

RESOLUTION NO. 2024-04

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$6,300,000 GENERAL OBLIGATION PROMISSORY NOTES AND AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED \$6,300,000 NOTE ANTICIPATION NOTES IN ANTICIPATION THEREOF

WHEREAS, the Village Board hereby finds and determines that it is necessary, desirable and in the best interest of the Village of Pewaukee, Waukesha County, Wisconsin (the "Village") to raise funds for public purposes, including paying the cost of capital improvement projects consisting of road, water, sanitary sewer and storm water projects (collectively, 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, it is the finding of the Village Board that it is necessary, desirable and in the best interest of the Village to authorize the issuance of and covenant to issue general obligation promissory notes (the "Securities") to provide permanent financing for the Project;

WHEREAS, the Securities have not yet been issued or sold;

WHEREAS, villages are authorized by the provisions of Section 67.12(1)(b), Wisconsin Statutes, to issue note anticipation notes in anticipation of receiving the proceeds from the issuance and sale of the Securities;

WHEREAS, it is the finding of the Village Board that it is necessary, desirable and in the best interest of the Village to authorize the issuance and sale of note anticipation notes pursuant to Section 67.12(1)(b), Wisconsin Statutes (the "Notes"), in anticipation of receiving the proceeds from the issuance and sale of the Securities, to provide interim financing to pay the cost of the Project;

WHEREAS, it is the finding of the Village Board that it is necessary, desirable and in the best interest of the Village to authorize the issuance of and to sell the Notes to Robert W. Baird & Co. Incorporated (the "Purchaser");

WHEREAS, the Purchaser intends to submit a note purchase proposal to the Village (the "Proposal") offering to purchase the Notes in accordance with the terms and conditions to be set forth in the Proposal; and

WHEREAS, in order to facilitate the sale of the Notes to the Purchaser in a timely manner, the Village Board hereby finds and determines that it is necessary, desirable and in the best interest of the Village to delegate to the Village Administrator and Village Clerk (the "Authorized Officers") of the Village the authority to accept the Proposal on behalf of the Village so long as the Proposal meets the terms and conditions set forth in this Resolution by

executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

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

Section 1. Authorization and Issuance of Securities. The Village hereby authorizes the issuance and declares its intention and covenants to issue the Securities pursuant to the provisions of Chapter 67, Wisconsin Statutes, in an amount sufficient to retire the Notes.

Section 2. Authorization and Sale of the Notes; Parameters. For the purpose of paying costs of the Project, there shall be borrowed pursuant to Section 67.12(1)(b), Wisconsin Statutes, the principal sum of not to exceed SIX MILLION THREE HUNDRED THOUSAND DOLLARS (\$6,300,000) from the Purchaser upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 18 of this Resolution, the President and Village 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 Village, Notes aggregating the principal amount of not to exceed SIX MILLION THREE HUNDRED THOUSAND DOLLARS (\$6,300,000). The purchase price to be paid to the Village for the Notes shall not be less than 98.50% of the principal amount of the Notes and the difference between the initial public offering price of the Notes and the purchase price to be paid to the Village by the Purchaser shall not exceed 1.50% of the principal amount of the Notes, with an amount not to exceed 0.50% of the principal amount of the Notes representing the Purchaser's compensation and an amount not to exceed 1.00% of the principal amount of the Notes representing costs of issuance, including bond insurance premium (if any), payable by the Purchaser or the Village.

Section 3. Terms of the Notes. The Notes shall be designated "Note Anticipation Notes"; shall be issued in the aggregate principal amount of up to \$6,300,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature on April 15, 2025.

Interest shall be payable at maturity. The true interest cost on the Notes (computed taking the Purchaser's compensation into account) shall not exceed 5.00%. 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.

Section 4. Redemption Provisions. The Notes shall not be subject to optional redemption or shall be callable as set forth on the Approving Certificate.

Section 5. 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 B and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the Village and do not constitute an indebtedness of the Village nor a charge against its general credit or taxing power. No lien is created upon the Project or any other property of the Village as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes

set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the Village Clerk and expended solely for the payment of the principal of and interest on the Notes until paid. The Village hereby agrees that, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the Village will pay such deficiency out of its annual general tax levy or other available funds of the Village; provided, however, that such payment shall be subject to annual budgetary appropriations therefor and any applicable levy or revenue limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the Village to make any such appropriation or any further payments.

