

**MODE ADDENDUM**  
**ROLLING TENDER VARIABLE RATE BONDS**  
**(RTV MODE)**  
**FOR THE**  
**TRUST INDENTURE**  
  
**by and between**  
  
**CITY OF MILWAUKEE**  
  
**and**  
  
**U.S. BANK NATIONAL ASSOCIATION,**  
  
**as trustee**  
  
**dated as of July 1, 2012**  
  
**Relating To**  
  
**CITY OF MILWAUKEE**  
**GENERAL OBLIGATION CORPORATE PURPOSE**  
**MULTIMODAL BONDS**  
**SERIES 2012 V10**

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**MODE ADDENDUM**  
**ROLLING TENDER VARIABLE RATE BONDS**  
**(RTV MODE)**

**THIS MODE ADDENDUM ROLLING TENDER VARIABLE RATE BONDS (RTV MODE)**, dated as of July 1, 2012 (this “RTV Mode Addendum”), is between the **CITY OF MILWAUKEE** (the “City”), a municipal corporation of the State of Wisconsin, and **U.S. BANK NATIONAL ASSOCIATION** (the “Trustee”), a national banking association, supplementing and amending the Trust Indenture dated as of July 1, 2012 (the “Original Indenture”) between the City and the Trustee,

**WITNESSETH:**

**WHEREAS**, the Original Indenture permits the creation of a Mode by a Mode Addendum; and

**WHEREAS**, the City desires to permit Bonds to be issued in as Rolling Tender Variable Rate Bonds in the RTV Mode (the “RTV Mode”); and

**WHEREAS**, the execution and delivery of this RTV Mode Addendum has in all respects been duly authorized.

**NOW, THEREFORE**, IT IS HEREBY COVENANTED AND AGREED in this RTV Mode Addendum, by and among the City, the Trustee and the Owners of the Bonds from time to time, that the terms and conditions upon which the Bonds in the RTV Mode are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the Owners thereof, and the trusts and conditions upon which the moneys and securities hereby pledged are to be held and disposed of, which trusts and conditions the Trustee hereby accepts, are as follows:

**ARTICLE I**

**DEFINITIONS AND CONSTRUCTION**

**Section 1.1 Definitions.** The terms used in the RTV Mode Addendum and not otherwise defined herein, shall, except as otherwise stated herein, have the meaning assigned to them in the Original Indenture. Additionally, the following terms shall, for all purposes of this RTV Mode Addendum, have the following meanings unless a different meaning clearly appears from the context:

“*Applicable RTV Extension Sequence Bonds*” means, in the case of Bonds in the RTV Mode, each subset of Bonds in an RTV Extension Sequence with a specific Extended Mandatory Purchase Date, which Bonds shall have a different CUSIP number from the Bonds issued on the Date of Issuance and from any Bonds in an RTV Extension Sequence with a different Extended Mandatory Purchase Date.

*“Authorized Denominations”* means \$100,000 or any integral multiple of \$5,000 above \$100,000.

*“Bond”* unless context dictates otherwise, Bond shall mean a bond in RTV Mode, and not any other bond outstanding under the Original Indenture.

*“Extended Mandatory Purchase Date”* means the first Business Day on or after the same calendar day of the 6th month after the Optional Purchase Date for a Bond (if the 6th month does not have that calendar day, then the 1st Business Day of the 7th month), or any RTV Purchase Acceleration Date.

*“Electronic Means”* means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth above; provided, however, that if any person required to give a notice by Electronic Means shall not have been provided with the necessary information as to telephone or facsimile number or email address of an addressee, Electronic Means shall mean written notice by first class mail postage prepaid.

