OFFICIAL NOTICE & AGENDA
REGULAR MEETING

MEETING: Common Council
DATE/TIME: Tuesday, November 25, 2025 at 6:00 PM
LOCATION: Wausau City Hall — Council Chambers
407 Grant Street, Wausau WI, 54403

MEMBERS:
Carol Lukens
Micheal Martens
Terry Kilian
Tom Neal
Aaron Griner
Becky McElhaney
Lisa Rasmussen
Sarah Watson
Vicki Tierney
Lou Larson
Chad Henke

1 Call to order by the presiding officer.

2 Pledge of Allegiance, and Roll Call and Proclamations.

3 Reading of the City of Wausau Public Comment Statement.

4 Comments and suggestions from preregistered citizens.

(Any person wishing to offer public comment on items unrelated to items appearing on the agenda must pre-register by providing a name and address in writing to the City Clerk's Office or chair of a standing committee. Public comments must be limited to items on the agenda if not pre-registered.)

5 Consent agenda.

25-1104 Resolution from the Human Resources Committee Approval of MLK In-Service Day Monday, January 19th, 2026 and Adoption of this as a Standard Practice Annually Moving Forward.

25-1106 Resolution from the Human Resources Committee Approving the Hiring of a Part-Time Building Maintenance Technician for the Community Development Authority.

94-0810 Resolution from the Finance Committee Awarding the Audit Contract to Maudlin & Jenkins CPA for the Years 2025 to 2029.

6 Ordinances and resolutions.

25-1109 Veto Override Consideration of the Resolution from the Finance Committee Adopting the 2026 City of Wausau Budget and General Property Tax to Support Same.

03-1111 Joint Resolution from the Human Resources Committee and Finance Committee Authorizing 3% Cost of Living Adjustment (COLA) for Non-Represented Employees Effective December 21, 2025.

25-1102 Confirming Appointments of the Mayor of the City of Wausau to the Ethics Board.

7 Suspend Rule 1(D) Transmission of Committee business to the Council and 11(A) Referral of resolutions.

13-0913 Resolution from Finance Committee Approving Lease Extension with Resurrection Parish – Diocese of La Crosse.

23-0514 Resolution from Common Council Approving Master Payment Amount Purchase Agreement and Joinder Agreement between City of Wausau (Additional Seller) and NS PP Law Services LLC and Napoli Shkolnik PLLC (Initial Sellers), and NS Buyer 2025-1 LLC (Purchaser).

8 Closed Session.

Adjourn to closed session pursuant to Wisconsin State Statute § 19.85(1)(f) to consider financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations, specifically to discuss an investigation into allegations against a City of Wausau official.

Reconvene into Open Session, if necessary, to take action on Closed Session items.

9 Announcement from Mayor and Alderpersons.

10 Comments and suggestions from citizens present during Public Comment occurring both before and after the business meeting.

11 Adjournment.

Mayor Doug Diny, Chair

NOTICE POSTED AT CITY HALL (407 GRANT STREET) AND TRANSMITTED TO THE OFFICIALLY DESIGNATED NEWSPAPER

DATE: 11/19/2025
TIME: 4:00 PM
POSTED BY: Kody Hart

This meeting can be viewed on
YouTube and Channel 981 on Cable TV

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6622 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

City of Wausau
(715) 261-6500 | clerk@wausauwi.gov
wausauwi.gov

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION FROM THE HUMAN RESOURCES COMMITTEE			
Approval of MLK In-Service Day Monday, January 19th, 2026 and Adoption of this as a Standard Practice Annually Moving Forward. Committee Action: Approved 5-0 Fiscal Impact: None			
File Number:	25-1104	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes☒ No☐		
	Included in Budget:	Yes☐ No☐	*Budget Source:*	
	One-time Costs:	Yes☐ No☐	*Amount:*	
	Recurring Costs:	Yes☐ No☐	*Amount:*	
SOURCE	*Fee Financed:*	Yes☐ No☐	*Amount:*	
	Grant Financed:	Yes☐ No☐	*Amount:*	
	Debt Financed:	Yes☐ No☐	*Amount*	*Annual Retirement*
	TID Financed:	Yes☐ No☐	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, The Human Resources Director requested to acknowledge the Federal Holiday of Martin Luther King, Jr. Day as an in-service day for city employees in 2026, and every year after, and;

WHEREAS, the proposed in-service day will provide departments with the opportunity to engage in team-building activities to strengthen employee morale and culture.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Wausau that City Hall will be closed to the public in observation of the Federally observed Martin Luther King, Jr. holiday for an employee in-service day as approved by this resolution.

Approved:

_____

Doug Diny, Mayor

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION FROM THE HUMAN RESOURCES COMMITTEE			
Approving the Hiring of a Part-Time Building Maintenance Technician for the Community Development Authority.			
Committee Action:	Approved 5-0		
Fiscal Impact:	None – Funded through Community Development Fund		
File Number:	25-1106	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY			
COSTS	*Budget Neutral*	Yes☒No☐	
	Included in Budget:	Yes☐No☒	*Budget Source: CDF*
	One-time Costs:	Yes☐No☒	*Amount:*
	Recurring Costs:	Yes☐No☒	*Amount:*
SOURCE	*Fee Financed:*	Yes☐No☒	*Amount:*
	Grant Financed:	Yes☐No☒	*Amount:*
	Debt Financed:	Yes☐No☒	*Amount*
	TID Financed:	Yes☐No☒	*Amount:*
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐		

RESOLUTION

WHEREAS, the Community Development Authority has proposed the hiring of a part-time Building Maintenance Technician; and

WHEREAS, the part-time maintenance staff member would help reduce the workload on current staff; and

WHEREAS, the hiring will be funded through the Community Development Fund, and remain budget neutral for the City of Wausau; and

WHEREAS, your Human Resource Committee recommends the approval of this part-time Building Maintenance Technician

NOWTHERE BE IT RESOLVED, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to approve the hiring of a part-time Building Maintenance

Technician for the Community Development Authority.

