

LOAN AGREEMENT

THIS AGREEMENT is made and entered into this 21 day of December 2015, by and between Reclaimers LLC, a Limited Liability Company ("Borrower"), having its principal office at 1617-1619 S. 101 St., West Allis, WI and, the **CITY OF WEST ALLIS**, a Municipal Corporation, organized and existing under the laws of the State of Wisconsin ("City").

WHEREAS, the City has implemented an Economic Development Loan Program under the provisions of the Housing and Community Development Act and the Community Development Block Grant Program; and,

WHEREAS, the Borrower desires to use the loan proceeds for the purchase of equipment for the establishment of a specialized plastic resin manufacturing company at 1617-1619 S. 101 St., West Allis, WI (hereinafter "Property"); and,

WHEREAS, the Borrower has made application for a One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) loan to the City for the purchase of equipment located at 1617-1619 S. 101 Street, West Allis, WI ("Loan"); and,

WHEREAS, the City is willing to make the Loan and the Borrower to accept the Loan in accordance with the following terms and conditions.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, assurances, covenants and agreements hereinafter set forth, the party agrees as follows:

1. The City shall loan to the Borrower from its Community Development Block Grant Funds the maximum sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) pursuant to the terms and conditions of a Promissory Note in the form attached hereto as **Exhibit "A"**, the terms of which are incorporated herein by reference (the "Note"). A General Business Security Agreement with the City having a shared second position over all assets and items purchased with loan proceeds in the terms set forth in this Security Agreement, attached hereto as **Exhibit "B-1"**, Personal Guaranties based on the percentage of ownership of Reclaimers LLC, from Mark R. (Sr) and Loretta Oliver (wife) and Michael R. Oliver, attached hereto as **Exhibit "C-1"** and **Exhibit "C-2"** (collectively referred to herein with this Agreement as the "Loan Documents").

2. The proceeds of the Loan will be disbursed by the City to Borrower upon closing of the loan with receipt of proper documentation (i.e. invoices, evidence of payment, receipts, etc.).

3. As security for the Loan, the Borrower shall deliver to the City:

- A. General Business Security Agreement with the City having a shared second position over all assets and items purchased with the loan proceeds in the terms set forth in the Security Agreement, attached hereto as Exhibit "B-1."
- B. Personal Guaranties based on the percentage of ownership in Reclaimers LLC from Mark R. (Sr) and Loretta Oliver (wife) and Michael R. Oliver attached hereto as Exhibit "C-1" and "C-2".

4. In order to induce the City to enter into this Agreement, the Borrower shall make the following representations, assurances, covenants and certifications:

- A. Over a period to two years from date of closing of this Agreement, the Borrower agrees to create full-time equivalent permanent positions of which 51% or more will be held by low to moderate income persons. Based on the loan amount under the Note, the Borrower will agree to create at least 12 or more positions to be held by low-to-moderate income persons.
- B. For the Job Creation requirement of the loan, the Borrower agrees to the following:
 - (1) A listing by job title of all permanent jobs filled and which jobs were initially held by low and moderate income persons.
 - (2) A written certification from each low to moderate income person hired stating that the person's family income is below that required to be low and moderate income, as herein provided, with a statement that the information is subject to verification.

For purposes of this section, a low to moderate income person is defined as a member of a low to moderate income family within the applicable income limits for Section 8 Rental Assistance Programs which are set forth in **Exhibit "D"** and **Exhibit "E"** – Beneficiary Reporting Document, both of which are attached hereto.

5. The Project would not be undertaken unless the public funding provided by the Loan becomes available, as the Borrower can maximally raise only a portion of the debt and equity funds required to complete the Project.

6. This Agreement, the Note and other Loan Documents are legal, valid, binding upon and enforceable against the Borrower in accordance with their terms, except as such terms may be limited by applicable bankruptcy, insolvency or similar laws

affecting the enforcement of creditor's rights generally and except as may be limited by general principles of equity.

7. The Borrower will comply with all of the terms and conditions contained in the Federal Requirements for Economic Development Loans in **Exhibit "F"** attached hereto.

8. During the term of the Loan:

A. The Borrower will provide the City annually with true and correct copies of financial statements and a narrative statement of the state of their business, including sales trends and projections and disclosure of any material cost or liability not contained on the financial statement. All financial statements are to be prepared in accordance with generally accepted principles of auditing and accounting applied on a basis consistent with the Borrower's accounting practices for the prior year. Reports must be submitted annually.