*“Extension Rate”* means the per annum interest rate on any Bond during an RTV Extension Period, which rate shall be determined by the Calculation Agent based, in the manner described below, on the short-term ratings of the applicable Bond by Fitch, Moody’s and S&P on the applicable Rate Determination Date, as determined by the Calculation Agent (which, absent actual knowledge to the contrary, may assume for such purpose that the applicable rating is the initial short-term rating on the applicable Bonds by the applicable rating agency) as follows:

SHORT TERM RATINGS			INTEREST RATE NUMBER OF INTEREST PAYMENT DATES SINCE NO BONDS BORE INTEREST AT AN EXTENSION RATE	
Fitch	Moody's	S&P	0-3	4+
F-1+	P-1	A-1+	One Year MMD Rate plus 100 basis points	Thirty Year MMD Rate plus 100 basis points
F-1	--	A-1	One Year MMD Rate plus 200 basis points	Thirty Year MMD Rate plus 200 basis points
F-2	P-2	A-2	Thirty Year MMD Rate plus 300 basis points	Thirty Year MMD Rate plus 300 basis points
F-3	P-3	A-3	Thirty Year MMD Rate plus 400 basis points	Thirty Year MMD Rate plus 400 basis points
Lower than F-3 (or insufficient number of ratings)	Lower than P-3 (or insufficient number of ratings)	Lower than A-3 (or insufficient number of ratings)	Maximum Rate	Maximum Rate

For purposes of determining any Extension Rate other than the Maximum Rate, a short-term rating on the applicable Bond shall be required from at least two Rating Agencies, and the applicable interest rate shall be the highest interest rate set forth above (in the grid box corresponding, as of the Interest Payment Date on which the applicable RTV Extension Period begins, to the number of Interest Payment Dates that have occurred since the last Interest Payment Date on which no Bonds bore interest at an Extension Rate) opposite a line that contains any of the short-term ratings in effect for the applicable Bond at the time of determination by the Calculation Agent of the applicable Extension Rate. For example, in the case of a Bond rated F-1 by Fitch, P-1 by Moody's and A-1+ by S&P, the Extension Rate would be determined by reference to the row containing F-1 (the lowest applicable rating); on each of the first four Interest Payment Dates following the last Interest Payment Date on which no Bonds bore interest at an Extension Rate, the Calculation Agent would determine the One Year MMD Rate in effect as of the applicable Interest Payment Date and add 200 basis points to establish the Extension Rate in effect for the RTV Extension Period that begins on the applicable Interest Payment Date; on each of the fifth and any subsequent Interest Payment Dates following the last Interest Payment Date on which no Bonds bore interest at an Extension Rate, the Calculation Agent would determine the Thirty Year MMD Rate in effect as of the applicable Interest Payment Date and add 200 basis points to establish the Extension Rate in effect for the RTV Extension Period that begins on the applicable Interest Payment Date. The same Extension Rate would be applicable to a Bond rated P-1 by Moody's and A-1 by S&P or to a Bond rated F-1+ by Fitch, P-1 by Moody's and A-1 by S&P.

Notwithstanding any of the foregoing, the Extension Rate shall not exceed the Maximum Rate.

*“Final Mandatory Purchase Date”* means with respect to a Bond with an Optional Purchase Date on or before September 1 of a year, the next following January 15th and with respect to a Bond with an Optional Purchase Date after September 1 and before the next following January, the January 15th of the second following year.

*“Interest Payment Date”* means each date on which interest is to be paid and is the first Business Day of each month, any Mode Change Date, the Maturity Date and any Mandatory Purchase Date.

*“Issuer Mandatory Purchase Date”* means (i) for a Bond bearing interest at an RTV Weekly Rate, a Business Day selected by the City by notice to the Trustee, which day shall be no earlier than the 30<sup>th</sup> day following the date such notice was given from the City to the Trustee; provided that such day shall not constitute an Issuer Mandatory Purchase Date if on such Business Day the City has not provided or caused to be provided to the Trustee funds for the purchaser of the applicable Bond, and (ii) for a Bond bearing interest at an Extension Rate, a Business Day selected by the City by notice to the Trustee, unless on such Business Day the Remarketing Agent is unable to remarket such Bond at par bearing interest at the applicable RTV Weekly Rate.

