

**Piper Jaffray - Minneapolis, MN's Bid****City of Madison, Wisconsin****\$40,810,000 \$38,420,000 Water Utility Revenue Refunding and Improvement Bonds, Series 2016**

For the aggregate principal amount of ~~\$40,810,000.00~~ \$38,420,000.00, we will pay you ~~\$44,950,930.60~~ \$42,274,142.61, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Bond Insurance
01/01/2018	<del>2,515M</del> 2,165M	4.0000	1.2400	102.757	
01/01/2019	<del>2,190M</del> 1,860M	4.0000	1.5500	104.826	
01/01/2020	<del>2,260M</del> 1,940M	4.0000	1.6800	106.778	
01/01/2021	<del>2,330M</del> 2,015M	4.0000	1.9300	107.947	
01/01/2022	<del>2,405M</del> 2,100M	5.0000	2.0700	113.871	
01/01/2023	<del>2,475M</del> 2,200M	5.0000	2.2000	115.678	
01/01/2024	<del>2,550M</del> 2,320M	5.0000	2.3500	117.031	
01/01/2025	<del>2,630M</del> 2,430M	5.0000	2.4900	118.121	
01/01/2026	<del>2,710M</del> 2,555M	5.0000	2.6200	118.987	
01/01/2027	<del>2,790M</del> 2,685M	5.0000	2.7200	118.107	
01/01/2028	<del>2,870M</del> 2,815M	5.0000	2.7900	117.496	
01/01/2029	<del>1,290M</del> 1,250M	5.0000	2.8800	116.715	
01/01/2030	<del>1,325M</del> 1,310M	4.0000	3.2400	105.896	
01/01/2031	<del>1,365M</del> 1,365M	4.0000	3.3600	104.938	
01/01/2032	<del>1,405M</del> 1,420M	4.0000	3.4800	103.991	
01/01/2033	<del>1,450M</del> 1,475M	4.0000	3.6000	103.053	
01/01/2034	<del>1,490M</del> 1,535M	4.0000	3.6900	102.357	
01/01/2035	<del>1,540M</del> 1,595M	4.0000	3.7400	101.972	
01/01/2036	<del>1,585M</del> 1,660M	4.0000	3.7800	101.666	
01/01/2037	<del>1,635M</del> 1,725M	4.0000	3.8200	101.360	

Total Interest Cost: ~~\$17,049,296.67~~ \$16,639,836.25  
 Premium: ~~\$4,140,930.60~~ \$3,854,142.61  
 Net Interest Cost: ~~\$12,908,366.07~~ \$12,785,693.64  
 TIC: 3.144298 3.184606  
 Total Insurance Premium: \$0.00  
 Time Last Bid Received On: 12/06/2016 10:29:51 CST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Piper Jaffray, Minneapolis, MN  
 Contact: Mike Frederickson  
 Title: Managing Director  
 Telephone: 612-303-6666  
 Fax: 612-303-1626

Issuer Name: City of Madison

Company Name: Piper Jaffray

Accepted By: \_\_\_\_\_

Accepted By: 

Date: \_\_\_\_\_

Date: 12/6/2016