Section 7. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There shall 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 Note Anticipation Notes - 2024" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the Village at the time of delivery of and payment for the Notes; (ii) any proceeds of the Notes representing capitalized interest on the Notes or other funds appropriated by the Village for payment of interest on the Notes, as needed to pay the interest on the Notes when due; (iii) proceeds of the Securities (or other obligations of the Village issued to pay principal of or interest on the Notes); (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due and which are appropriated by the Village Board for that purpose; (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 that such monies may be invested 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. Said account shall be used for the sole purpose of paying the principal of and interest on the Notes and shall be maintained for such purpose until the Notes are fully paid or otherwise extinguished, and shall at all times be invested in a manner that conforms 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 Village, unless the Village Board directs otherwise.

Section 8. Covenants of the Village. The Village hereby covenants with the owners of the Notes as follows:

(A) It shall issue and sell the Securities as soon as practicable, as necessary to provide for payment of the Notes;

(B) It shall segregate the proceeds derived from the sale of the Securities into the special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said trust fund may be used for such other purposes as the Village Board may direct in accordance with law; and,

(C) It shall maintain a debt limit capacity such that its combined outstanding principal amount of general obligation bonds or notes or certificates of indebtedness and the \$6,300,000 authorized for the issuance of the Securities to provide for the payment of the Notes shall at no time exceed its constitutional debt limit.

Section 9. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium 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 (the "Borrowed Money Fund") separate and distinct from all other funds of the Village and disbursed solely for the purpose or purposes for which borrowed. 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 purpose or 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 purpose(s) shall be deposited in the Debt Service Fund Account.

Section 10. 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 Village, 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 11. Compliance with Federal Tax Laws. (a) The Village represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes 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 tax-exempt status of the interest on the Notes

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 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 Village Clerk or other officer of the Village charged with the responsibility of issuing the Notes 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.

(b) 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 Notes provided that in meeting such requirements the Village 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 12. 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 13. Execution of the Notes; Closing; Professional Services. The Notes 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 Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the Village 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 Village hereby authorizes the officers and agents of the Village 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 14. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the Village's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Village hereby authorizes the President and Village Clerk or other appropriate officers of the Village to enter into a Fiscal

Agency Agreement between the Village and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

Section 15. Persons Treated as Owners; Transfer of Notes. The Village 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 President and Village 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 Village shall cooperate in any such transfer, and the President and Village Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 16. Record Date. The last day of the calendar month next preceding the 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 Village at the close of business on the Record Date.

Section 17. 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 Village agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the Village Clerk or other authorized representative of the Village is authorized and directed to execute and deliver to DTC on behalf of the Village to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the Village Clerk's office.

Section 18. Condition on Issuance and Sale of the Notes. The issuance of the Notes and the sale of the Notes to the Purchaser are subject to approval by the Authorized Officers of the principal amount, redemption provisions, interest rate and purchase price for the Notes, which approval shall be evidenced by execution by the Authorized Officers of the Approving Certificate.

The Notes shall not be issued, sold or delivered until this condition is satisfied. Upon satisfaction of this condition, the Authorized Officers are authorized to execute a Proposal with the Purchaser providing for the sale of the Notes to the Purchaser.

Section 19. Official Statement. The Village Board hereby directs the Authorized Officers to approve the Preliminary Official Statement with respect to the Notes and deem 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 the Authorized Officers or other 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 20. Undertaking to Provide Continuing Disclosure. The Village 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 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 Village to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

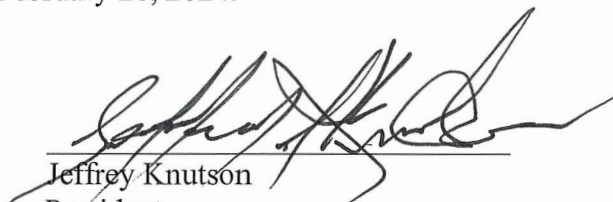
To the extent required under the Rule, the President and Village Clerk, or other officer of the Village charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Village's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

Section 21. 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 Notes in the Record Book.

Section 22. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, 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 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 23. 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 February 20, 2024.