*“Mandatory Purchase Date”* means the applicable Extended Mandatory Purchase Date, any applicable Issuer Mandatory Purchase Date or any Mode Change Date.

*“Optional Purchase Date”* means in the case of Bonds bearing interest at the RTV Weekly Rate for which a Tender Notice has been delivered in accordance with the Indenture, the date that is seven calendar days after the Owner Optional Tender Notice Date (or if such date is not a Business Day, the preceding Business Day).

*“Owner Optional Tender Notice Date”* means the date as defined in Section 4.2(a) hereof.

*“Rate Determination Date”* means any date on which the interest rate on Bonds shall be determined, which shall be (i) for a Bond in the RTV Weekly Rate Period (except in the case of the initial RTV Weekly Rate Period following a Mode Change Date or RTV Period Change Date), the applicable Rate Reset Date; (ii) for a Bond bearing interest at the Extension Rate, the first day of the applicable RTV Extended Period, and (iii) in the case of the initial RTV Weekly Rate following a Mode Change Date, a date determined by the Remarketing Agent which shall be no later than the applicable Mode Change Date.

*“Rate Reset Date”* means each Thursday, or, if a particular Thursday is not a Business Day, the first Business Day succeeding such Thursday.

*“Record Date”* means the last Business Day before an Interest Payment Date.

*“RTV Extension Period”* means each period in the RTV Mode during which a Bond shall bear interest at an Extension Rate, which period shall

(a) begin

(i) on the first Business Day of the month on or after any Optional Purchase Date if a Bond bearing interest at an RTV Weekly Rate for which a Tender Notice has been delivered in accordance with Section 4.2(a) hereof is not remarketed in accordance with Section 4.2(c) hereof or purchased from amounts provided by the City in its discretion, and

(ii) in the case of any other RTV Extension Period in an RTV Extension Sequence: on the Interest Payment Date following the preceding RTV Extension Period and

(b) end on the day preceding the earliest to occur of

(i) the next Interest Payment Date,

(ii) the next Mandatory Purchase Date,

(iii) the date on which such Bond is redeemed,

(iv) a Mode Change Date or Conversion Date for such Bond or

(v) the Maturity Date.

*“RTV Extension Sequence”* means, for a Bond bearing interest at an Extension Rate, the period commencing on the day immediately following the end of the most recent RTV Weekly Rate Period for such Bond.

*“RTV Mode”* means the Mode during which the Bonds bear interest pursuant to this RTV Mode Addendum.

*“RTV Purchase Acceleration Date”* means for any Bond that has been in an RTV Extension Sequence for at least 90 days as of such date, any date that is an Extended Mandatory Purchase Date for any other Bond if such other Bond has not been remarketed prior to such Extended Mandatory Purchase Date.

*“RTV Rate”* means the per annum interest rate on any Bond in the RTV Mode. The RTV Rate on a Bond shall be the applicable RTV Weekly Rate or, during an RTV Extension Period with respect to such Bond, the applicable Extension Rate.

*“RTV Rate Period”* means each RTV Weekly Rate Period or RTV Extension Period during which a Bond bears interest at an RTV Rate.

*“RTV Weekly Rate”* means the per annum interest rate on any Bond in the RTV Mode during an RTV Weekly Rate Period, as determined pursuant to Section 3.2 hereof.

*“RTV Weekly Rate Period”* means each period during which a Bond shall bear an RTV Weekly Rate, which shall be a period generally consisting of 7 days commencing on a Thursday

(or, if a particular Thursday is not a Business Day, the first Business Day succeeding such Thursday) and ending on the next Wednesday (or, if the Thursday after such Wednesday is not a Business Day, on the day immediately preceding the next Rate Reset Date), except in the case of (i) the initial RTV Weekly Rate Period occurring after a Mode Change Date involving a change from another Mode to an RTV Weekly Rate Period in the RTV Mode, for which the period shall be from the applicable Mode Change Date to and including the day preceding the first day of the next RTV Weekly Rate Period; (ii) the last RTV Weekly Rate Period during an RTV Mode for such Bond, for which the period shall end on the day preceding the applicable Mode Change Date, Conversion Date, redemption date or Maturity Date; (iii) the last RTV Weekly Rate Period preceding an RTV Extension Period for the applicable Bond, for which the period shall end on the day preceding the applicable RTV Extension Period and (iv) any period occurring during an RTV Extension Period.

