



Department of City Development

City Plan Commission
Historic Preservation Commission
Neighborhood Improvement
Development Corporation
Redevelopment Authority

Rocky Marcoux
Commissioner

Martha L. Brown
Deputy Commissioner

November 4, 2011

Mr. Ronald D. Leonhardt
City Clerk
City Hall, Room 205
Milwaukee, WI 53202

Dear Mr. Leonhardt:

Enclosed is a copy of the Loan Agreement, Contract No. 11-029 (CM), between the Bentley World Packaging, LTD. and the City of Milwaukee.

Please insert this agreement into Common Council Resolution File No. 101296, approved March 23, 2011.

Sincerely,

Scott Stange
Compliance Officer

Enclosure

BENTLEY WORLD PACKAGING, LTD

LOAN AGREEMENT

THIS AGREEMENT is made and entered into as of this 24th day of August, 2011, by and between the City of Milwaukee, a Wisconsin municipal corporation ("City") and Bentley World Packaging, LTD., a Wisconsin Corporation ("Borrower").

WITNESSETH

WHEREAS, Borrower is a major provider of export and domestic shipping, packaging, and a major military shipping supplier; providing boxing and wooden crating, distribution, logistics and warehousing services; and,

WHEREAS, Borrower is currently operating from several locations in the metropolitan Milwaukee area and is planning to consolidate the work of three locations into one location at 5211 S. 3rd St., and add additional work in product assembly and painting; and,

WHEREAS, Borrower has leased space at 5211 S. 3rd Street, Milwaukee, Wisconsin, (tax key #6410172100) (the "Property"), in which it will invest up to \$967,000 to set up a packaging, assembly and spray painting operation (the "Project"); and,

WHEREAS, City has agreed to assist Borrower in locating at the Property by funding a forgivable loan to the Company in the amount of \$195,000.00 (the "Loan") for the Project in accordance with the Project Term Sheet dated March 3, 2011 (the "Term Sheet"), a copy of which is attached as Exhibit "A"; and,

WHEREAS, Common Council Resolution File No. 101296 authorizes the execution of this Agreement and the funding of the Loan in accordance with the Term Sheet; and,

WHEREAS, City has agreed to provide the Loan to Borrower, the proceeds of which will provide assistance for the retrofit of the building with conveyor systems, racking, safety, electrical and air handling system improvements, overhead doors and the addition of a paint booth to begin operations at this location; and,

WHEREAS, City is willing to make the Loan to Borrower, upon the terms and subject to the conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, City and Borrower agree as follows:

ARTICLE I DEFINITIONS

As used in this Agreement, the following terms have the following meanings:

"Closing Date" means Aug. 24th, 2011.

"Compliance Certificate" means a certificate in the form attached hereto as Exhibit "C".

"Event of Default" means the occurrence of any of the events described in Section 7.1.

"Facility" means the property located at 5211 S. 3rd St., Milwaukee, Wisconsin.

"Loan Documents" means this Agreement, the Note, and all other documents, instruments, agreements and certificates related to or executed in connection with this Agreement and the transactions contemplated hereby.

"Note" means a Note in the form attached hereto as Exhibit "B".

"Project" means the expansion of the Borrower's business operations at the Facility, the acquisition of equipment, furniture and fixtures for the Facility, and the build-out of the Facility to ensure the performance of Borrower's business operations.

"Project Funds" means the proceeds of the Loan.

ARTICLE II THE LOAN

2.1 The Loan. City hereby makes a forgivable term loan in the principal amount of \$195,000.00 to Borrower. The Loan will be evidenced by, and be repayable pursuant to the Note.

2.2 Interest Rate. The Note shall bear interest at a rate of five percent (5%) per annum during the term of the Loan. Payment of principal and interest shall be due at the times and in the amounts specified in the Note.

2.3 Loan forgiveness. Annual payments of principal and accrued interest shall be forgiven in each year that the Borrower maintains employment at the Facility of not less than those amounts set forth on the Term Sheet.

2.4 Disbursements. Disbursement of Project Funds shall be made pursuant to procedures reasonably satisfactory to the City's Commissioner of City Development.

2.5 Terminations or Default. The entire principal loan balance and accrued interest on the Loan shall be due and payable upon the occurrence of an Event of Default.

ARTICLE III BORROWER'S REPRESENTATIONS AND WARRANTIES

In order to induce City to make the Loan, Borrower represents and warrants to City as follows:

3.1 Loan Purpose. The proceeds of the Loan will be applied solely to finance the expansion of Borrower's business operations to the Facility, the purchase of equipment for the Facility, the build-out of the Facility, and such other costs reasonably related to the completion of the Project.