Approved:

_____

Doug Diny, Mayor

Human Resource Committee Packet

November 2025

Agenda Item
Discussion and possible action approving a PT Building Maintenance Technician in CDA
Background
The CDA would like to hire a Part-Time Building Maintenance Technician beginning January 2026. Hiring a part-time maintenance staff member would help reduce the workload on current staff, as absences and large projects often create significant backlogs, causing remaining staff to work longer hours. A part-time employee could also train alongside the SBMT before his retirement to preserve valuable knowledge. Additionally, projects have been delayed due to urgent repairs, and the recent transition to NSPIRE-V inspections has increased maintenance demands.
Fiscal Impact
Community Development Fund - $25,417.60
Staff Recommendation
Discuss and possible action to approve a PT Building Maintenance Technician in CDA
Staff contact: Lisa Nowak (715-261-6634)

Human Resources Job Requisition

Instructions:

Departments must complete this form to fill any full-time, part-time, seasonal, temporary, or intern position. A single requisition may be used for a request to fill more than one position that is identical (i.e., poll workers, seasonal employees). The purpose of the job requisition is to ensure that only those positions critical to the City's ongoing operations are filled. Requisition requests will initially be reviewed by Human Resources. **All position requisition requests must include the position justification analysis on the next page.** Requisitions must be approved by the Department Director and Finance before job will be posted.

POSITION INFORMATION	
Position Title: Building Maintenance Technician	Department: CDA
Immediate Supervisor of Position to Fill (*Completes Performance Evals for EE*): Tamara King	Number of Positions Requested: .5
Primary Work Location: CDA	Position Salary Grade: 19
Worker Type (select): Part-Time	Approximate Hiring Salary: $25,417.60
Scheduled Weekly Hours: 20 Work Shift: Day Proposed schedule different from the past: ☐ Yes ☑ No	If position is not for immediate hire, indicate anticipated start date: 1/1/26
Job Description (please review and attach a copy of the job description): ☑ The job description has been reviewed and is accurate with no changes suggested ☐ Revisions are required. Revision proposals are attached.	
Recruitment Type Desired: External Recruitment Length of Job Post: 3 Weeks	
Additional Comments (e.g., posting dates, websites to post job, etc.:	

BUDGET INFORMATION	
☑ New Position ☐ Replacement of Employee ☐ Reallocation ☐ Non-Budgeted **If replacement give name, reason, and vacancy date:**	
Cost Center (REQUIRED): 56501, 56500, 56503	**Costing Fund (REQUIRED):** 230 - Community Development Fund
Other Funding Source/Grant Name:	
Funding Start Date: 01/01/26	Funding End Date:

POSITION JUSTIFICATION

In submitting the justification to fill any City position, the Hiring Manager and/or Department Director must be able to demonstrate the role of the position in addressing a critical function.

The Hiring Manager or Department Director is required to answer the following questions on the next page.

Submissions that contain non-specific language (e.g. "the City/Department cannot function unless this position is filled") will not be accepted.

Position Justification (click under text to type in area):

1. Identify the specific critical service(s) served or supported by the position:

   Hiring a part-time maintenance staff member would help reduce the workload on current staff as our aging properties require more maintenance and unit turnovers have increased in frequency and complexity. Absences and large projects often create significant backlogs, causing remaining staff to work longer hours. A part-time employee could also train alongside the SBMT before his retirement to preserve valuable knowledge. Additionally, projects have been delayed due to urgent repairs, and the recent transition to NSPIRE-V inspections has increased maintenance demands.

2. Identify the consequences of not filling the position:

   The overall workload experienced by current maintenance staff has increased to the point that critical functions are difficult to complete in the typical 8/hr work day. This would ease the burden felt by current staff as well as succession planning for the senior building maintenance technician as well as alleviate burnout.

3. Identify how the functions would be fulfilled if the position is not approved:

   The current maintenance staff would have to continue to fulfill the necessary job duties which could incur overtime and increase likelihood of burnout.

4. Identify to what extent technology is used or could be used to maximize efficiencies and minimize labor costs:

   Not applicable for this position.

5. To the extent that less than 1 FTE is necessary to fulfill critical functions, identify what excess staff time may be available and how that staff time may be reassigned or shared to maximize interdepartmental and intergovernmental efficiencies:

   Excess time could be reassigned to preventative maintenance tasks, faster unit turnovers and higher efficiency for work order requests.

6. Identify recommendations for performance measurement indicators for the position.

   1. Cost efficiency - hiring at $24.44/hr reduces dependence on higher-cost overtime ($30-$36/hr)
   2. Improved coverage - enables existing staff to take vacation without disrupting operations
   3. Faster turnovers - supports rapid unit turnaround reducing vacancy loss
   4. Better preventative maintenance - helps maintain property standards
   5. Reduction in contracts needed to maintain properties
   6. Staff retention and morale - eases workload pressure