“*Tender Notice*” means a notice delivered by Electronic Means or in writing that states (i) the Series description, CUSIP, and principal amount of such Bond to be purchased pursuant to Section 4.2(a) hereof, (ii) electronic and telephone contact information of the tenderer, and applicable payment instructions with respect to the Bonds being tendered for purchase, and (iii) an irrevocable demand for such purchase.

**Section 1.2 Miscellaneous Definitions.** As used herein, and unless the context shall otherwise indicate, the words “Bond,” “Owner,” and “Person” shall include the plural as well as the singular number.

As used herein, the terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this RTV Mode Addendum.

Unless otherwise provided herein, all references to a particular time are to New York City Time.

Unless the context shall otherwise indicate, references herein to articles, sections, subsections, clauses, paragraphs and other subdivisions refer to the designated articles, sections, subsections, clauses, paragraphs and other subdivisions of this RTV Mode Addendum as originally executed.



## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

**Section 2.1 Authorization and Issuance of Bonds.** The Bonds in RTV Mode shall be issuable substantially in the form attached as *Exhibit A* hereto in accordance with Article II of the Original Indenture, with such appropriate variations, omissions and insertions as are permitted or required by this RTV Mode Addendum or the Original Indenture.

## ARTICLE III

### CALCULATION AND PAYMENT OF INTEREST AND CHANGE IN MODE

#### Section 3.1 Calculation of Interest.

(a) Interest shall be calculated on the basis of a 365/366 day year for the actual number of days elapsed.

(b) Notwithstanding any provision to the contrary herein, no Bond shall bear interest at an interest rate higher than the Maximum Rate.

(c) In the absence of manifest error, the determination of interest rates (including any determination of rates in connection with a New Mode), any spread and interest periods established by the Remarketing Agent and the record of interest rates maintained by the Trustee shall be conclusive and binding upon the Remarketing Agent, the Trustee, the City, the Owners and the Beneficial Owners.

(d) The RTV Mode shall be deemed a Short-Term Mode under the Original Indenture.

#### Section 3.2 Determination of Interest Rate.

(a) The interest rate for a Bond while in an RTV Weekly Rate Period during the RTV Mode shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, in the opinion of the Remarketing Agent under then-existing market conditions, would result in the sale of the Bonds for the upcoming RTV Weekly Rate Period of the RTV Mode at a price equal to the principal amount thereof plus accrued interest, if any. The applicable Rate Determination Date during the RTV Mode shall be (a) for a Bond in the RTV Weekly Rate Period (except in the case of the initial RTV Weekly Rate Period following a Mode Change Date or RTV Period Change Date), each Thursday, or, if a particular Thursday is not a Business Day, the first Business Day succeeding such Thursday; (b) for a Bond bearing interest at the Extension Rate, the first day of the applicable RTV Extended Period, and (c) in the case of the initial RTV Weekly Rate following a Mode Change Date, a date determined by the Remarketing Agent which shall be no later than the applicable Mode Change Date.

(b) With respect to each RTV Weekly Rate Period occurring during the RTV Mode, the Remarketing Agent shall establish the RTV Weekly Rate by 10:00 A.M. on the applicable

Rate Determination Date. The Remarketing Agent shall make the RTV Weekly Rate available after 10:00 A.M. on each Rate Determination Date by telephone or Electronic Means to the Trustee, the City, and to any Beneficial Owner or other Notice Party requesting such rate.