B. The Borrower will file when due or obtain valid extensions for all federal and state income and other tax returns which are required to be filed and will pay all taxes shown on said returns and on all assessments received by them to the extent that such taxes shall have become due. The Borrower has no knowledge of any liabilities, which may be asserted against them upon, audit of their federal or state tax returns.

C. Except as disclosed by the Borrower to the City in writing prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Borrower or any of its property which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Borrower.

D. The Borrower shall execute and deliver to the City such financing statements and other documents as may be required to create, perfect, preserve and maintain any security interest now or in the future granted to the City by the Borrower.

E. The Borrower shall preserve and maintain its business as presently conducted or contemplated, and all of its rights, privileges and franchises necessary or desirable in the normal conduct of said business, and conduct its business in an orderly, efficient and regular manner, keep its property useful or necessary to the operation of their business in good working order and condition, and from time to time make all needed repairs, renewals and replacements thereto, so that the efficiency of the Borrower's property shall be usefully preserved, and will comply with all applicable laws and regulations governing the conduct of the Borrower's business and the terms of any indenture, contract or other instrument

to which the Borrower may be a party or under which it or its property may be bound, if noncompliance will have a material adverse effect upon its financial condition, except where contested in good faith and by proper proceedings.

F. The Borrower shall pay to the City, upon demand, all reasonable charges and expenses of every kind or description, including, but not limited to, attorney's fees and expenses of litigation and any and all expenses incurred by the City in seeking relief from the automatic stay or any other bankruptcy proceedings, and other expenses (of the type customarily charged by the City) incurred or expended by the City in connection with or in any way related to the City's relationship with the Borrower, with respect to the transactions contemplated by this Agreement or any other Loan Document, whether hereunder or otherwise.

G. The Borrower shall immediately notify the City in writing of the occurrence of any failure by them to observe or perform any covenant or agreement contained in any Loan Document or any other default hereunder or under any other Loan Document.

H. At closing of the Loan the Borrower shall have good and marketable title to the real estate and equipment subject to the mortgages as herein provided. During the term of the Loan, all such property will be insured to the extent required in the exercise of prudent business judgment.

9. All statements contained in any certificate, instrument or document delivered by or on behalf of any of the parties pursuant to this Agreement and the transactions contemplated hereby shall be deemed representations and warranties by the respective parties hereunder unless otherwise expressly provided herein. The representations, assurances and covenants contained in this Agreement shall survive the closing and continue in full force and effect for the duration of the Loan. No examination or investigation by or on behalf of the City shall have the effect of estopping the City from asserting breach or failure of any such representation or warranty or constitute or operate as a waiver of any such representation or assurance in whole or in part.

10. The Loan shall be closed at the West Allis City Hall at a mutually agreeable time within thirty (30) days of the date of execution of this Agreement. The City's obligation to fund the Loan is conditioned upon the Borrower providing the City, prior to the date of closing:

A. Any preconditions for closing set forth in **Exhibit "G"** attached hereto, the Loan Commitment Letter dated November ____, 2015 and accepted by the Borrower on December ____, 2015.

B. Any and all valid termination statements, releases or subordination

agreements the City may require to guaranty that the security for the Loan has the priority positions called for by this Agreement.

C. All Loan Documents which the City shall deem necessary or required relative to the completion of the Loan, including the Note, Guaranty, Mortgage and such other financial statements as are required for the perfection thereof. Policies shall provide evidence of coverage acceptable to the City that includes fire and hazards coverage for all real property and equipment pertaining to this loan, liability coverage for the business, etc. Evidence of insurance shall be provided by a Certificate of Insurance listing the City of West Allis and their officers (elected and appointed), employees, agents and volunteers must be named as additional insured's as their interests may appear on the insurance policies which insure the City up to specified limits.

D. Verification of confidential financial statements from the Managing Members of the Borrower were obtained in the form of a personal financial statement and incorporated into the project file.

E. The Borrower and Affiliated Borrower shall provide the Federal I.D. number and the Dunn & Bradstreet number for the service corporation.

F. Intentionally left blank.

G. In the event the Borrower is unable to satisfy the conditions of this section, the City's obligation to fund the Loan shall terminate and be of no further force or effect.

11. In the event of a nonpayment by the Borrower of any sum of money at the time or times when the payment shall become due; or the failure to observe or perform any of the covenants or agreements by the Borrower to be kept and performed under the Loan Documents; or the breach of any representation, warranty or assurance made in the Loan Documents by Borrower or in any document furnished under the terms of any Loan Document; then, in such case, the whole amount of principal due on the Note shall, at the option of the City, become immediately due and payable without any notice whatsoever, which is hereby waived, and the same, together with all sums of money which may be or have been paid by the City in connection therewith, plus interest thereon at the rate aforesaid, shall thereupon be collectible in a suit of law, in the same manner as if the whole of said principal sum had been made payable at the time when any such default shall occur; and, the Borrower covenants and agrees that it will pay to the City all expenses incurred therein, and in addition to the taxable costs in such suit, a reasonable sum of money as attorneys' fees, to be included with the expenses above mentioned in the judgment or decree.