Hiring Manager Signature: [signature] **Date:** 11/3/25

Return this completed form to Human Resources. Human Resources will route for Department Head and Finance approval.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION FROM THE FINANCE COMMITTEE			
Awarding the Audit Contract to Maudlin & Jenkins CPA for the Years 2025 to 2029.			
Committee Action:	Approved 5-0		
Fiscal Impact:	$264,500 for the five year period		
File Number:	94-0810	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY			
COSTS	*Budget Neutral*	Yes☐ No☒	
	Included in Budget:	Yes☒ No☐	*Budget Source: Various Funds*
	One-time Costs:	Yes☐ No☒	*Amount:*
	Recurring Costs:	Yes☒ No☐	*Amount: Annual charge $48,500 to $57,000*
SOURCE	*Fee Financed:*	Yes☐ No☒	*Amount:*
	Grant Financed:	Yes☐ No☒	*Amount:*
	Debt Financed:	Yes☐ No☒	*Amount* *Annual Retirement*
	TID Financed:	Yes☐ No☒	*Amount:*
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐		

RESOLUTION

WHEREAS, the City of Wausau did request and receive proposals from independent accounting firms to perform audit and accounting services for the years 2025 through 2029; and

WHEREAS, after appropriate review of proposals and the consideration of experience, staffing, and cost, the staff recommends retaining the services of Maudlin & Jenkins CPA's; and

WHEREAS, your Finance Committee has considered and approved the recommendations of Maudlin & Jenkins CPA's

NOW THERE BE IT RESOLVED, by the Common Council of the City of Wausau, that the proper City officials are hereby authorized and directed to enter into an agreement with Maudlin & Jenkins CPA for audit and accounting services for the years 2025 through 2029.

Approved:

_____

Doug Diny, Mayor

AUDIT FEE SUMMARY

Mauldin & Jenkins

	2025	2026	2027	2028	2029
Community Development Authority	20,000	21,000	22,000	23,000	24,000
Riverview Towers	12,000	12,750	13,250	14,000	14,500
City	48,500	51,000	53,000	55,000	57,000
Total Fee	80,500	84,750	88,250	92,000	95,500

Kerber Rose

	2025	2026	2027	2028	2029
Community Development Authority	24,400	25,115	25,848	26,601	27,373
Riverview Towers	13,150	13,540	13,987	14,392	14,804
City	51,150	52,680	54,256	55,879	57,551
Total Fee	88,700	91,335	94,091	96,872	99,728

Cliton Larson Allen LLP

	2025	2026	2027	2028	2029
Community Development Authority	24,300	24,800	25,300	26,050	26,830
Riverview Towers	16,925	17,250	17,600	18,150	18,700
City	65,500	66,850	68,200	70,250	72,350
Total Fee	106,725	108,900	111,100	114,450	117,880

Baker Tilly

	2025	2026	2027	2028	2029
Community Development Authority	27,500	29,050	30,625	32,275	33,900
Riverview Towers	21,100	21,775	22,450	23,125	23,800
City	70,500	73,875	77,350	80,950	84,775
Total Fee	119,100	124,700	130,425	136,350	142,475

RECEIVED
NOV 13 2025
CITY OF WAUSAU
CITY CLERK

FOR IMMEDIATE RELEASE November 12, 2025

Mayor Diny Issues Budget Veto: "This Budget Is a Tax-Hike Setup, And I Won't Sign It"

"I was not elected to raise taxes on an already highly taxed city. This veto is a line in the sand, even if Council overrides, the message is clear: stop the scare tactics, start planning for the fiscal cliff." — Mayor Doug Diny

VETOED. The 2026 budget is returned unsigned to the Common Council.

At issue:

- Staff grew 7.5% in 4 years (+27 FTE) over half using one-time grants.
- Grants end 2026.
- Council wants them all — so they're pushing a $1.4M/year referendum with firefighter cuts as the threat.

Some alders tried to purge and hide data from the public; they literally asked to remove packet financial analysis they didn't like. It feels like they want chaos; the public wants discussion on tax relief. One stated that they had ideas that will come out between now and January. Sorry, they had 8 weeks but, now hold out a promise to fix things in the 11th hour.

They don't have to cut firefighters alone. They could cut anywhere, like overlapping Parks admin jobs. That permanently funds 4 firefighters.

This Veto Is a Message

- Council may have 8 votes to override. That's fine.
- But taxpayers should remember who refused to cut one admin before asking for $1.4 million more.

MAYOR
NOV 12 2025
CITY OF WAUSAU

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE			
Adopting the 2026 City of Wausau Budget and General Property Tax to Support the Same.			
Committee Action:	Approved 5-0		
Fiscal Impact:	Levy of $38,055,807.71 including city share of tax increment (subject to state report rounding)		
File Number:	25-1109	**Date Introduced:**	November 11, 2025

WHEREAS, the City of Wausau's Finance Committee conducted multiple budget meetings to review the budget for the City of Wausau, and

WHEREAS, a summary of the proposed budget for the year 2026 has been posted on the City's web site, is available for review in the City Clerk's office, and was published in the official newspaper on October 13, 2025; and

WHEREAS, a public hearing was conducted at the October 28, 2025 Common Council meeting to obtain public input, and

WHEREAS, your Finance Committee has recommended a budget with the modifications outlined in the attachment.

WHEREAS, the operating levy of $34,226,703 is the basis for the tax increment calculation established by law resulting in an increment of $3,829,104.71 for a total tax of $38,055,807.71; and

NOW THEREFORE BE IT RESOLVED, by the Common Council of the City of Wausau, the 2026 budget, a summary of which is attached, is hereby adopted, and

BE IT FURTHER RESOLVED, that this summary is supported by a line item detail budget which by this reference is made part of this resolution and represents the official city budget, and

BE IT FURTHER RESOLVED, that budget control is maintained pursuant to the City's budget policy for fund, program department and projects; and

BE IT FURTHER RESOLVED, there is hereby levied a tax of $38,055,807.71 including Tax Increment upon all taxable property within the City of Wausau, as returned by the Assessor in the year 2025, for the uses and purposes as set forth in said budget; and the City Treasurer be and is hereby authorized and directed to spread the tax levy upon the current tax roll of the City of Wausau, and

BE IT FURTHER RESOLVED, the City Treasurer be and is hereby authorized and directed to spread the additionally certified State, County, and Schools tax levies upon the current tax roll of the City of Wausau as indicated in the tax levy certifications.