(c) While a Bond is in an RTV Extension Period during the RTV Mode, the Bonds shall bear interest at the Extension Rate. The Calculation Agent shall establish the Extension Rate by 12:00 P.M. on the applicable Rate Determination Date. The Calculation Agent shall make the Extension Rate available after 12:00 P.M. on the applicable Rate Determination Date by telephone or Electronic Means to the Trustee and any Beneficial Owner or other Notice Party requesting such rate.

(d) A Bond bearing interest at the Extension Rate that is remarketed on a Mandatory Purchase Date during the RTV Mode shall bear interest at the applicable RTV Weekly Rate after such remarketing.

(e) During any period in which an Additional Event of Default for any Bond in RTV Mode has occurred and is continuing, a Bond in the RTV Mode shall bear interest at the Maximum Rate.

(f) During the RTV Mode, the City shall notify the Calculation Agent, the Trustee and the Remarketing Agent by phone call and Electronic Means of any change in any of the short-term ratings on the Bonds no later than the Business Day following the date on which the City receives notice from the applicable rating agency of the applicable change or otherwise becomes aware of such change.

**Section 3.3 Alternate Rates.** While Bonds are in the RTV Weekly Rate Period of the RTV Mode, the following provisions shall apply in the event (i) the Remarketing Agent fails or is unable to determine the interest rate or Interest Period for any Bonds, (ii) the method by which the Remarketing Agent determines the interest rate, or Interest Period with respect to the Bonds (or the selection by the City of the Interest Periods for Bonds in the Term Rate Mode) shall be held to be unenforceable by a court of law of competent jurisdiction or (iii) the Bonds are not purchased when required to be by the terms hereof and no rate has been set for non-purchased Bonds or Bonds not subject to purchase. These provisions shall continue to apply until such time as the Remarketing Agent (or the City if applicable) again makes such determinations. In the case of clause (ii) above, the Remarketing Agent (or the City, if applicable) shall again make such determination at such time as there is delivered to the Remarketing Agent and the City a Favorable Opinion of Bond Counsel to the effect that there are no longer any legal prohibitions against such determinations. If any of the events described in clauses (i), (ii) or (iii) shall be applicable, the Bonds shall bear interest during each subsequent Interest Period at a rate per annum equal to the SIFMA Rate plus 25 basis points, as determined by the Calculation Agent in effect on the first day of such Interest Period. Such methods of rate determination shall be applicable from and after the date any of the events described in clauses (i), (ii), or (iii) first become applicable to any Bonds until such time as such events are no longer applicable to any Bonds.

**Section 3.4 Mode Changes.** Prior to the Conversion Date, subject to the provisions of this Section and the Original Indenture, the City may effect a change in Mode with respect to all or a portion of the Bonds in RTV Mode.

(a) Changes to Modes Other Than Fixed Rate Mode. All or a portion of the Bonds may be changed from RTV Mode to another Mode as follows:

(i) Mode Change Notice; Notice to Owners. Notice of the proposed change in Mode shall be given by the Trustee to the Owners of the applicable Bonds as provided for in the Original Indenture. The notices described in 3.5(a)(i) of the Original Indenture shall not be required for Bonds bearing interest at a Extension Rate or Maximum Rate.

(ii) Determination of Interest Rates. When converting to RTV Mode, the new Mode shall commence on the Mode Change Date and the interest rate shall be determined by the Remarketing Agent in the manner provided in Section 3.2 of this RTV Mode Addendum.

(iii) Conditions Precedent. The Mode Change Date shall be any Business Day in the case of a change from the RTV Mode.

## ARTICLE IV

### OPTIONAL REDEMPTION, OPTIONAL TENDER AND MANDATORY PURCHASE OF BONDS

**Section 4.1 Optional Redemption.** Bonds in the RTV Mode are subject to optional redemption by the City, in whole or in part, in Authorized Denominations on any Business Day, at a redemption price equal to the principal amount thereof, plus, accrued interest, if any, from the end of the preceding Interest Accrual Period to the Redemption Date, provided that no Bond in the RTV Mode shall be optionally redeemed in whole or in part unless all Bonds bearing interest at an Extension Rate, as applicable, on or as of the date notice of such optional redemption is given are redeemed and that if less than all Bonds bearing interest in the RTV Mode are optionally redeemed, Bonds bearing interest at an Extension Rate shall be selected for redemption before Bonds that will bear interest at an RTV Weekly Rate immediately following the applicable optional redemption date.