12. Each of the parties to this Agreement is entitled to all remedies in the

event of default or breach provided at law or in equity. Any forbearance by the City in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

13. Any notices or other communications required or permitted hereunder shall be in writing and shall be sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, addressed as follows:

If to the Borrower: Reclaimers LLC
1617-1619 S. 101 St.
West Allis, WI 53214

If to the City: City of West Allis
Department of Development
7525 West Greenfield Avenue
West Allis, Wisconsin 53214
Attn: Community Development Manager

All such notices or other communications, if mailed, shall be deemed given three (3) days after having been post marked.

14. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder or of the Loan Documents shall be assigned without the prior written consent of the other parties.

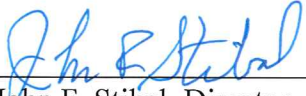
15. This Agreement and the performance of transactions contemplated hereby shall be governed by, construed and enforced under and in accordance with the laws of the State of Wisconsin.

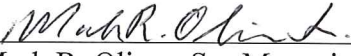
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date, month and year first above written.

SIGNATURES CONTINUE ON NEXT PAGE

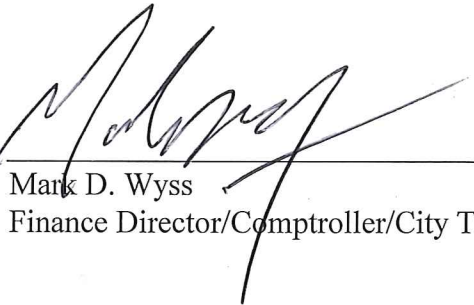
CITY OF WEST ALLIS ("City")

RECLAIMERS LLC ("Borrower")

By: 
John F. Stibal, Director
Department of Development

By: 
Mark R. Oliver, Sr., Managing Member

By: 
Michael R. Oliver, Managing Member

Attest: 
Mark D. Wyss
Finance Director/Comptroller/City Treasurer

“Exhibit C-1 to Loan Agreement”

GUARANTY

This Guaranty by the undersigned person (referred to herein as "Guarantor") is for the benefit and security of the loan issued by the City of West Allis ("City").

WHEREAS, Michael R. Oliver, is guaranteeing on behalf of Reclaimers LLC, a Limited Liability Company (the "Borrower"), has requested the City to extend to it a loan in the original principal amount of One Hundred Fifty Thousand Dollars (\$150,000.00) (the "Loan"), the proceeds of which will be used for the purchase of equipment at 1617-1619 S. 101 Street, West Allis, Milwaukee County, WI (the "Project"); and,

WHEREAS, the City is willing to make the Loan on the terms and conditions set forth in a Loan Agreement dated as of December 21, 2015 (the "Loan Agreement"), and to accept the Borrower's Promissory Note therefore (the "Note"), but requires, as a condition of making the Loan, that the Guarantor execute this Guaranty as security for the payment of the Borrower's obligations under the Note; and,

WHEREAS, the Guarantor, is a thirty-five percent (35%) member of the Borrower, and will derive substantial benefits from the conduct of the Borrower's business and operations; and, by reason of the relationship with the Borrower, has agreed to execute this Guaranty to the ownership percentage of Borrower; and,

WHEREAS, it is in the interests of both the Borrower and the Guarantor that the Borrower obtain the Loan.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby agrees as follows:

1. So long as any indebtedness of the Borrower to the City is outstanding, the Guarantor represents and warrant as follows:

A. This Guaranty is legal, valid, binding upon and enforceable against the Guarantor in accordance with its terms, except as it may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights and except as may be limited by general principles of equity. Neither this Guaranty nor the agreements contained herein violate or constitute a default or create or impose any lien, charge or encumbrance under any agreement, instrument or indenture to which the Guarantor are party or by which any of a Guarantor's assets are bound or any other requirement of law.

B. The Guarantor will file, when due, all federal and state income and other tax returns, which are required to be filed, and will pay all taxes shown on said returns and on all assessments received by them to the extent that such taxes shall have become due. The Guarantor has no knowledge of any liabilities, which may be asserted against them upon audit of their federal or state tax returns for any period that remains subject to audit.