3.2 Borrower. Borrower is a corporation legally formed and validly existing under the laws of the State of Wisconsin and has filed the required annual report with the State for the most

recently completed report year and has obtained a Certificate of Authority to transact business in the State of Wisconsin.

3.3 Authorizations and Binding Effect. The execution and delivery by Borrower of the Loan Documents to which it is a party, and the performance by Borrower of its obligations there under, are within its corporate power, have been duly authorized by proper action on the part of Borrower's Board of Directors, are not in violation of any existing law, rule or regulation of any governmental agency or authority, any order or decision of any court, Borrower's Articles of Incorporation and Bylaws, or the terms of any agreement, restriction or undertaking to which the Borrower is a party or by which it is bound, and do not require the approval or consent of any governmental body, agency or authority or any other person or entity. The Loan Documents to which Borrower is a party, when executed and delivered, will constitute the valid and binding obligations of Borrower enforceable in accordance with their terms and conditions, except as limited by bankruptcy, insolvency or similar laws of general application affecting the enforcement of creditors' rights and except to the extent that general principles of equity might affect the specific enforcement of such Loan Documents.

3.4 Litigation. There is no litigation or administrative proceeding pending or, to the knowledge of Borrower, threatened against or affecting Borrower or the properties of Borrower, which if determined adversely, would have a material, adverse effect upon the business, financial condition or properties of Borrower.

3.5 Accuracy of Information. All information furnished by Borrower to City is true, correct and complete in all material respects as of the date furnished and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make such information not misleading.

3.6 No Default. There exists no default under the terms of any material agreement instrument evidencing indebtedness for borrowed money to which Borrower is a party.

ARTICLE IV CONDITIONS FOR BORROWING AND FORGIVENESS

City's obligation to make the Loan and forgive subsequent repayments of the Loan is subject to the satisfaction of the following conditions:

4.1 On or Before the Closing Date. City shall have received the following, all in form and content satisfactory to City's Commissioner of City Development:

- a) The Note, duly executed by Borrower.
- b) This Agreement, duly executed by Borrower.

4.2 Borrower, at the time of the disbursement of funds hereunder, being in compliance with all of the terms and conditions set forth herein on its part to be observed or performed, and no Event of Default, as specified hereinafter, nor any event which upon notice or lapse of time or both would constitute an Event of Default, shall have occurred and be continuing at the time of such disbursement; and,

4.3 City's obligation to forgive repayments of the Loan is conditioned upon Borrower's satisfaction of the following:

- a) **Employment Minimum.** Borrower shall have maintained employment at the Facility of not less than those numbers of fulltime equivalent positions as of the dates set forth in the Term Sheet.
- b) **Compliance Certificate.** On or before February 1st of each year beginning with February 1, 2012, Borrower shall have delivered to City a job creation Compliance Certificate in the form attached as (Exhibit "C"), duly executed by the Borrower and verifying the employment levels as of December 31, of the previous year.
- c) **There shall have not occurred and be continuing an Event of Default.**

ARTICLE V BORROWER'S AFFIRMATIVE COVENANTS

Borrower covenants that until the Note has been paid in full:

5.1 **Use of Facility.** The Facility shall be used primarily as a warehouse and for assembly and painting operations.

5.2 **Condition of Facility.** Borrower shall keep the Facility in good condition, repair and working order and in compliance with all applicable standards of the City's Building Code and in compliance with all laws, ordinances and regulations affecting the Facility.

5.3 **Inspection.** Borrower shall permit City to inspect the Facility during regular working hours or at other mutually agreed upon times. City will give reasonable notice in advance of any inspection or audit.

5.4 **Use of Project Funds.** Borrower shall utilize the Project Funds only for the Project.

5.5 **Books and Records.** Borrower shall keep and maintain such books, records and other documents as may be reasonably necessary to reflect and disclose fully the amount and disposition of the proceeds of the Loan, the total cost of activities paid for, in whole or in part, with the proceeds of the Loan, and the amount and nature of all investments related to such activities which are supplied or to be supplied by other sources.

5.6 **Audits.** All such books, records and other documents maintained by Borrower under Section 5.5 shall be available at the offices of Borrower for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of City. City will give reasonable notice in advance of any such inspection or audit.

