting the Taxable Build America Bonds being qualified Build America Bonds and the tax credit the Village will elect to receive).

#### PURPOSE

The Community Development Bonds of the Village are being issued pursuant to Wisconsin Statutes, Section 67.04 for the public purpose of paying the costs of community development projects in Tax Incremental Districts No. 1 and No. 3. The Community Development Bonds are valid and binding general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Community Development Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

#### DATES AND MATURITIES

The Community Development Bonds will be dated May 11, 2010, will be issued as fully registered Community Development Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2012	\$125,000	2016	\$300,000	2020	\$450,000
2013	150,000	2017	400,000	2021	535,000
2014	200,000	2018	400,000	2022	650,000
2015	250,000	2019	425,000		

#### ADJUSTMENT OPTION

\* The Village reserves the right to increase or decrease the amount of any individual maturity of the Community Development Bonds in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

## **TERM BOND OPTION**

Bids for the Community Development Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

## **INTEREST PAYMENT DATES AND RATES**

Interest will be payable on May 1 and November 1 of each year, commencing November 1, 2010, to the registered owners of the Community Development Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the MSRB. All Community Development Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate, not exceeding the rate specified for Community Development Bonds of any subsequent maturity. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

## **BOOK-ENTRY-ONLY FORMAT**

The Community Development Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Community Development Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Community Development Bonds. So long as Cede & Co. is the registered owner of the Community Development Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Community Development Bonds.

## **OPTIONAL REDEMPTION**

At the option of the Village, Community Development Bonds maturing on or after May 1, 2018 shall be subject to prior payment on May 1, 2017 or on any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Community Development Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Community Development Bonds to be prepaid shall be at the discretion of the Village. If only part of the Community Development Bonds having a common maturity date are called for redemption, the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, or overnight delivery service not fewer than 30 days prior to the date fixed for redemption to the registered owner of each Community Development Bond to be redeemed at the address shown on the registration books.

## **EXTRAORDINARY REDEMPTION (TAXABLE BUILD AMERICA BONDS)**

The Community Development Bonds, if sold as a taxable security with a "Build America Bond" designation under Section 54AA or 6431 of the Internal Revenue Code of 1986, as amended (the "Code"), shall be subject to redemption prior to maturity, in whole or in part, at the option of the Village, on any day, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the date of redemption, in the event that an Extraordinary Event occurs.

An "Extraordinary Event" will have occurred if either (a) Section 54AA or 6431 of the Code is repealed, amended or modified in a manner which results in a reduction or elimination of the Village's 35% cash subsidy payment from the United States Treasury or (b) the United States Treasury fails to make a cash subsidy payment to which the Village is entitled and such failure is not caused by any action or inaction by the Village.

**DELIVERY**

On or about May 11, 2010, the Community Development Bonds will be delivered without cost to the original purchaser at DTC. On the day of closing, the Village will furnish to the purchaser the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Community Development Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Community Development Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

**LEGAL OPINION**

An opinion as to the validity of the Community Development Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, bond counsel to the Village, and will accompany the Community Development Bonds. The legal opinion will be issued on the basis of existing law and will state that the Community Development Bonds are valid and binding general obligations of the Village enforceable in accordance with their terms, except to the extent to which enforceability may be limited by Wisconsin or United States laws relating to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally.

**BIDDING PARAMETERS**

Bidders may provide bids for the Community Development Bonds specifying interest rates for the Community Development Bonds if issued as Tax-Exempt Bonds, or alternatively, specifying interest rates for the Community Development Bonds if issued as Taxable Build America Bonds. Each bidder is encouraged, but not required, to submit bids for both Tax-Exempt Bonds and Taxable Build America Bonds. To comply with the "Build America Bonds" provisions of the Internal Revenue Code of 1986, as amended (the "Code"), each bid for the Taxable Build America Bonds must specify the expected reoffering price for each maturity of the Community Development Bonds, and each such reoffering price cannot exceed the par amount of the maturity by more than .25% multiplied by the number of complete years to the earlier of the maturity date or the first optional redemption date for the maturity of the Community Development Bonds (see below). Separate bid forms and Parity provisions have been provided for submitting bids for the Community Development Bonds if to be designated Tax-Exempt Bonds or designated Taxable Build America Bonds.

