

\$6,660,000
City of La Crosse, Wisconsin
Industrial Development Revenue Bonds, Series 2017
(DuraTech Industries, Inc. Project)

NO ARBITRAGE CERTIFICATE

1. The undersigned are, respectively, the Mayor and the City Clerk of the City of La Crosse, Wisconsin (the “Issuer”) and are delegated with the responsibility of issuing the Bonds.

2. This certificate (the “Certificate”) is executed for the purpose of establishing the reasonable expectations of the Issuer as to future events regarding the Issuer’s \$6,660,000 City of La Crosse, Wisconsin Industrial Development Revenue Bonds, Series 2017 (DuraTech Industries, Inc. Project), dated April 7, 2017 (the “Bonds”). The proceeds of the Bonds shall be used by DuraTech Industries, Inc., a Wisconsin corporation (“DuraTech”) and Commercial Properties Partners, LLC, a Wisconsin limited liability company (“CPP” and individually and collectively with DuraTech, the “Borrower”), to finance the (i) construction of an approximately 47,000 square foot addition to the Borrower’s existing approximately 73,230 square foot facility located at 3216 Commerce Street in the City of La Crosse, Wisconsin (the “Facility”) which is operated by DuraTech and used to manufacture custom labels, (ii) acquisition and installation of equipment at the Facility, and (iii) payment of certain professional costs and costs of issuance (collectively, the “Project”).

3. The Issuer and its signatories have made no independent investigation of the matters stated herein. The expectations of the Issuer described herein are based on the provisions of the Bond Agreement and upon the representations of the Borrower and BMO Harris Bank N.A., as original purchaser (the “Original Purchaser”).

4. To the best of our knowledge, information and belief, the expectations contained in this Certificate are reasonable. The Issuer has relied on the attached Borrower’s Tax Matters Closing Certificate and the representations of the Borrower set forth on the Borrower’s signature page to this Certificate in making the representations herein.

5. The facts and estimates in this Certificate are based on representations made by the Borrower. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy of the representations made by the Borrower.

6. The Bonds are being issued pursuant to a Bond Agreement dated as of April 1, 2017 (the “Bond Agreement”) by and among the Issuer, the Borrower, the Original Purchaser, and BMO Harris Bank N.A., as trustee, in order to finance the Project, which Project will be owned by the Borrower and operated by DuraTech. The Bonds are deemed to be a single issue for purposes of the arbitrage and arbitrage rebate requirements.

7. The Bonds are being issued to finance the costs of the Project and not for any other project. There are no other obligations that, together with the Bonds, are issued at substantially the same time, or sold pursuant to a common plan of financing, or will be paid out of substantially the same source of funds.

8. The Bonds will be sold to BMO Harris Bank N.A., as original purchaser.

9. Capitalized terms used herein and not defined in this Certificate shall have the meanings set forth in the Bond Agreement.

10. The proceeds of the Bonds requisitioned on April 7, 2017, that is, \$478,263.46 will be wire transferred to the Trustee to be deposited in the Project Fund created under the Bond Agreement. Amounts deposited in the Project Fund, along with investment earnings, will be expended for payment of Project Costs, including issuance costs, within 36 months of the date hereof. The amount of the proceeds of the Bonds expended on issuance costs shall not exceed the lesser of (i) \$133,200, or (ii) two percent (2%) of the Bond amount and shall not exceed two percent (2%) of the aggregate amount of Bond Proceeds requisitioned by the Borrower. No investments made from money on deposit in the Project Fund and Bond Fund shall be purchased or sold other than on an established market in arms-length transactions at a price equal to its fair market value and no amount shall have been paid to reduce the yield on the investment, unless such investment shall be in U.S. Treasury Obligations-State and Local Government Series. The Bond Fund and, prior to April 7, 2020, the Project Fund, may be invested to produce a yield greater than the yield on the Bonds. Notwithstanding the foregoing, the proceeds of the Bonds are expected to be requisitioned as needed to fund reimbursements of Project Costs and to pay current Project Costs and will not be invested. Therefore, no earnings are expected.

11. The Bond Fund was created to achieve a proper matching of payments by the Borrower with debt service payments on the Bonds within each year. The Bond Fund and interest earned thereon will be depleted at least once a year except for a reasonable carry-over amount (not to exceed the greater of (a) the previous year's earnings on the Bond Fund, or (b) one-twelfth of the previous year's debt service on the Bonds).

12. The Redemption Fund provided for by the Bond Agreement was created to provide for a fund and account in which to deposit moneys in the event of a mandatory or optional redemption of the Bonds, but it is expected that no amounts will be contributed to the Redemption Fund.

13. No reserve or replacement fund has been or is expected to be established and funded with regard to the Bonds. Other trust funds are created under the Bond Agreement, but it is expected that no amounts will be contributed to these funds. Other than the Bond Fund and the Redemption Fund, no fund has been created that is expected to contain funds that will be used to pay principal or interest on the Bonds.

14. The loan repayments paid by the Borrower under the Bond Agreement, plus any interest earned thereon, will be equal to the payments of principal, purchase price, premium, if any, and interest on, the Bonds. The loan repayment due on any interest payment date will be reduced by any amount held in the Bond Fund on that date and available for such purpose. The yield on the Bond Agreement does not exceed the yield on the Bonds by as much as one-eighth of one percent per annum.

15. The principal and interest on the Bonds will be paid when due (whether by scheduled payment, purchase or redemption) as provided in the Bond Agreement by the Borrower by payment into the Bond Fund or the Redemption Fund, as the case may be. The principal of, purchase price, premium, if any, and interest on the Bonds are payable from the Bond Fund or the Redemption Fund and the Issuer and the Borrower reasonably expect that there will be no other funds that will be so used.