Approved:

_____Doug Diny, Mayor

NOTICE OF PUBLIC HEARING CITY OF WAUSAU 2026 BUDGET

A public hearing on the City of Wausau 2026 budget is scheduled for Tuesday October 28, 2025 at 6:30PM in City Hall Council Chambers at 407 Grant Street, Wausau WI. The budget may be viewed at the Clerk/Customer Service Office from 8:00AM to 4:30PM Monday through Friday or on the City of Wausau's Web Site www.wausauwi.gov. Below is a summary of the Proposed 2026 Budget.

GENERAL FUND

	2025 ADOPTED BUDGET	2025 MODIFIED BUDGET	ACTUAL 9/30/2025	2025 ESTIMATED ACTUAL	2026 PROPOSED BUDGET	DOLLAR CHANGE	% CHANGE
GENERAL FUND REVENUES							
General Property Tax Levy	**$23,414,717**	**$23,414,717**	**$23,414,717**	**$23,414,717**	**$24,098,840**	**$684,123**	**2.92%**
Other Taxes	260,000	260,000	278,278	322,294	**260,745**	**745**	**0.29%**
Intergovernmental Grants & Aids	13,012,935	13,012,935	6,916,862	13,133,547	**12,707,838**	**(305,097)**	**-2.34%**
Licenses & Permits	756,655	756,655	997,755	1,023,791	**996,680**	**240,025**	**31.72%**
Fines, Forfeitures and Penalties	278,000	278,000	215,464	295,790	**296,000**	**18,000**	**6.47%**
Public Charges for Services	3,155,320	3,155,320	2,580,016	3,319,527	**3,974,066**	**818,746**	**25.95%**
Intergovernmental Charges for Services	1,519,743	1,519,743	964,312	1,527,776	**1,515,279**	**(4,464)**	**-0.29%**
Miscellaneous Revenues	1,411,816	1,411,816	1,773,992	2,155,968	**1,278,915**	**(132,901)**	**-9.41%**
Other Financing Sources	2,221,355	2,221,355	0	2,218,178	**2,585,834**	**364,479**	**16.41%**
TOTAL GENERAL FUND REVENUES	46,030,541	46,030,541	37,141,396	47,411,588	**47,714,197**	**1,683,656**	**3.66%**
GENERAL FUND EXPENDITURES							
General Government	4,820,285	4,820,285	4,243,535	4,575,602	**5,112,428**	**292,143**	**6.06%**
Public Safety	25,101,478	25,085,863	18,252,507	24,185,836	**25,890,622**	**789,144**	**3.14%**
Transportation/Public Works	12,362,633	12,612,633	7,131,846	12,458,245	**12,808,442**	**445,809**	**3.61%**
Sanitation, Health and Human Services	495,625	645,625	698,047	700,000	**561,416**	**65,791**	**13.27%**
Parks, Recreation, Cultural and Education	3,550,520	3,550,520	1,820,414	3,512,795	**3,641,286**	**90,766**	**2.56%**
TOTAL GENERAL FUND EXPENDITURES	46,330,541	46,714,926	32,146,349	45,432,478	**48,014,194**	**1,683,653**	**3.63%**
Excess(Deficiency) of Revenues over Expenditures	(300,000)	(684,385)	4,995,047	1,979,110	**(299,997)**		
Total Fund Balance, January 1	17,147,090	17,147,090		17,147,090	**19,126,200**		
Total Projected Fund Balance, December 31	$16,847,090	$16,462,705		$19,126,200	**$18,826,203**		

ALL FUNDS - SUMMARY

	FUND BALANCE		PROPOSED 2026 BUDGET		
	01/01/2025	PROJECTED 12/31/2025	GENERAL PROPERTY TAX LEVY	OTHER REVENUE	EXPENDITURES
Governmental Fund Types					
General Fund	$17,147,090	$19,126,200	**$24,098,840**	$23,615,357	$48,014,194
Special Revenue Funds:					
Community Development Funds	2,044,053	2,033,136	**702,888**	1,383,883	2,086,617
Economic Development Fund	256,501	225,325		0	210,350
Environmental Clean Up Fund	1,047,871	780,705		125,000	296,362
Hazardous Materials Fund	294,497	287,289		81,000	74,334
Room Tax Fund	567,863	689,077		990,000	1,240,000
Public Access Fund	47,188	46,002		53,001	53,000
Recycling Fund	(78,772)	(39,915)	**968,788**	148,100	1,116,887
400 Block/RiverLife Fund	169,068	143,366		76,440	126,275
Animal Control Fund	157,383	205,475		98,200	98,201
Debt Service Fund	600,531	390,826	**5,609,973**	9,253,598	14,863,571
Capital Projects Funds:					
Capital Projects Fund	943,690	3,951,226	**497,902**	21,558,892	22,056,794
Capital Purchasing Fund	82,261	316,899	**789,236**	-	789,236
Tax Increment District #3 Fund	552,565	(1,183,153)		6,670,515	6,543,188
Tax Increment District #6 Fund	1,010,305	-		-	-
Tax Increment District #7 Fund	-	-		2,086,771	2,086,771
Tax Increment District #8 Fund	(66,237)	(1,127,114)		3,698,715	4,049,742
Tax Increment District #9 Fund	(294,991)	(273,869)		25,208	3,150
Tax Increment District #10 Fund	(803,506)	(493,446)		838,214	600,435
Tax Increment District #11 Fund	703,049	(60,767)		2,948,692	3,249,230
Tax Increment District #12 Fund	(2,269,770)	(1,461,845)		4,439,476	3,321,021
Internal Service Funds:					
Motor Pool Fund	10,928,552	11,057,844		7,045,631	7,045,630
Liability Insurance Fund	1,109,677	1,394,383		1,212,872	1,165,300
Benefits Fund	1,412,633	1,380,424		7,384,700	7,384,068
Enterprise Funds:					
Water Utility Fund	44,843,415	45,465,617		22,287,073	22,057,253
Sewer Utility Fund	51,115,260	51,742,968		15,141,884	14,395,288
MetroRide Fund	5,565,773	5,685,591	**1,110,590**	2,961,870	4,485,786
Parking Fund	15,349,279	15,411,837	**193,988**	563,000	756,987
Airport Fund	1,350,634	1,360,446	**341,000**	156,300	497,299
Total All Funds			**34,313,205**	**134,844,392**	**168,666,969**
		Total 2025 Property Tax Levy	32,277,020		
		Increase	2,036,185		
		Percent Increase	6.308%		