If the Community Development Bonds are issued as Taxable Build America Bonds, the Community Development Bonds will be titled "Taxable General Obligation Community Development Bonds, Series 2010B (Build America Bonds-Direct Payment)".

<u>Year</u>	<u>Maximum Permitted Reoffering Price</u>	<u>Year</u>	<u>Maximum Permitted Reoffering Price</u>
2012	100.25%	2018	101.50%
2013	100.50%	2019	101.50%
2014	100.75%	2020	101.50%
2015	101.00%	2021	101.50%
2016	101.25%	2022	101.50%
2017	101.50%		

No bid for the Community Development Bonds may result in underwriter's compensation (to include any bond insurance premium paid by the underwriter) in an amount in excess of 2% of the proceeds of the Community Development Bonds if to be designated as Taxable Build America Bonds.

### **SUBMISSION OF BIDS**

Bids must not be for less than \$3,836,437.50 plus accrued interest on the principal sum of \$3,885,000 from date of original issue of the Community Development Bonds to date of delivery. A signed bid form must be submitted to Ehlers prior to the time established above for the opening of bids as follows:

- 1) In a sealed envelope as described herein; or
- 2) A facsimile submission to Ehlers, Facsimile Number (651) 697-8555; or
- 3) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit (the "Deposit") in the amount of \$77,700, complying with the provisions below, must be submitted with each bid. The Deposit must be in the form of a certified or cashier's check, or a financial surety bond or a wire transfer of funds to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3183661**. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the bidder fails to comply therewith. The Deposit will be returned to the Purchaser at the closing for the Community Development Bonds.

The Deposit, payable to the Village, shall be retained in the offices of Ehlers with the same effect as if delivered to the Village. Alternatively, bidders may wire the Deposit to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3183661**. The Village and any bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the losing bidder; 3) If the bid is accepted, the Deposit shall be returned to the purchaser at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin, and preapproved by the Village. Such bond must be submitted to Ehlers prior to the opening of the bids. Such bond must identify each bidder whose Deposit is guaranteed by such financial surety bond. If the Community Development Bonds are awarded to a bidder using a financial surety bond, then that bidder is required to submit its Deposit to Ehlers in the form of a certified or cashier's check or wire transfer as instructed by Ehlers not later than 3:00 P.M., Central Time, on the next business day following the award. If such Deposit is not received by that time, the financial surety bond may be drawn by the Village to satisfy the Deposit requirement. The amount securing the successful bid will be retained as liquidated damages if the bid is accepted and the bidder fails to comply therewith. No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award

of the Community Development Bonds is adjourned, recessed, or continued to another date without award of the Community Development Bonds having been made.

#### **AWARD**

The Community Development Bonds will be awarded to a responsible bidder whose proposal offers to purchase the Community Development Bonds on the basis selected by the Village (Tax-Exempt Bonds or Taxable Build America Bonds) and results in a lower true interest cost to the Village than any other bid offering to purchase the Community Development Bonds on that basis. For bids submitted for Taxable Build America Bonds, the true interest cost to the Village will be determined after subtracting 35% of each interest payment (reflecting the Taxable Build America Bonds being qualified Build America Bonds and the tax credit the Village will elect to receive). In the event of a tie, the sale of the Community Development Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

#### **BOND INSURANCE**

If the Community Development Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the purchaser. Any cost for such insurance policy is to be paid by the purchaser, except that, if the Village requested and received a rating on the Community Development Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the purchaser.

Failure of the municipal bond insurer to issue the policy after the Community Development Bonds are awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery of the Community Development Bonds.

#### **CUSIP NUMBERS**

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Community Development Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the purchaser, if the purchaser waives any delay in delivery occasioned thereby.