C. Except as disclosed by the Guarantor to the City, in writing, prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Guarantor or the Borrower, or any of his properties, which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Guarantor.

D. The Guarantor acknowledge that the City has not made any representations or warranties with respect to, and agrees that the City does not assume any responsibility to the Guarantor for and has no duty to provide information to the Guarantor regarding the

collectability or enforceability of the Note or the financial condition of any Borrower. The Guarantor have independently determined the collectability and enforceability of the Note and, until the Note is paid in full, will independently and without reliance on the City continue to make such determinations.

2. The Guarantor hereby absolutely and unconditionally guarantees to the City:

A. The payment of the principal of and interest on the Note, at the rate required pursuant thereto, when and as the same shall become due and payable, whether by maturity, acceleration, default or otherwise.

B. Payment, on demand by the City, of all legal or other costs, expenses and fees at any time paid or incurred by the City in endeavoring to collect all or part of the Note or to realize upon this Guaranty. (The amounts in clauses A. and B. being, collectively, the "Obligations").

3. The Guarantor's Obligations hereunder shall be binding upon the Guarantor, successors, and permitted assigns. This Guaranty shall remain in full force and effect so long as any of the Obligations are outstanding, without any right of offset and irrespective of:

A. The genuineness, validity, regularity or enforceability of the Note or Loan Agreement or any of the terms thereof, the continuance of any Obligation on the part of the Borrower on either the Note or the Loan Agreement, or the power or authority or lack of power or authority of the Borrower or any other party to issue the Note or execute and deliver the Loan Agreement or to perform any of the Obligations thereunder.

B. Any failure or lack of diligence in connection or protection, failure in presentment or demand, protest, notice of protest, notice of default and of nonpayment, failure of

notice of acceptance of this Guaranty, failure to give notice of failure of the Borrower to perform any covenant or agreement under the terms of the Note or the Loan Agreement, or the failure to resort for payment to the Borrower or to any other person or entity or to any rights or remedies of any type (the Guarantor hereby expressly waiving all of the foregoing).

C. The acceptance or release of any security or other guaranty, extension of the Note or Loan Agreement or amendments, modifications, consents or waivers with respect to the Note or Loan Agreement or any subordination of the Obligations to any other obligations of the Borrower (the Guarantor hereby expressly consenting to all of the foregoing).

D. Any defense whatsoever that the Borrower might have to the payment or to the performance or observance of any of the Obligations, other than full payment thereof.

E. Any legal or equitable principle of marshalling or other rule of law requiring a creditor to proceed against specific property, apply proceeds in a particular manner or otherwise exercise remedies so as to preserve the several estates of joint obligors or common debtors (the Guarantor hereby expressly waiving the benefit of all of the foregoing).


F. Any act or failure to act with regard to any of the Obligations or anything which might vary the risk of the Guarantor; provided that the specific enumeration of the above mentioned acts, failures or omissions shall not be deemed to exclude any other acts, failures or omissions, though not specifically mentioned above, it being the purpose and intent of this Guaranty that the Obligations of the Guarantor shall be absolute and unconditional and shall not be discharged, impaired or varied, except by the full payment of all Obligations, notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of or defense to the Guarantor. Without limiting any of the other terms or provisions hereof, it is

understood and agreed that in order to hold the Guarantor liable hereunder, there shall be no obligation on the part of the City to resort in any manner or form for payment to the Borrower or to any other person, firm or corporation, their properties or assets, or to any security, property or other rights or remedies whatsoever, and the City shall have the right to enforce this Guaranty irrespective of whether or not proceedings or steps are pending seeking resort to or realization upon from any of the foregoing. It is further understood that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Borrower shall default under the terms of the Note or Loan Agreement and that, notwithstanding recovery hereunder for or in respect of any given default or defaults, this Guaranty shall remain in full force and effect and shall apply to each and every subsequent default.

4. This Guaranty shall be a continuing guaranty so long as any of the Obligations remain unpaid, and may be enforced by the City or any subsequent holder of the Note or successor in interest under the Loan Agreement (the Guarantor hereby consents to any transfer of the Note and/or Loan Agreement without notice). This Guaranty shall not be discharged or affected by the death or legal disability of the Guarantor.

5. This Guaranty shall be governed by and construed in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty, to take effect as of the 21 day of December, 2015.

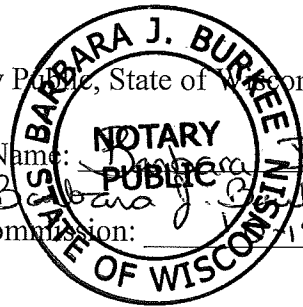


Michael R. Oliver

State of Wisconsin)
: ss
Milwaukee County)

Personally came before me this 21 day of December, 2015 the above-named Michael R. Oliver, to me known to be the person who executed the foregoing instrument and acknowledged same.