ARTICLE VI BORROWER'S NEGATIVE COVENANTS

Borrower covenants that, without the prior written consent of City, it will not, until the Note has been paid or discharged in full pursuant to its terms and conditions:

6.1 Limitations on Transfers. Sell, transfer, or assign any ownership interest in Borrower such that a majority of the issued and outstanding stock ceases to be held by Thomas H. Bentley III, Sally R. Bentley, Todd Bentley, their issue or trusts for their benefit, without the consent of City.

6.2 Discrimination Prohibited. Commit or participate in committing any act of discrimination against any person on the basis of race, color, sexual orientation, sex, age, disability, lawful source of income, marital status, familial status, or national origin or ancestry in connection with the rehabilitation or use of the Facility.

6.3 Lease. Breach, default, terminate, or reduce the term of Borrower's lease of the Facility.

ARTICLE VII EVENTS OF DEFAULT; REMEDIES

7.1 Events of Default. The occurrence of any of the following shall constitute an Event of Default:

- a) Failure to Pay Note. Borrower's failure to pay principal or interest due on the Note within ten (10) days after written notice from City that the same has become due and payable; or
- b) Falsity of Representations and Warranties. Should any representation or warranty made in any Loan Document be false in any material respect on the date as of which made or as of which the same is to be effective; or
- c) Breach of Covenants and Agreements. Borrower's failure to comply with any covenant or agreement contained herein and continuance of such default for a period of thirty (30) days after written notice to Borrower from City (or such longer period as may be agreed to in writing by City).
- d) Insolvency or Bankruptcy. Borrower's becoming insolvent or the subject of insolvency proceedings, failure generally to pay its debts as and when the same become due, making an assignment for the benefit of creditors, or having a receiver, trustee, custodian or other similar official appointed for, or take possession of, any substantial portion of Borrower's property; or Borrower taking any corporate action to authorize it to become the subject of proceedings under the U.S. Bankruptcy Code (the "Code"), executing or filing of a petition to become a debtor under the Code, has an involuntary petition under the Code filed against which remains undismissed for a period of 60 days or becoming the subject of an order for relief entered pursuant to the Code.

7.2 Remedies. Upon the occurrence of an Event of Default, the Note shall, upon written notice from City, become, immediately due and payable in full. Presentment, demand, protest and notice of nonpayment and dishonor are hereby expressly waived.

7.3 Waiver. City may waive any Event of Default without waiving any other subsequent or prior Event of Default by Borrower. No delay on the part of City or any subsequent holder of the Note in exercising any right, power or privilege hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein described are cumulative and not exclusive of any other rights or remedies which City may otherwise have.

ARTICLE VIII INDEMNIFICATION OF CITY

Borrower shall indemnify and hold harmless City, its officers, employees, officials and agents from and against any and all losses, claims, damages, expenses and all suits in equity or actions at law (including reasonable counsel fees) and liabilities arising from, in connection with, or as a result of the operation, construction or maintenance of the Project or any actions of Borrower undertaken pursuant to this Agreement. Nothing in the foregoing indemnity shall protect City against its own default, negligence, or willful misconduct.

ARTICLE IX MISCELLANEOUS

9.1 Survival. The agreements, representations and warranties contained herein shall survive closing and execution and delivery of the Loan Documents.

9.2 Expenses. Borrower agrees, whether or not the transaction hereby contemplated shall be consummated or the Loan disbursed, to pay reasonable out-of-pocket expenses incurred by City in connection with the administration, amendment or enforcement of any Loan Document.

9.3 Notices. All notices provided for herein shall be in writing and shall be (a) delivered or (b) sent by express or first class mail; and, if to City, addresses it at:

City of Milwaukee
Department of City Development
809 North Broadway
Milwaukee, Wisconsin 53202
Attn: Commissioner

And, if to the Borrower, address it at:

Bentley World Packaging, LTD
4080 N. Port Washington Rd.
Milwaukee, WI 53212
Attn: Todd Bentley

Or to such other address with respect to either party as such party shall notify the other in writing; such notices shall be deemed given when delivered or mailed.

9.4 Titles. The titles of sections in this Agreement are for convenience only and do not limit or construe the meaning of any section.

9.5 Parties Bound. The provisions of this Agreement shall inure to the benefit of and be binding upon any successor of any of the parties hereto and shall extend and be available to any holder of the Note.

9.6 Governing Law. This Agreement is being delivered in and shall be deemed to be a contract governed by the laws of the State of Wisconsin and shall be interpreted and enforced in accordance with the laws of Wisconsin.

9.7 Entire Agreement. This Agreement and the other Loan Documents shall constitute the entire agreement of the parties pertaining to the subject matter hereof and shall supersede all prior or contemporaneous agreements and understandings of the parties in connection therewith.