SCHEDULE OF INDEBTEDNESS

General Obligation Debt	Outstanding or Authorized
General Obligation Bonds	$27,225,000
General Obligation Notes	45,500,000
Safe Drinking Water Loan Fund - Lead Service Lines	2,172,756
Foundation Loans	1,609,779
Total General Obligation Debt	$76,507,535
Utility Revenue Debt	
Revenue Bond Debt	10,525,000
Clean Water Fund	84,436,045
Safe Drinking Water Fund	51,065,340
Total Utility Revenue Debt	$146,026,385

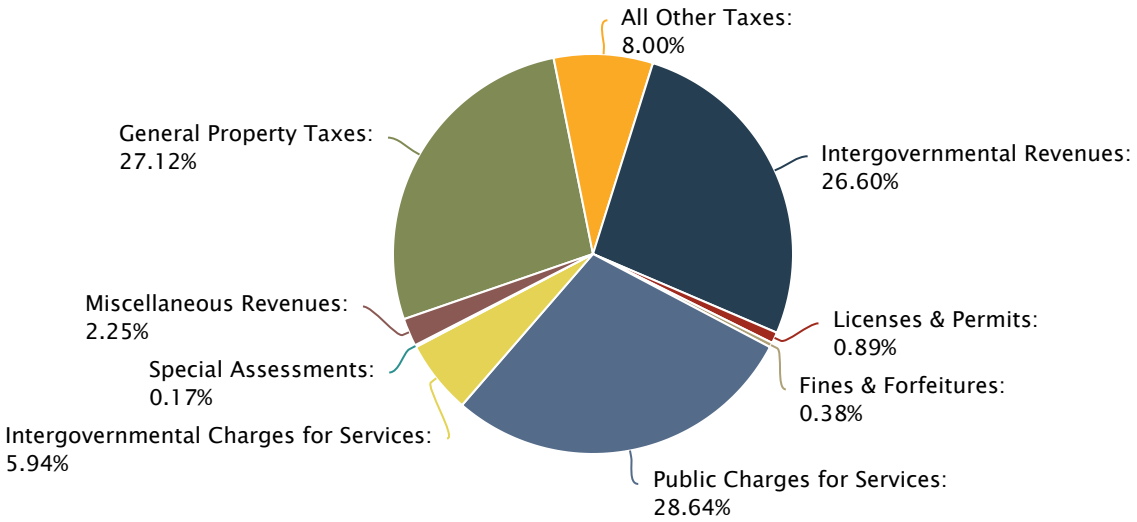
PROPOSED NEW OR DISCONTINUED ACTIVITIES AND FUNCTIONS

The budget reduces the daily operation of the outdoor swimming pools to two pools at a time cost savings of $30,000. It reduces the staffing of animal control enforcement, saving $44,000, and reduced community services officers, saving $40,000. The budget provides $350,000 for contract services for the operation of an emergency homeless shelter.

Finance Committee 2026 recommended budget modifications:

- Remove Park Study, funded by the Economic Development Fund, reserves $45,000
- Shift funding of the downtown flower baskets of $15,000 and Riverlife pier maintenance of $6,900 through Room Tax Funds, and restore funding to swimming pool operations.
- Expand funding for the Solar Array Water Treatment Facility Project to include construction net of 30% tax credits, with the balance to be funded by debt. $1,789,880.
- Fund a portion of the downtown police officer position from Economic Development Fund reserves and reduce the property tax levy by $86,502.
- Increase CSO staffing levels for animal control by $60,000 with funding from the Animal Control Fund reserves.