#### **QUALIFIED TAX-EXEMPT OBLIGATIONS (TAX-EXEMPT BONDS)**

If the Community Development Bonds are issued as "Tax-Exempt Bonds", the Village will designate the Community Development Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

#### **CONTINUING DISCLOSURE**

In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the Village will covenant to undertake (pursuant to a Resolution to be adopted by the Board of Trustees), to provide annual reports and timely notice of certain events for the benefit of holders of the Community Development Bonds. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the Village, a form of which is included in the Preliminary Official Statement. As a condition of closing, the Village will deliver a Continuing Disclosure Certificate at closing (in addition to the legal opinion and non-litigation certificate) setting forth the details and terms of the Village's undertaking.

### **INFORMATION FROM PURCHASER**

The successful purchaser will be required to provide, in a timely manner, certain information relating to the initial offering prices of the Community Development Bonds necessary to compute the yield on the Community Development Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Preliminary Official Statement relating to the Community Development Bonds prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the link to the Bond Sales. The Syndicate Manager will be provided with an electronic copy and up to 10 printed copies upon request of the Final Official Statement within seven business days of the bid acceptance. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Trustees

Sherry Grant, Clerk/Treasurer  
Village of Shorewood, Wisconsin

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

## BID TABULATION

**\$3,885,000 Taxable General Obligation Community Development Bonds, Series 2010A  
(Build America Bonds - Direct Payment)**

**VILLAGE OF SHOREWOOD, WISCONSIN**

**SALE: April 19, 2010**

**AWARD: M & I MARSHALL & ILSLEY BANK**

**RATING: Moody's Investors Service, Inc. "Aa2"**

**BBi: 4.43%**

NAME OF BIDDER	MATURITY (May 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE	ADJUSTED NET INTEREST COST	BAB TIC
M & I MARSHALL & ILSLEY BANK Milwaukee, Wisconsin	2012	1.350%	1.350%	\$3,852,563.05	\$1,416,311.93	4.3543%	\$1,416,311.93	2.872%
	2013	2.100%	2.100%					
	2014	2.500%	2.500%					
	2015	3.050%	3.050%					
	2016	3.450%	3.450%					
	2017	3.850%	3.850%					
	2018	4.050%	4.050%					
	2019	4.250%	4.250%					
	2020	4.450%	4.450%					
	2021	4.700%	4.700%					
2022	4.850%	4.850%						
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota	2012	1.500%		\$3,853,984.25	\$1,453,325.49	4.4685%		2.944%
	2013	2.250%						
	2014	2.750%						
	2015	3.250%						
	2016	3.500%						
	2017	3.950%						
	2018	4.200%						
	2019	4.400%						
	2020	4.650%						
	2021	4.800%						
2022	4.900%							
MORGAN KEEGAN & CO., INC. Memphis, Tennessee	2012	1.400%		\$3,837,350.85	\$1,440,665.14	4.4424%		2.945%
	2013	2.000%						
	2014	2.600%						
	2015	3.000%						
	2016	3.600%						
	2017	4.000%						
	2018	4.150%						
	2019	4.350%						
	2020	4.500%						
	2021	4.650%						
2022	4.800%							

[www.ehlers-inc.com](http://www.ehlers-inc.com)