Jeffrey Knutson
President

ATTEST:



Casandra Smith
Village Clerk



EXHIBIT A

APPROVING CERTIFICATE

The undersigned Village Administrator and Village Clerk of the Village of Pewaukee, Waukesha County, Wisconsin (the "Village"), hereby certify that:

1. Resolution. On February 20, 2024, the Village Board of the Village adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$6,300,000 Note Anticipation Notes of the Village (the "Notes") to Robert W. Baird & Co. Incorporated (the "Purchaser") and delegating to us the authority to approve the Preliminary Official Statement, to approve the purchase proposal for the Notes, and to determine the details for the Notes within the parameters established by the Resolution.

2. Proposal; Terms of the Notes. On the date hereof, the Purchaser offered to purchase the Notes in accordance with the terms set forth in the Note Purchase Agreement between the Village and the Purchaser attached hereto as Schedule I (the "Proposal"). The Proposal meets the parameters established by the Resolution and is hereby approved and accepted.

The Notes shall be issued in the aggregate principal amount of \$ _____, which is not more than the \$6,300,000 approved by the Resolution, and shall mature on April 15, 2025 and shall bear interest at the rate per annum as set forth in the Pricing Summary attached hereto as Schedule II and incorporated herein by this reference.

The true interest cost on the Notes (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 5.00%, as required by the Resolution.

3. Purchase Price of the Notes. The Notes shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$ _____, plus accrued interest, if any, to the date of delivery of the Notes, which is not less than 98.50% of the principal amount of the Notes, as required by the Resolution.

The difference between the initial public offering prices provided by the Purchaser of the Notes (\$ _____) and the purchase price to be paid to the Village by the Purchaser (\$ _____) is \$ _____, or _____% of the principal amount of the Notes, which does not exceed 1.50% of the principal amount of the Notes. The portion of such amount representing Purchaser's compensation is \$ _____, or not more than 0.50% of the principal amount of the Notes. The amount representing other costs of issuance [to be paid by the Village] is \$ _____, which does not exceed 1.00% of the principal amount of the Notes.

4. Redemption Provisions of the Notes. [The Notes are not subject to optional redemption.] [The Notes are subject to redemption prior to maturity, at the option of the Village, on _____, _____ or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.]

5. Preliminary Official Statement. The Preliminary Official Statement with respect to the Notes is hereby approved and deemed "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.

6. Approval. This Certificate constitutes our approval of the Proposal, and the principal amount, interest rate, purchase price and redemption provisions for the Notes, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, we have executed this Certificate on _____, 2024 pursuant to the authority delegated to us in the Resolution.

Scott A. Gosse
Village Administrator

Cassandra Smith
Village Clerk

SCHEDULE I TO APPROVING CERTIFICATE

Proposal

To be provided by the Purchaser and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE II TO APPROVING CERTIFICATE

Pricing Summary

To be provided by the Purchaser and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE III TO APPROVING CERTIFICATE

Debt Service Schedule

To be provided by the Purchaser and incorporated into the Certificate.

(See Attached)

COPY

EXHIBIT B

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
WAUKESHA COUNTY
NO. R-___ VILLAGE OF PEWAUKEE \$_____
NOTE ANTICIPATION NOTE

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
April 15, 2025 _____, 20____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the Village of Pewaukee, Waukesha 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 at maturity. 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 Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto at the close of business on the last day of the calendar month next preceding each 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.

This Note is one of an issue of Notes aggregating the principal amount of \$_____, all of which are of like tenor, except as to denomination, issued by the Village pursuant to the provisions of Section 67.12(1)(b), Wisconsin Statutes, in anticipation of the sale of general obligation promissory notes (the "Securities"), to provide interim financing for public purposes, including paying the cost of capital improvement projects consisting of road, water, sanitary sewer and storm water projects (collectively, the "Project"), as authorized by a resolution adopted on February 20, 2024 as supplemented by an Approving Certificate, dated _____, 2024 (collectively, the "Resolution"). Said Resolution is recorded in the official minutes of the Village Board for said date.

This Note shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds have been declared to constitute a special trust fund to be held by the Village Clerk or Village Treasurer and expended solely for the payment of the principal of and interest on the Notes until paid.

The Village has authorized the issuance of the Securities and has covenanted to issue the Securities in an amount sufficient to repay the Notes pursuant to said resolution. **THE NOTES ARE NOT A GENERAL OBLIGATION OF THE VILLAGE AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION NOR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. NO LIEN IS CREATED UPON THE PROJECT OR ANY OTHER PROPERTY OF THE VILLAGE AS A RESULT OF THE ISSUANCE OF THE NOTES.**

[This Note is not subject to optional redemption.]