9.8 Limitation on Waivers. If any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive the same or other or any future breach hereunder on any other occasion. No remedy herein conferred upon or reserved to City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by virtue of other contracts. No delay or omission to exercise any right or power available upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient. To entitle City to exercise any remedy reserved or available to it, it shall not be necessary to give any notice other than such notice as may be herein expressly required.


9.9 Amendments. This Agreement shall not be effectively amended, changed, modified, altered or terminated and no modification, alteration or amendment to this Agreement shall be binding upon either party hereto until such modification, alteration or amendment is reduced to writing and executed by both parties hereto.

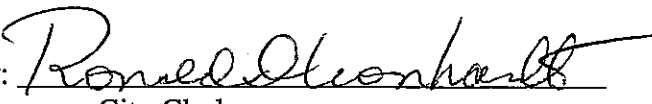
9.10 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

9.11 Severability. If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provisions in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any

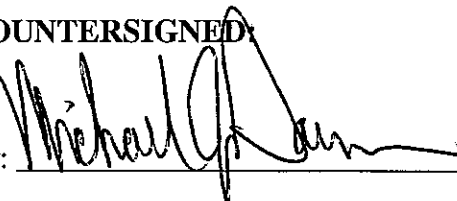
WHEREOF, the parties have executed this Agreement as of the day, month and year first above:

CITY:

By: 
Tom Barrett, Mayor

By: 
City Clerk

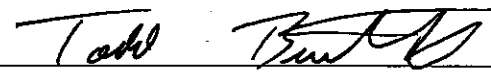
COUNTERSIGNED:

By: 
City Comptroller **DEPUTY**


Date: 9/26/11

BORROWER:

BENTLEY WORLD PACKAGING, LTD., (A
Wisconsin Corporation)

By: 
Todd Bentley, CFO

Approved as to form and execution
this 26th day of Sept, 2011


Assistant City Attorney

1050-2011-1076:169242

Exhibits

Exhibit A	Term Sheet
Exhibit B	Note
Exhibit C	Employment Requirement

TERM SHEET

Bentley World Packaging, LTD
March 3, 2011

*Borrower: Bentley World Packaging, LTD

*Lender: City of Milwaukee

*Loan Amount: \$195,000

*Use of Funds: Consolidate several packaging, assembly and distribution operations at 5211 South 3rd Street in the City of Milwaukee. Improve the facility with conveyors, carousels, additional overhead doors, electrical and air system improvements, safety additions, addition of a paint room and will add up to 126 new employees in the City.

*Interest Rate: 5%

*Term: 4 years

*Principal Amortization: \$48,750 per year

*Payments: Annual payments of principal and accrued interest

*Loan Forgiveness: Annual payment of principal and accrued interest shall be forgiven for that year if the Borrower achieves and maintains employment levels as follows:

December 31, 2011:	94 positions
December 31, 2012:	110 positions
December 31, 2013:	120 positions
December 31, 2014:	126 positions

*Loan Approval: Loan is subject to approval by the Common Council of the City of Milwaukee. Source of funds is the City's Development Fund Account No. 9990-UR03311000A.

EXHIBIT B
NOTE

\$195,000

Milwaukee, Wisconsin
June 27, 2011

FOR VALUE RECEIVED, Bentley World Packaging, LTD, a Wisconsin corporation ("Maker") promises to pay to the order of the City of Milwaukee, Milwaukee, Wisconsin, or any future holder hereof ("Payee"), the principal sum of One Hundred Ninety Five Thousand U.S. Dollars (\$195,000.00) pursuant to the terms of that certain Loan Agreement ("Loan Agreement") dated on a date even herewith, entered into by Maker and Payee. Principal and interest due hereunder shall be paid as follows:

1. Interest on the principal balance of the loan evidenced by this Note shall accrue at the rate of five percent (5%) per annum.
2. All payments under this Note shall be applied first to the payment of interest then due and the balance, if any, to principal. Interest will be calculated on the outstanding principal balance on the basis of a 360-day year comprised of twelve 30-day months to the date of receipt by Payee. If any payment received is less than interest due to the effective date of receipt of such payment, Payee reserves the right to add any such deficiency to principal.
3. Principal and interest shall be due and payable in four (4) annual installments (singularly, the "Annual Payment") based upon a principal amortization of Forty Eight Thousand, Seven Hundred and Fifty Dollars (\$48,750.00) per year. Such payments shall be made beginning on December 31, 2011 and ending on December 31, 2014