Witness my hand and official seal.


Notary Public, State of Wisconsin
Print Name: Barbara J. Burkee

My Commission: 1-18-19

(SIGNATURES CONTINUED ON NEXT PAGE)

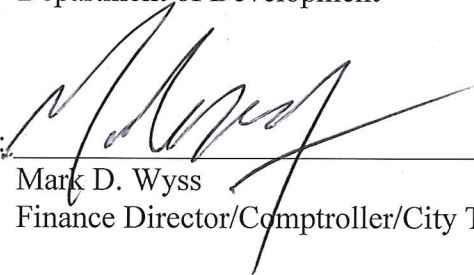
Acceptance:

This Guaranty is hereby accepted this _____ day of December 2015, by the City of West Allis.

CITY OF WEST ALLIS ("City")

By: 

John F. Stibal, Director
Department of Development

Attest: 

Mark D. Wyss
Finance Director/Comptroller/City Treasurer

“Exhibit A to Loan Agreement”

\$150,000.00

West Allis, Wisconsin
December 21, 2015

NOTE

FOR VALUE RECEIVED, The undersigned, Reclaimers LLC, a Limited Liability Company, ("Borrower"), promises to pay to the order of the City of West Allis, a municipal corporation ("City"), the sum of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00), together with interest at the rate of three percent (3.00%) per annum.

As per the attached amortization schedule, from the date of closing and for a period of 6 months, interest payments only are required. At the 7 month following closing, full principal and interest payments will commence in the amount of \$1,448.91, due and payable on or before the first day of each month, commencing on July 2016 with an anticipated completion date in December 2020.

The Note is issued pursuant to that certain Loan Agreement of even date herewith between the Borrower and the City (the "Loan Agreement") and is the Note referred to therein. Payment of this Note may be accelerated in accordance with the Loan Agreement and other Loan Documents. The Borrower agrees to pay all costs of collection, including reasonable attorney's fees and all fees and expenses incurred in endeavoring to protect, enforce and realize upon any of City's rights under the Loan Agreement and Loan Documents including enforcement of repayment under the Guaranty and repayment of all amounts due under the Note. Borrower, for itself, its successors and assigns, hereby expressly waives presentment for payment, notice of dishonor, presentment, and notice of protest, protest and all diligence of collection.

All payments shall be made in lawful currency of the United States of America, to the City Clerk/Treasurer of the City of West Allis, 7525 West Greenfield Avenue, West Allis, Wisconsin 53214, or such other place of payment as the holder of this Note may designate in writing.

As liquidated damages for the additional expenses incurred by the holder of this Note, because of the failure of the Borrower to make prompt payment, the holder may collect a late charge not to exceed one percent (1%) per month on each dollar of each payment on this Note which is more than ten (10) days in arrears; provided, that no such charge shall exceed the maximum amount which may be charged according to law.

If any installment of principal or interest is not paid when it becomes due, or if default occurs in the performance or compliance with the covenants and conditions of any instrument securing the indebtedness evidenced by this Note, or in the Loan Agreement pursuant to which this Note is given, the holder may, at its option, to be exercised at any time thereafter, declare the entire unpaid balance of principal and accrued interest immediately due and payable, without

notice or demand, both notice and demand being hereby expressly waived. The holder's failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. Thereafter in lieu of late charges and any other interest provided for in this Note, all unpaid principal and interest shall bear interest at the rate of eighteen percent (18.0%) per annum until paid.

This Note is secured by a shared second on a General Business Security Agreement on the assets of Reclaimers LLC and a personal Guaranty from Mark R. (Sr) and Loretta Oliver and Michael R. Oliver.

This Note may be prepaid, in full or in part, without penalty.

This Note is executed in and is governed by the laws of the State of Wisconsin. Any litigation relating to this Note shall be brought and maintained in the Circuit Court for Milwaukee County, Wisconsin. Invalidity of any provision shall not affect the validity of any other provision. Without affecting the liability of the Borrower or any guarantor or enforcer, the holder may, without notice, renew or extend the time for payment, accept partial payments, release or impair any collateral security for the payment of this Note or agree to sue any party liable on it. Waiver of any default shall not constitute a waiver of any other or subsequent default.

RECLAIMERS LLC ("Borrower")

By: Mark R. Oliver Sr.
Mark R. Oliver, Sr., Managing Member

By: Michael R. Oliver
Michael R. Oliver, Managing Member