[The Notes are subject to redemption prior to maturity, at the option of the Village, on _____ or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part 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 and date of the Notes called for redemption, CUSIP number, 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. The Village has authorized and covenanted to issue and sell the Securities, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Securities into a special trust fund for the payment of the principal of and interest on this Note.

This Note has been designated by the Village Board 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 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 Notes, and the Village 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 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 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 Village 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.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

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.

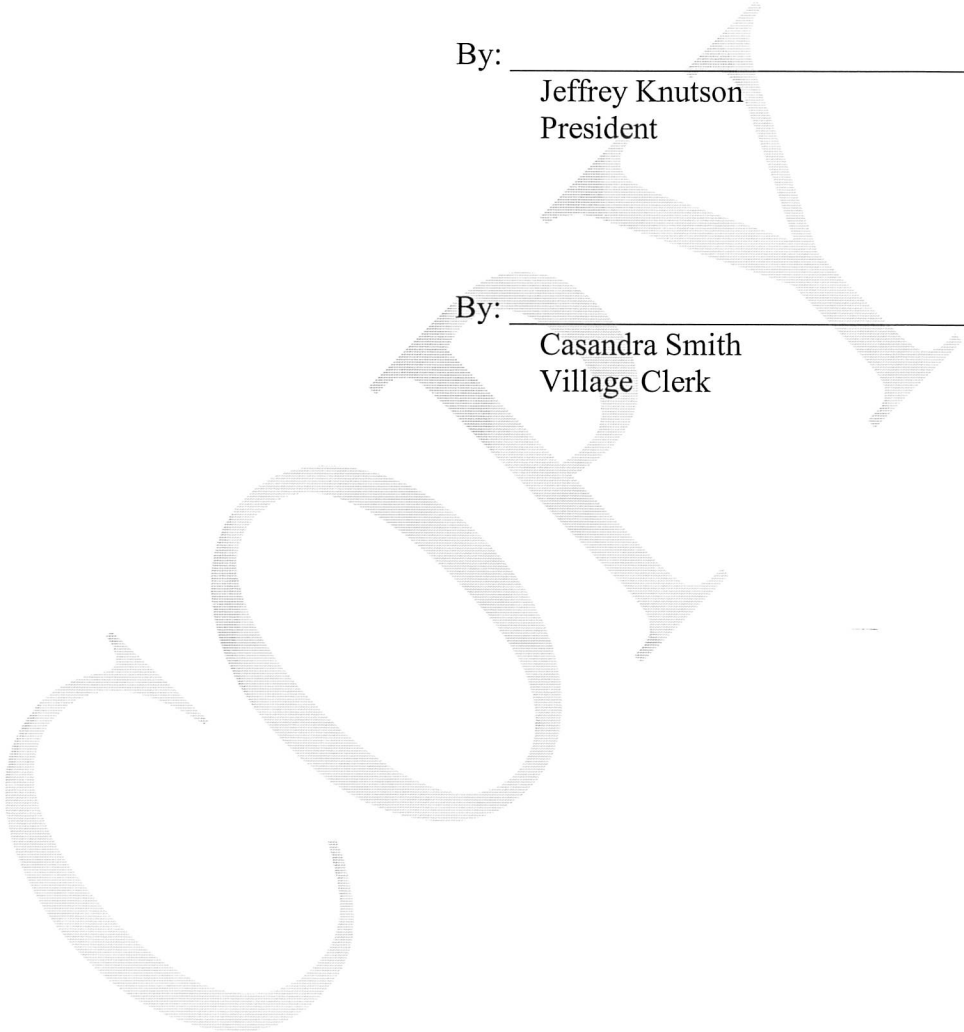
IN WITNESS WHEREOF, the Village of Pewaukee, Waukesha County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified President and Village Clerk; and to be sealed with its official or corporate seal, if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

VILLAGE OF PEWAUKEE
WAUKESHA COUNTY, WISCONSIN

By: _____
Jeffrey Knutson
President

(SEAL)

By: _____
Casandra Smith
Village Clerk



Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned Resolution of the Village of Pewaukee, Waukesha County, Wisconsin.

ASSOCIATED TRUST COMPANY,
NATIONAL ASSOCIATION,
GREEN BAY, WISCONSIN

By _____
Authorized Signatory

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 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:

(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)