### **Section 4.2 Optional Tenders of Bonds.**

(a) Owners of Bonds in an RTV Mode may elect to have their Bonds (or portions of those Bonds in amounts equal to Authorized Denominations) purchased at a price equal to the Purchase Price, upon delivery of a Tender Notice to the Trustee (with a copy to the Remarketing Agent) on any Business Day. The date the Trustee receives the notice is the "Owner Optional Tender Notice Date." The giving of such Tender Notice shall constitute the irrevocable tender for purchase of such Bond on the purchase date for such Bond designated by the Remarketing Agent pursuant to the next paragraph of this Section. As soon as practicable upon receipt of a Tender Notice, but not later than 12:00 Noon, Eastern Time, on the day following receipt of the Tender Notice, the Trustee shall notify the Remarketing Agent and the City by Electronic Means,

of receipt of such notice, the name of the Beneficial Owner and the principal amount of Bonds tendered.

(b) Upon receipt by the Remarketing Agent of the Tender Notice, the Remarketing Agent shall give notice to the tendering Beneficial Owner of the date that is seven calendar days after the Owner Optional Tender Notice Date (or if such date is not a Business Day, the preceding Business Day) (the applicable "Optional Purchase Date"). If the Remarketing Agent identifies a purchaser for a Bond (or portions of a Bond in an amount equal to an Authorized Denomination) for which a Tender Notice has been given, the Remarketing Agent shall give notice (which may be given by Electronic Means) to the tendering Beneficial Owner, the Trustee and the City that a purchaser has been identified and the amount of Bonds to be purchased. The Trustee shall purchase pursuant to Section 3.10 of the Original Indenture a Bond in an RTV Mode for which a Tender Notice has been given on the applicable Optional Purchase Date at the Purchase Price, but only with remarketing proceeds or, if applicable, any other amounts made available, in its discretion, by the City.

(c) If sufficient remarketing proceeds are not available for the purchase of such Bond on the applicable Optional Purchase Date, and no other amounts provided by the City in its discretion are available for the purchase of such Bond on such Optional Purchase Date, then Bonds, in amounts equal to Authorized Denominations, up to the amount of the available funds shall be purchased, and the applicable Optional Purchase Date for such remaining Bonds shall be deemed to be rescinded, such remaining Bonds shall not be tendered or deemed tendered or required to be purchased on such date and no Event of Default or Additional Event of Default shall occur pursuant to Section 7.1 or Section 7.2 of the Original Indenture as a result of the non-purchase of such remaining Bonds on such Optional Purchase Date.

(d) If by 10:30 A.M. on an Optional Purchase Date, the Remarketing Agent despite its best efforts has been unable to remarket all Bonds to be purchased on such Optional Purchase Date at par, and no other amounts provided by the City in its discretion are available for the purchase of such Bonds on such Optional Purchase Date:

(i) the Remarketing Agent shall notify by Electronic Means the Trustee, the Bondowners/Beneficial Owners and the City by 10:45 A.M. that such Optional Purchase Date is deemed rescinded with respect to those Bonds for which funds to pay the applicable Purchase Price are unavailable and shall include in such notice the principal amount of Bonds that will not be purchased on such Purchase Date;

(ii) the Trustee shall promptly provide written notice to each Rating Agency of such failure to remarket all the tendered Bonds.