2026 Revenues by Category All Funds



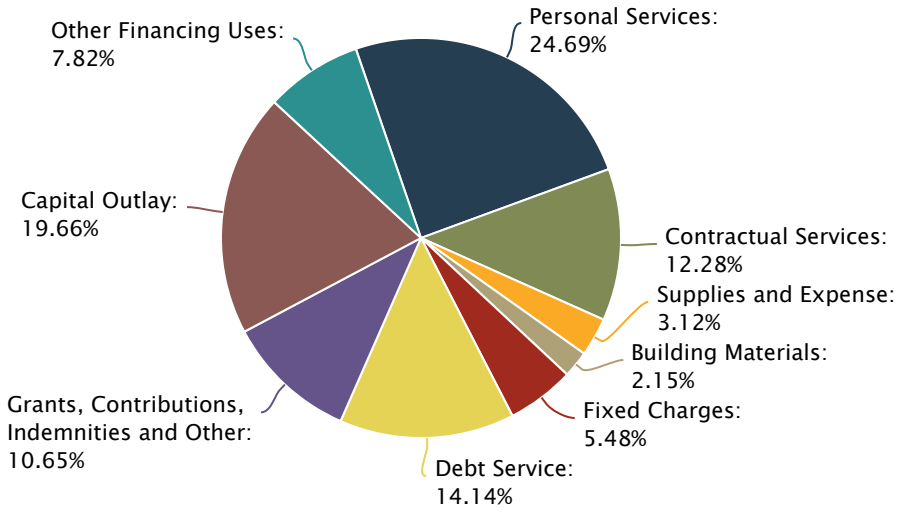
	2026 Budget	2025 Budget
General Property Taxes	$ 34,226,703	$ 32,277,020
All Other Taxes	10,097,021	14,623,655
Intergovernmental Revenues	33,568,533	19,484,967
Licenses & Permits	1,125,281	900,255
Fines & Forfeitures	484,200	466,200
Public Charges for Services	36,147,161	28,455,958
Intergovernmental Charges for Services	7,495,851	15,496,066
Special Assessments	210,000	372,680
Miscellaneous Revenues	2,844,588	2,375,882
Other Financing Sources	45,534,516	41,240,186
Total Revenues	**$ 171,733,854**	**$ 155,692,869**

COMBINED STATEMENT OF EXPENSES - BY ACTIVITY (ALL FUNDS)

		2025			2026			
	2024 Actual	Adopted Budget	Modified Budget	Estimated Actual	Budget Request	Proposed Budget	Budget Increase (Decrease)	Budget Percent Inc / (Decrease)
General Government								
City Council	85,601	84,938	84,938	78,727	84,928	84,928	(10)	(0.01%)
Mayor	216,318	233,775	233,775	194,201	213,504	213,387	(20,388)	(8.72%)
Customer Service	1,320,968	1,288,650	1,288,650	1,242,849	1,376,230	1,375,526	86,876	6.74%
City County Information Technology	1,343,058	1,376,073	1,376,073	1,363,159	1,524,680	1,524,680	148,607	10.80%
Property Assessment	687,756	756,088	756,088	727,343	928,992	928,826	172,738	22.85%
Legal Affairs	743,098	746,339	746,339	656,798	830,835	680,675	(65,664)	(8.80%)
Human Resources	454,414	495,625	495,625	461,097	578,929	561,416	65,791	13.27%
Municipal Court	136,747	136,610	136,610	138,201	142,106	142,094	5,484	4.01%
Public Access Fund	35,358	62,524	62,524	59,058	53,311	53,000	(9,524)	(15.23%)
Liability Insurance Fund	989,402	1,017,000	1,017,000	1,025,668	1,165,300	1,165,300	148,300	14.58%
Employee Benefits Fund	6,694,950	6,802,323	6,802,323	6,981,832	7,384,068	7,384,068	581,745	8.55%
Other General Government	276,768	197,812	197,812	174,324	162,312	162,312	(35,500)	-17.95%
Total General Government	**12,984,438**	**13,197,757**	**13,197,757**	**13,103,257**	**14,445,195**	**14,276,212**	**1,078,455**	**8.17%**
Public Safety								
Police Department	12,341,696	13,632,812	13,632,812	13,225,336	14,560,627	14,477,292	844,480	6.19%
Fire Department	9,285,392	11,468,666	11,468,666	10,960,500	11,649,443	11,413,330	(55,336)	-0.48%
Hazardous Materials Contract Fund	59,757	86,011	86,011	113,011	75,002	74,334	(11,677)	-13.58%
Animal Control Fund	159,148	142,148	142,148	105,108	139,425	158,200	16,052	11.29%
Total Public Safety	**21,845,993**	**25,329,637**	**25,329,637**	**24,403,955**	**26,424,497**	**26,123,156**	**793,519**	**3.13%**
Transportation								
Airport Fund	513,555	479,690	479,690	488,412	497,299	497,299	17,609	3.67%
Public Works	11,253,674	11,300,633	11,550,633	11,404,408	11,579,145	11,503,442	202,809	1.79%
Metro Ride	4,171,388	4,505,639	4,505,639	4,022,829	4,485,167	4,485,786	(19,853)	-0.44%
Motor Pool Fund	6,847,006	9,143,077	9,143,077	8,736,328	9,313,952	7,045,630	(2,097,447)	-22.94%
Parking Fund	1,204,608	751,572	751,572	776,174	758,923	756,987	5,415	0.72%
Total Transportation	**23,990,231**	**26,180,611**	**26,430,611**	**25,428,151**	**26,634,486**	**24,289,144**	**(1,891,467)**	**-7.22%**
Sanitation, Health & Welfare								
Refuse Collection	1,023,922	1,062,000	1,062,000	1,054,647	1,305,000	1,305,000	243,000	22.88%
Recycling Program	915,657	928,915	928,915	890,972	1,116,887	1,116,887	187,972	20.24%
Water Utility	26,078,353	17,435,622	17,435,619	15,230,448	36,203,815	22,057,253	4,621,631	26.51%
Waste Water Utility	13,881,697	21,229,133	21,229,133	15,951,484	14,396,122	14,395,288	(6,833,845)	-32.19%
Enviornmental Clean Up Fund	306,809	191,174	191,174	392,166	296,362	296,362	105,188	55.02%
Total Sanitation, Health & Welfare	**42,206,438**	**40,846,844**	**40,846,841**	**33,519,717**	**53,318,186**	**39,170,790**	**(1,676,054)**	**-4.10%**
Economic/Community Development								
TID Number Three Fund	4,095,888	11,822,998	13,249,414	12,476,859	6,543,188	6,543,188	(5,279,810)	-44.66%
TID Number Six Fund	4,180,466	5,943,276	5,943,276	3,997,527	-	-	(5,943,276)	-100.00%
TID Number Seven Fund	2,162,984	2,127,829	2,127,829	1,890,004	2,086,771	2,086,771	(41,058)	-1.93%
TID Number Eight Fund	1,967,723	5,578,777	5,578,777	3,892,121	4,049,742	4,049,742	(1,529,035)	-27.41%
TID Number Nine Fund	2,579	3,150	3,150	3,225	3,150	3,150	-	0.00%
TID Number Ten Fund	5,389,058	557,840	557,840	543,910	600,435	600,435	42,595	7.64%
TID Number Eleven Fund	2,317,273	2,487,810	2,487,810	2,726,239	3,249,230	3,249,230	761,420	30.61%
TID Number Twelve Fund	2,410,743	965,755	965,755	1,483,397	3,321,021	3,321,021	2,355,266	243.88%
Community Development Funds	1,999,843	1,646,024	2,224,888	1,826,479	2,086,772	2,086,617	440,593	26.77%
Economic Development Fund	3,677	31,350	31,350	31,176	50,350	251,852	220,502	703.36%
400 Block/Riverlife Fund	212,767	140,897	140,896	109,049	126,275	148,175	7,278	5.17%
Room Tax Fund	1,060,888	1,250,133	1,499,479	975,748	1,240,000	1,240,000	(10,133)	-0.81%
Total Economic/Community Development	**25,803,889**	**32,555,839**	**34,810,464**	**29,955,734**	**23,356,934**	**23,580,181**	**(8,975,658)**	**-27.57%**