Notwithstanding any other term or provision of this Note to the contrary, the Annual Payment shall be forgiven in each year Maker maintains employment at the facility located at 5211 S. 3rd St., Milwaukee, Wisconsin, ("Facility") of not less than those numbers set forth on the Term Sheet attached as Exhibit A to the Loan Agreement (the "Employment Requirement"). As a condition of forgiveness of the Annual Payment, Maker shall submit to Payee (i) a job creation Compliance Certificate in the form of the certificate attached as Exhibit C to the Loan Agreement, duly executed by Maker, and (ii) a copy of the year end UCT 101 "Quarterly Contribution Report to be filed with Quarterly Wage Report", Cover Page only. (iii) Such other information to evidence its satisfaction of the Employment Requirement as the City of Milwaukee may reasonably require.

All payments of principal and interest due hereunder shall be paid to Payee at 809 North Broadway, Milwaukee, Wisconsin 53202, Attention: Commissioner or to such other person or at such other address as Payee may from time to time direct.

The entire outstanding balance of principal, if not sooner paid or forgiven, together with all interest accrued thereon shall be due and payable as provided in the Loan Agreement.

This Note may be prepaid in full or in part at any time without penalty, provided that such prepayment must be accompanied by any unpaid and accrued interest.

Upon the occurrence of an Event of Default under the Loan Agreement, provided such Event of Default has not been cured to the reasonable satisfaction of Payee within the applicable cure period, the entire outstanding principal balance plus accrued interest shall, at the option of Payee, and without notice, notice being hereby expressly waived, mature and be immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at a later time or upon the occurrence of any subsequent Event of Default.

Maker waives and renounces presentment, protest, demand and notice of dishonor and any and all lack of diligence or delay in collection or endorsement hereof, and expressly consents to any extension of time, release of any party liable for these obligations, release of any security which may have been or which may hereafter be granted in connection herewith, or any other indulgence or forbearance which may be made without notice to Maker and without in any way affecting the liability of Maker.

If any Annual Payment due under this Note or any payment required under the Loan Agreement is not fully paid within fifteen (15) days after the date due, Maker shall pay to Payee a late charge equal to five percent (5%) of such installment payment, to compensate Payee for the extra cost of handling delinquent payments. Neither the requirement that such late charge be not paid, nor the payment of the late charge, will be deemed to be a waiver of a default arising from the late payment.

Nothing contained herein nor any transaction related hereto shall be construed or shall so operate either presently or prospectively (a) to require the payment of interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (b) to require the payment or the doing of any act contrary to law; but if any clause or provision herein contained shall otherwise so operate to invalidate this Note and/or the transaction related hereto, in whole or in part, then such clause(s) and provision(s) only shall be held for naught as though not contained herein and the remainder of this Note shall remain operative and in full force and effect.

If for any reason interest in excess of the amount as limited in the foregoing paragraph shall have been paid hereunder, whether by reason of acceleration or otherwise, then in that event any such excess interest shall constitute and be treated as a payment of principal hereunder and shall operate to reduce such principal by the amount of such excess on the date received by Payee, or if in excess of the then principal indebtedness, such excess shall be refunded.

All of the covenants contained herein shall bind, and the benefits hereof shall also inure to the respective heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders. The rights and remedies of Payee as provided in this Note shall be cumulative and concurrent, and may be pursued singularly, successively or together against Maker, at the discretion of Payee.

This Note shall be construed in accordance with the laws of the State of Wisconsin.

The Maker agrees that if, and as often as, this Note is placed in the hands of an attorney for collection, or to defend or enforce any of the Payee's rights hereunder or under any document securing this Note, whether or not litigation is commenced, the undersigned shall pay to Payee, Payee's reasonable attorney's fees, together with all court costs and other expenses incurred or paid by Payee in connection therewith.

IN WITNESS WHEREOF, the undersigned Maker has executed this Note as of the date first above.

Bentley World Packaging, LTD.

By: Todd Bentley
Todd Bentley, CFO

EXHIBIT C

Employment Compliance Certificate

Bentley World Packaging, LTD.
Employment within the City of Milwaukee
Employment as of December 31, 2011

	Projected	Actual
Fulltime Positions*		
Total Positions**		

*Positions at the 5211 S. 3rd St., Milwaukee location only.

**Please attach a copy of the Wisconsin Unemployment UC 101
Quarterly Contribution Report (cover page only) filed for December 31, 2011.

I have reviewed the above employment and hereby certify that the information is correct:

Bentley World Packaging, LTD.

Name (Print) _____

Title: _____

Phone: _____

Signature: _____

Date: _____