#### **Section 4.3 Mandatory Purchase on Mandatory Purchase Date.**

(a) The Bonds shall be subject to mandatory purchase on each Mandatory Purchase Date for the applicable Bond. The Trustee shall give notice of such mandatory purchase by mail to the Owners of the Bonds subject to mandatory purchase and to each Rating Agency no less than fifteen (15) days prior to the Mandatory Purchase Date, except that such notice may be provided no later than the Business Day after the applicable Mandatory Purchase Date to Owners

of Bonds bearing interest at an Extension Rate or Maximum Rate. The failure to mail such notice with respect to any Bond shall not affect the validity of the mandatory purchase of such Bond or any other Bond subject to such mandatory purchase. Any notice mailed will be conclusively presumed to have been given, whether or not actually received by any Owner or Beneficial Owner.

(b) The failure to pay the Purchase Price on an Extended Mandatory Purchase Date of all tendered Bonds with that Extended Mandatory Purchase Date shall constitute an Additional Event of Default pursuant to Section 7.2 of the Original Indenture.

(c) The failure to pay the Purchase Price on a Final Mandatory Purchase Date of all tendered Bonds with that Final Mandatory Purchase Date shall constitute an Event of Default pursuant to Section 7.1 of the Original Indenture.

**Section 4.4 RTV Extension Period for Unremarketed Bonds in the RTV Mode; Exchange for Applicable RTV Extension Sequence Bonds.**

(a) In the case of a Bond bearing interest at an RTV Weekly Rate for which a Tender Notice has been delivered in accordance with Section 4.2(a) hereof and which has not been remarketed in accordance with Section 4.2(c) by the applicable Optional Purchase Date, if by 10:30 A.M. on the first Business Day of the month following the applicable Optional Purchase Date (or, if the applicable Optional Purchase Date is the first Business Day of a month, by 10:30 A.M. on such Optional Purchase Date), the Remarketing Agent despite its best efforts has been unable to remarket at par all such Bonds and any Bonds then bearing interest at an Extension Rate (which best efforts shall include offering such Bonds for remarketing at an RTV Weekly Rate as high as the Maximum Rate if a lower interest rate is insufficient to remarket all such Bonds):

(i) the Remarketing Agent shall notify by Electronic Means the Trustee, the Calculation Agent and the City by 10:45 A.M. that it has been unable to remarket all such Bonds, and shall include in such notice the principal amount of Bonds it has been unable to remarket;

(ii) if the Remarketing Agent has found purchasers for some but not all of such Bonds, the remarketed Bonds shall be selected in accordance with Section 3.9(c)(iv) of the Original Indenture;

(iii) if no other amounts provided by the City in its discretion are available for the purchase of such Bond, for each such unremarketed Bond that is not already an Applicable RTV Extension Sequence Bond, the Trustee shall authenticate an Applicable RTV Extension Sequence Bond in a principal amount equal to the principal amount of such unremarketed Bond, register such Applicable RTV Extension Sequence Bond in the name in which the applicable unremarketed Bond is registered, obtain or request that the City obtain or cause to be obtained a new CUSIP number for the Applicable RTV Extension Sequence Bond (and upon any such request the City shall promptly obtain or cause to be obtained such new CUSIP number), cancel the applicable unremarketed Bond, and deliver the Applicable RTV Extension Sequence Bond to the Owner of such

unremarketed Bond, and, with respect to Bonds held in the Book Entry-Only System, shall instruct the Securities Depository to reduce the applicable positions of the Beneficial Owners in the unremarketed Bonds by the applicable principal amount of unremarketed Bonds and credit a commensurate principal amount of the Applicable RTV Extension Sequence Bonds to the applicable Beneficial Owners;

(iv) the Applicable RTV Extension Sequence Bonds delivered on such Interest Payment Date under clause (iii) above shall bear interest at the Extension Rate commencing on such date [until paid] and shall state the Extended Mandatory Purchase Date [and, if unpaid on the Extended Mandatory Purchase Date, shall bear interest at the Maximum Rate]; and

(v) if no Bonds bore interest at the Extension Rate in the prior Interest Period, then the City shall promptly provide to each Rating Agency electronic notice, and file a Continuing Disclosure Notice for the RTV Bonds, of the commencement of the applicable RTV Extension Period and of the principal amount of the Bonds subject to such RTV Extension Period.