		2025			2026		Budget Increase (Decrease)	Budget Percent Inc / (Decrease)
		Adopted Budget	Modified Budget	Estimated Actual	Budget Request	Adopted Budget		
Parks and Recreation	3,174,226	3,550,520	3,550,520	3,512,795	3,704,786	3,641,286	90,766	2.56%
Debt Service Fund	14,323,099	11,697,223	11,697,223	14,012,270	11,697,223	14,863,571	3,166,348	27.07%
Capital Projects Funds								
Capital Projects Fund	11,975,248	5,684,682	5,684,682	5,166,771	9,970,556	24,633,051	18,948,369	333.32%
Central Capital Purchasing Fund	1,035,961	806,636	806,636	975,316	868,236	789,236	(17,400)	-2.16%
Capital Projects Funds	13,011,209	6,491,318	6,491,318	6,142,087	10,838,792	25,422,287	18,930,969	291.64%
Total Expenditures	**$ 157,339,523**	**$ 159,849,749**	**$ 162,354,371**	**$ 150,077,966**	**$ 170,420,099**	**$ 171,366,627**	**$ 11,516,878**	**7.20%**

2026 Budget by Expenditure Category - All Funds



Budget By Expenditure Category (All Funds)	2026 Budget	2025 Budget
Personal Services	$ 42,313,252	$ 42,847,333
Contractual Services	21,046,812	20,512,284
Supplies and Expense	5,348,032	6,217,599
Building Materials	3,679,760	3,937,250
Fixed Charges	9,393,054	8,835,707
Debt Service	24,237,319	20,834,639
Grants, Contributions, Indemnities and Other	18,251,352	2,211,476
Capital Outlay	33,691,243	38,046,719
Other Financing Uses	13,405,803	16,406,742
Total	**$ 171,366,627**	**$ 159,849,749**

CITY OF WAUSAU
BUDGET FORECAST- LEVY DEPENDENT FUNDS

	2026 ADOPTED BUDGET	2025 ADOPTED BUDGET	CHANGE INCREASE (DECREASE)	PERCENT CHANGE
GENERAL FUND				
Personnel	$31,533,596	$32,769,890	($1,236,294)	-3.773%
Operating Costs	$16,480,601	$13,560,651	$2,919,950	21.533%
Total Expenses	$48,014,197	$46,330,541	$1,683,656	3.634%
Revenues	23,701,859	22,615,824	1,086,035	4.802%
Employee Vacancy Savings	300,000	300,000	0	0.000%
Fund's Net Levy Requirement	24,012,338	23,414,717	597,621	2.552%
RECYCLING FUND				
Expenditures	1,116,888	928,915	187,973	20.236%
Revenues	148,100	148,100	-	0.000%
Fund's Net Levy Requirement	968,788	780,815	187,973	24.074%
COMMUNITY DEVELOPMENT/ECONOMIC DEVELOPMENT FUND				
Expenditures	2,086,771	1,645,096	441,675	26.848%
Revenues	1,383,883	1,172,541	211,342	18.024%
Fund Balance Application	0	19,667	(19,667)	-100.000%
Fund's Net Levy Requirement	702,888	452,888	250,000	55.201%
DEBT SERVICE FUND				
Expenditures	14,863,571	11,697,223	3,166,348	27.069%
Revenues	9,253,598	6,817,355	2,436,243	35.736%
Fund Balance Application	-	252,531	(252,531)	
Fund's Net Levy Requirement	5,609,973	4,627,337	982,636	21.235%
CAPITAL PROJECT FUND				
Expenditures	24,633,051	5,684,682	18,948,369	333.323%
Revenues	14,148,299	379,680	13,768,619	3626.375%
Debt Proceeds	9,986,850	4,600,000		
Fund Balance Application	-	187,575	(187,575)	0.000%
Fund's Net Levy Requirement	497,902	517,427	(19,525)	-3.773%
CENTRAL EQUIPMENT AND FACILITY CAPITAL FUND				
Expenditures	789,236	806,636	(17,400)	-2.157%
Revenues	-	-	-	0.000%
Fund Balance Application	-	-	-	
Fund's Net Levy Requirement	789,236	806,636	(17,400)	-2.157%
METRO RIDE FUND				
Expenditures	4,485,788	4,505,639	(19,851)	-0.441%
Revenues	2,961,870	3,094,503	(132,633)	-4.286%
Fund Balance Application	413,328	300,546	112,782	
Fund's Net Levy Requirement	1,110,590	1,110,590	0	0.000%
PARKING FUND				
Expenditures	756,988	751,572	5,416	0.721%
Revenues	563,000	563,000	-	0.000%
Fund Balance	-	-	-	0.000%
Fund's Net Levy Requirement	193,988	188,572	5,416	2.872%
WAUSAU DOWNTOWN AIRPORT FUND				
Expenditures	497,300	479,690	17,610	3.671%
Revenues	156,300	147,000	9,300	6.327%
Fund's Net Levy Requirement	341,000	332,690	8,310	2.498%
ANIMAL CONTROL				
Expenditures	98,200	142,148	(43,948)	-30.917%
Revenues	98,200	96,800	1,400	1.446%
Fund Balance Application	0	0	0	
Fund's Net Levy Requirement	0	45,348	(45,348)	-100.000%
TOTAL LEVY BEFORE INCREMENT	**34,226,703**	**32,277,020**	**1,949,683**	6.040%
City's Share of TIF Increment	3,829,105	5,136,020	(1,306,915)	-25.446%
TOTAL LEVY	**$38,055,808**	**$37,413,040**	$642,768	1.718%
Assessed Value	**$4,353,314,700**	**$4,295,009,000**	**$58,305,700**	**1.358%**
Tax Rate Per $1,000 of Assessed Value	**$8.7418000**	**$8.710818**	**$0.03098**	**0.356%**
Equalized Value	$4,569,050,900	$4,387,427,300	$181,623,600	4.140%
Tax Rate Per $1,000 of Equalized Value	$8.329040	$8.5273300	($0.198290)	-2.325%