16. Amounts deposited in the Project Fund, along with investment earnings, if any, will be expended for payment of Project Costs, including issuance costs, within 36 months of the date hereof.

17. To the best of our knowledge and belief, the information contained in the attached Information Return (Form 8038) with respect to the Bonds is complete and accurate.

18. The Borrower has entered or will within six months enter into contracts constituting binding obligations to third parties for the acquisition and construction of the Project, obligating the Borrower to expend in excess of 5% of the proceeds of the Bonds under such contracts, and will proceed with due diligence to completion, which is anticipated to be within 36 months of today's date.

19. Any moneys held in the Bond Fund created in the Bond Agreement which are reasonably expected to be used to pay principal, interest or call premium on the Bonds within 13 months of the receipt thereof, may be invested in obligations that bear a yield that is higher than the yield on the Bonds.

20. The portions of the proceeds of the Bonds representing amounts used to pay the expenses of issuing the Bonds will be expended prior to the end of the 13-month temporary period applicable to them.

21. None of the obligations is a "yield-to-call" bond within the meaning of Treas. Reg. §1.148-3(b)(4).

22. The Bonds are not and will not be part of a transaction or series of transactions that attempt to circumvent the provisions of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations of the United States Department of Treasury issued thereunder (the "Regulations"), (a) enabling the Issuer to exploit the difference between tax-exempt and taxable interest rate to gain a material financial advantage and (b) increasing the burden on the market for tax-exempt obligations. No device has been employed in connection with the issuance of the Bonds to obtain a material financial advantage (based on arbitrage) apart from the savings attributable to lower interest rates.

23. The yield on the Bonds and any acquired obligations will be calculated at that yield which, when used in computing the present worth of all payments of principal and interest to be paid on the obligations, produces an amount equal to the purchase price, calculated on the basis of monthly compounding using a 360-day year. In the case of the Bonds, the purchase price is the initial purchase price paid by the Original Purchaser. Administrative costs will not be taken into account in determining such yield.

24. In determining the amount in any fund or account (or portion of such fund or account) for purposes of this Certificate, the amount of any obligation allocable to such fund or account shall be equal to the purchase price of such obligation plus the amount of any discount below par, or the amount of any interest payment for any year over the amount of any interest payment for the preceding annual period, which discount or excess amount shall be taken into account over the life of such obligation.

25. Section 3.06 of the Bond Agreement contains requirements and procedures designed to provide for continuing compliance with the requirements of Section 148(f) of the Code, and is incorporated by reference herein in its entirety. Upon the retirement of the Bonds, if directed by the Issuer as instructed by the Borrower, the Trustee shall calculate or cause to be calculated the amount of “rebatable arbitrage” (as defined in Treas. Reg. §1.148-2) with respect to the Bonds. The Trustee may calculate or cause to be calculated the amount of “rebatable arbitrage” on interim dates, if directed by the Issuer as instructed by the Borrower. The Borrower has agreed that it will comply with the arbitrage rebate requirements set forth in the Code and Regulations. As part of its compliance with these requirements, the Borrower will make or cause to be made determinations at the times and in the manner required by the Code and Regulations of the amount (if any) required to be paid to the United States Treasury, as provided above, and pay such amounts on the dates and in the manner required by law.

26. It is expected by the Borrower that at least 95% of the spendable proceeds of the issue will be used to carry out the governmental purpose of the issue within a three-year period beginning on the date of issuance of such issue.

27. On the basis of the foregoing facts, estimates and circumstances, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates, or circumstances that would materially change such expectations.

28. In issuing this Certificate, the Issuer is relying upon the facts set forth in the attached Closing Certificate of Original Purchaser and the Borrower’s Tax Matters Closing Certificate.

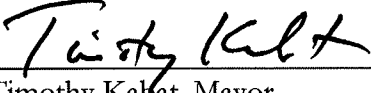
29. Notwithstanding anything in this Certificate to the contrary, the Issuer shall be under no obligation to take any action or execute, prepare, deliver or file any instrument or document until it shall have received assurances satisfactory to it that the Borrower or the Trustee shall pay in advance or reimburse it (at the Issuer’s option) for its reasonable expenses incurred or to be incurred in connection with the taking of such action (including reasonable attorneys’ fees) and shall be indemnified against any possible liability arising out of the taking of such action.

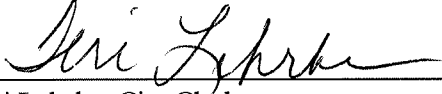
The terms used in this Certificate shall have such meanings as are provided by the Treasury Regulations issued by the Department of Treasury pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the Bond Agreement.

[SIGNATURE PAGE TO FOLLOW]

Date: April 7, 2017

CITY OF LA CROSSE, WISCONSIN

By: 
Timothy Kabat, Mayor

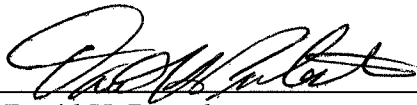
By: 
Teri Lehtke, City Clerk

The Borrower represents that the expectations contained in the foregoing No Arbitrage Certificate are accurate and reasonable, and further represents that the facts and estimates contained in the foregoing No Arbitrage Certificate are true, correct, accurate and complete.


Dated: April 7, 2017

COMMERCIAL PROPERTIES PARTNERS, LLC

By: Pretasky Enterprises, LLC, its Sole Member

By: 
Name: David H. Pretasky
Title: Managing Member

DURATECH INDUSTRIES, INC.

By: 
Name: Peter L. Johnson
Title: President

ATTACHMENTS

- IRS Form 8038 appears at Tab #8 of this transcript
- Closing Certificate of Original Purchaser appears at Tab #24 of this transcript
- Borrower's Tax Matters Closing Certificate appears at Tab #14 of this transcript