(b) Upon the remarketing at an RTV Weekly Rate of any Applicable RTV Extension Sequence Bond on the applicable Extended Mandatory Purchase Date or any preceding Mandatory Purchase Date, the Trustee shall authenticate a Bond in a principal amount equal to the principal amount of such remarketed Bond, register such Bond in the name provided to the Trustee by the Remarketing Agent, cancel the Applicable RTV Extension Sequence Bond, and deliver the applicable new Bond (which, if such new Bond bears interest at an RTV Weekly Rate, shall, unless otherwise requested in writing by the Remarketing Agent, have the same CUSIP number as the Bonds originally issued at or changed or converted to an RTV Weekly Rate, as applicable) and, with respect to Applicable RTV Extension Sequence Bonds held in the Book Entry-Only System, shall instruct the Securities Depository to reduce the applicable positions of the Beneficial Owners of the remarketed Applicable RTV Extension Sequence Bonds by the applicable principal amount of remarketed Bonds, commensurately increase the principal amount of the Bonds bearing interest at an RTV Weekly Rate held by the Securities Depository and credit a commensurate principal amount of such Bonds to the applicable Beneficial Owners purchasing the remarketed Bonds bearing interest at an RTV Weekly Rate.

## ARTICLE V

### COVENANTS

**Section 5.1 Remarketing.** The City covenants that commencing not later than: (i) 120 days prior to any Extended Mandatory Purchase Date of a Bond in RTV Mode (the “Required Remarketing Date”), the City will begin the process to offer for sale Bonds in any mode other than RTV Mode; (ii) 30 days prior to the Required Remarketing Date, the City will sell upon reasonable and customary terms and conditions, such remarketed Bonds; and (iii) 10 days prior to the Required Remarketing Date, if sold, deposit such remarketing proceeds into the Remarketing Proceeds Account to purchase Bonds on or before the Required Remarketing Date.

**Section 5.2 Abatement.** Pursuant to Section 6.6 of the Original Indenture, the City may presume the continued remarketing of Bonds in the RTV Mode in order to abate the annual levy relating to principal on Bonds in RTV Mode; however, the City covenants that it will not abate the annual levy relating to principal on the Bonds for the following calendar year with respect to any Outstanding Bonds in RTV Mode if there is an RTV Bond in the RTV Extension Period with an Optional Purchase Date on or before September 1st of the current year.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.1 Construction.** This RTV Mode Addendum shall be construed in accordance with the provisions of Wisconsin law.

**Section 6.2 Headings Not a Part of this Addendum.** Any headings preceding the texts of the several Articles and Sections hereof, and any Table of Contents appended to copies hereof, are solely for convenience of reference and do not constitute a part of this RTV Mode Addendum, nor do they affect its meaning, construction or effect.

**Section 6.3 Multiple Counterparts.** This RTV Mode Addendum may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and all such counterparts shall constitute but one and the same instrument.

**Section 6.4 Effectiveness.** This RTV Mode Addendum, once executed by the parties hereto shall become effective and shall become part of the Original Indenture as if it were originally made a part thereof.

[Remainder of page intentionally left blank. Signature page follows.]

**IN WITNESS WHEREOF**, the parties hereto have caused this RTV Mode Addendum to be duly executed, all as of the day and year first above written.

**CITY OF MILWAUKEE**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

COUNTERSIGNED:

\_\_\_\_\_  
Comptroller

Approved as to  
form, content, and execution this  
\_\_\_\_\_ day of \_\_\_\_\_, 2012

\_\_\_\_\_  
City Attorney

**U.S. BANK NATIONAL ASSOCIATION,**  
as trustee

By: \_\_\_\_\_  
Authorized Representative



**EXHIBIT A**  
**FORM OF BOND**