Wisconsin  
Offices also in Illinois and Minnesota

phone 262-785-1520  
fax 262-785-1810

375 Bishops Way, Suite 225  
Brookfield, WI 53005-6202

**\$3,885,000 General Obligation Community Development Bonds, Series 2010A**  
**Village of Shorewood, Wisconsin**

<b>NAME OF BIDDER</b>	<b>MATURITY</b>	<b>RATE</b>	<b>REOFFERING</b>	<b>PRICE</b>	<b>NET</b>	<b>TRUE</b>	<b>ADJUSTED</b>	<b>BAB</b>
	<b>(May 1)</b>		<b>YIELD</b>		<b>INTEREST</b>	<b>INTEREST</b>	<b>NET</b>	<b>TIC</b>
					<b>COST</b>	<b>RATE</b>	<b>INTEREST</b>	
							<b>COST</b>	
WELLS FARGO ADVISORS St. Louis, Missouri	2012	1.600%		\$3,857,011.25	\$1,463,644.47	4.4985%		2.960%
	2013	2.250%						
	2014	3.000%						
	2015	3.375%						
	2016	3.625%						
	2017	4.000%						
	2018	4.150%						
	2019	4.375%						
	2020	4.600%						
	2021	4.850%						
	2022	5.000%						
ROBERT W. BAIRD & CO., INC. Red Bank, New Jersey	2012	1.400%		\$3,836,437.50	\$1,469,835.94	4.5273%		3.003%
	2013	2.125%						
	2014	2.375%						
	2015	3.200%						
	2016	3.500%						
	2017	3.875%						
	2018	4.000%						
	2019	4.375%						
	2020	4.500%						
	2021	5.000%						
	2022	5.000%						
BMO CAPITAL MARKETS GKST INC. Chicago, Illinois	2012	2.125%		\$3,862,375.25	\$1,521,942.29	4.6762%		3.070%
	2013	2.625%						
	2014	3.200%						
	2015	3.600%						
	2016	3.900%						
	2017	4.250%						
	2018	4.350%						
	2019	4.600%						
	2020	4.800%						
	2021	5.000%						
	2022	5.150%						

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

**BID FORM**  
**(Qualified Build America Bonds)**

The Board of Trustees  
Village of Shorewood, Wisconsin

April 19, 2010

RE: **\$3,885,000\* Taxable General Obligation Community Development Bonds,  
Series 2010A (Qualified Build America Bonds - Direct Payment)**

DATED: May 11, 2010

For all or none of the above Community Development Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System as stated in this Preliminary Official Statement, we will pay you \$3,852,563.05 (not less than \$3,836,437.50) plus accrued interest to date of delivery for fully registered Community Development Bonds bearing interest rates and maturing in the stated years as follows:

<u>Year</u>	<u>Interest Rate %</u>	<u>Reoffering Price (% of Par)</u>	<u>Maximum Permitted Reoffering Price</u>	<u>Year</u>	<u>Interest Rate %</u>	<u>Reoffering Price (% of Par)</u>	<u>Maximum Permitted Reoffering Price</u>
2012	<u>1.35%</u>	<u>1.35%</u>	100.25%	2018	<u>4.05%</u>	<u>4.05%</u>	101.50%
2013	<u>2.10%</u>	<u>2.10%</u>	100.50%	2019	<u>4.25%</u>	<u>4.25%</u>	101.50%
2014	<u>2.50%</u>	<u>2.50%</u>	100.75%	2020	<u>4.45%</u>	<u>4.45%</u>	101.50%
2015	<u>3.05%</u>	<u>3.05%</u>	101.00%	2021	<u>4.70%</u>	<u>4.70%</u>	101.50%
2016	<u>3.45%</u>	<u>3.45%</u>	101.25%	2022	<u>4.85%</u>	<u>4.85%</u>	101.50%
2017	<u>3.85%</u>	<u>3.85%</u>	101.25%				

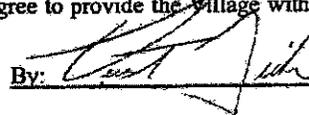
\* The Village reserves the right to increase or decrease the amount of any individual maturity of the Community Development Bonds in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

We enclose our good faith deposit in the amount of \$77,700, to be held by you pending delivery and payment. Alternatively, we have provided a financial surety bond or have wired our good faith deposit to the KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3183661. If our bid is not accepted, said deposit shall be promptly returned to us. If the good faith deposit is wired to such escrow account, we agree to the conditions and duties of Ehlers & Associates, Inc., as escrow holder of the good faith deposit, pursuant to this Preliminary Official Statement dated April 9, 2010. This bid is for prompt acceptance and is conditional upon deposit of said Community Development Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about May 11, 2010.

This bid is subject to the Village's covenant and agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for this Issue.

We have received and reviewed the Preliminary Official Statement and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Village with the reoffering price of the Community Development Bonds within 24 hours of the bid acceptance.

Account Manager: **M & I MARSHALL & ILSLEY BANK**  
Account Members: NONE

By: 

Award will be on a true interest cost basis, treating the credit available to the Village if the Community Development Bonds are issued as Taxable Build America Bonds constituting "Build America Bonds" as a reduction in each interest payment. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 11, 2010 of the above bid is \$1,416,311.95 and the true interest cost (TIC) is 4.3543%.

The foregoing offer is hereby accepted by and on behalf of the Board of Trustees of the Village of Shorewood, Wisconsin, on April 19, 2010.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

# Village of Shorewood

\$3,885,000 General Obligation Community Development Bonds, Series 2010A

Dated: May 11, 2010 | Winning Bidder: M & I Marshall & Ilsley Bank

## Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
05/01/2012	Serial Coupon	1.350%	1.350%	125,000.00	100.000%	125,000.00
05/01/2013	Serial Coupon	2.100%	2.100%	150,000.00	100.000%	150,000.00
05/01/2014	Serial Coupon	2.500%	2.500%	200,000.00	100.000%	200,000.00
05/01/2015	Serial Coupon	3.050%	3.050%	250,000.00	100.000%	250,000.00
05/01/2016	Serial Coupon	3.450%	3.450%	300,000.00	100.000%	300,000.00
05/01/2017	Serial Coupon	3.850%	3.850%	400,000.00	100.000%	400,000.00
05/01/2018	Serial Coupon	4.050%	4.050%	400,000.00	100.000%	400,000.00
05/01/2019	Serial Coupon	4.250%	4.250%	425,000.00	100.000%	425,000.00
05/01/2020	Serial Coupon	4.450%	4.450%	450,000.00	100.000%	450,000.00
05/01/2021	Serial Coupon	4.700%	4.700%	535,000.00	100.000%	535,000.00
05/01/2022	Serial Coupon	4.850%	4.850%	650,000.00	100.000%	650,000.00
<b>Total</b>	-	-	-	<b>\$3,885,000.00</b>	-	<b>\$3,885,000.00</b>

### Bid Information

Par Amount of Bonds	\$3,885,000.00
Gross Production	\$3,885,000.00
Total Underwriter's Discount (0.835%)	\$(32,436.95)
Bid (99.165%)	3,852,563.05
<b>Total Purchase Price</b>	<b>\$3,852,563.05</b>
Bond Year Dollars	\$32,452.08
Average Life	8.353 Years
Average Coupon	4.2643641%
Net Interest Cost (NIC)	4.3643175%
True Interest Cost (TIC)	4.3543685%

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

# Village of Shorewood

\$3,885,000 General Obligation Community Development Bonds, Series 2010A

Dated: May 11, 2010 | Winning Bidder: M & I Marshall & Ilsley Bank

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/11/2010	-	-	-	-	-
11/01/2010	-	-	72,802.50	72,802.50	72,802.50
05/01/2011	-	-	77,085.00	77,085.00	-
11/01/2011	-	-	77,085.00	77,085.00	154,170.00
05/01/2012	125,000.00	1.350%	77,085.00	202,085.00	-
11/01/2012	-	-	76,241.25	76,241.25	278,326.25
05/01/2013	150,000.00	2.100%	76,241.25	226,241.25	-
11/01/2013	-	-	74,666.25	74,666.25	300,907.50
05/01/2014	200,000.00	2.500%	74,666.25	274,666.25	-
11/01/2014	-	-	72,166.25	72,166.25	346,832.50
05/01/2015	250,000.00	3.050%	72,166.25	322,166.25	-
11/01/2015	-	-	68,353.75	68,353.75	390,520.00
05/01/2016	300,000.00	3.450%	68,353.75	368,353.75	-
11/01/2016	-	-	63,178.75	63,178.75	431,532.50
05/01/2017	400,000.00	3.850%	63,178.75	463,178.75	-
11/01/2017	-	-	55,478.75	55,478.75	518,657.50
05/01/2018	400,000.00	4.050%	55,478.75	455,478.75	-
11/01/2018	-	-	47,378.75	47,378.75	502,857.50
05/01/2019	425,000.00	4.250%	47,378.75	472,378.75	-
11/01/2019	-	-	38,347.50	38,347.50	510,726.25
05/01/2020	450,000.00	4.450%	38,347.50	488,347.50	-
11/01/2020	-	-	28,335.00	28,335.00	516,682.50
05/01/2021	535,000.00	4.700%	28,335.00	563,335.00	-
11/01/2021	-	-	15,762.50	15,762.50	579,097.50
05/01/2022	650,000.00	4.850%	15,762.50	665,762.50	-
11/01/2022	-	-	-	-	665,762.50
<b>Total</b>	<b>\$3,885,000.00</b>	<b>-</b>	<b>\$1,383,875.00</b>	<b>\$5,268,875.00</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$32,452.08
Average Life	8.353 Years
Average Coupon	4.2643641%
Net Interest Cost (NIC)	4.3643175%
True Interest Cost (TIC)	4.3543685%
Bond Yield for Arbitrage Purposes	4.2327092%
All Inclusive Cost (AIC)	4.4875181%

### IRS Form 8038

Net Interest Cost	4.2643641%
Weighted Average Maturity	8.353 Years

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
MILWAUKEE COUNTY  
NO. R- VILLAGE OF SHOREWOOD \$  
TAXABLE GENERAL OBLIGATION COMMUNITY DEVELOPMENT BOND, SERIES  
2010A (BUILD AMERICA BOND - DIRECT PAYMENT)

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
May 1, May 11, 2010 %

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO

PRINCIPAL AMOUNT: THOUSAND DOLLARS  
(\$ )

FOR VALUE RECEIVED, the Village of Shorewood, Milwaukee County, Wisconsin (the "Village"), 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 May 1 and November 1 of each year commencing on November 1, 2010 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond 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 Bond is registered on the Bond Register maintained by the Village Clerk/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 Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

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

This Bond is one of an issue of Bonds aggregating the principal amount of \$3,885,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the Village pursuant to the provisions of Section 67.04,

Wisconsin Statutes, for the purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the Village's Tax Incremental Districts No. 1 and No. 3, all as authorized by resolutions of the Village Board duly adopted by said governing body at meetings held on March 15, 2010 and April 19, 2010. Said resolutions are recorded in the official minutes of the Village Board for said dates.

The Bonds maturing on May 1, 2018 and thereafter are subject to redemption prior to maturity, at the option of the Village, on May 1, 2017 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Village and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

The Bonds shall also be subject to redemption prior to maturity, in whole or in part, at the option of the Village, on any day, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the date of redemption, in the event that an Extraordinary Event occurs.

An "Extraordinary Event" will have occurred if either (a) Section 54AA or 6431 of the Internal Revenue Code of 1986, as amended, is repealed, amended or modified in a manner which results in a reduction or elimination of the Village's 35% cash subsidy payment from the United States Treasury or (b) the United States Treasury fails to make a cash subsidy payment to which the Village is entitled and such failure is not caused by any action or inaction by the Village.

In the event the Bonds are redeemed prior to maturity, as long as the Bonds 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 Bonds of a maturity are to be called for redemption, the Bonds 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 Bonds 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 Bonds 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 Bonds 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 Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the Village, including this Bond 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 Bond, together with the interest thereon, when and as payable.

This Bond has been designated by the Village Board as a qualified Build America Bond - Direct Payment within the meaning of Subsection 54AA(g) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the Village 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 Bonds, and the Village appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, upon surrender of this Bond 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 Bond 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 Village 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 Bonds (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 Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and Village may treat and consider the Depository in whose name this Bond 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 Bonds are issuable solely as negotiable, fully-registered Bonds 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 Village of Shorewood, Milwaukee County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified President and Village Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

VILLAGE OF SHOREWOOD,  
MILWAUKEE COUNTY, WISCONSIN

(SEAL)

By: \_\_\_\_\_  
Amy Johnson  
President

By: \_\_\_\_\_  
Sherry Grant  
Village Clerk/Treasurer

**COPY!**

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 Bond and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Bond 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 Bond in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Officer)