FINANCE COMMITTEE – BUDGET SESSION #1

Date and Time: Monday, September 29, 2025, at 6:00 p.m., Council Chambers
Members Present: Michael Martens (C), Vicki Tierney (VC), Sarah Watson, Chad Henke
Members Absent: Becky McElhaney
Others Present: Maryanne Groat, Mayor Doug Diny

Noting the presence of a quorum Chairperson Martens called the meeting to order at 6:02 p.m.

Budget discussion and actions regarding recommending a 2026 Budget including setting the 2026 Fee Schedule.
The 2026 Budget was presented by MaryAnne Groat, Finance Director. Discussion was held. No action taken.

Link to the 2025 Proposed Budget Book:
https://www.wausauwi.gov/home/showpublisheddocument/15354/638949042290330000

Adjourn
Motion by Tierney, seconded by Henke, to adjourn the meeting. Motion carried. Meeting adjourned at 7:09 p.m.

For full meeting video on YouTube: https://www.youtube.com/watch?v=nrMstsKOUjo

DRAFT

FINANCE COMMITTEE – BUDGET SESSION #2

Date and Time: Tuesday, September 30, 2025, at 6:00 p.m., Council Chambers
Members Present: Michael Martens (C), Vicki Tierney (VC), Becky McElhaney, Sarah Watson, Chad Henke
Others Present: Maryanne Groat, Mayor Doug Diny, Jamie Polley, Randy Fifrick, Mathew Barnes, Jeremy Kopp, Eric Lindman, Ronald Schuenke, Anne Jacobson.

Noting the presence of a quorum Chairperson Martens called the meeting to order at 6:00 p.m.

Budget discussion and actions regarding recommending a 2026 Budget including setting the 2026 Fee Schedule.

The budget regarding the Parks & Recreation Department was discussed. Watson stated support to find a way to keep pools operating throughout the week instead of closing two down a day to save on operating costs. Tierney stated support to find a way to keep pools open as many resident children do not have other activity options during the summer season. Martens questioned if the Memorial Park pool would be impacted by the construction of the road going into the park. It was stated the operations of that pool would likely be impacted only minimally.

The budget regarding the Police Department was discussed. McElhaney stated disappointment in the reduction of funding to animal control operations as this was a program that had just been initiated despite some public opposition. McElhaney stated this was moving backwards to when all animal control responses were handled by sworn officers and against goals set by the Common Council. Tierney questioned if the excess funding provided in the animal control fund could be utilized to continue to support animal control operations as it currently operates as promised to the public. Tierney stated if the animal control operation did not continue as is, the fund could start running out due to lack of animal licensing enforcement. Watson stated there is a direct correlation between the amount of funding in the animal control fund and supporting the animal control operation and stated support. Martens stated that historically animal control operations is budget neutral while it is funded out to the animal control fund paid for by animal licensing enforcement. Tierney stated there are services that are important to support and prioritize within the community.

The budget regarding the Fire Department was discussed. McElhaney questioned how positions funded from the Staffing for Adequate Fire and Emergency Response (SAFER) grant and American Rescue Plan Act (ARPA) funding would continue to be funded into the next budget year. Martens questioned the deferral of the purchase of an arial truck in terms of whether the current arial truck can continue to be certified while deferring the purchase of a newer truck.

The budget regarding the Department of Public Works was discussed. Watson stated concerns with the luck running out on the budget to manage snow as recent years have had mild winters reducing the budget allocation. Watson stated fees should be considered for the work the department puts into helping to facilitate special events within the city. Martens stated the reconstruction on 28th Avenue was slated for a mill and overlay project as opposed to a full reconstruction and that the road presents challenges.

The budget regarding all other departments was discussed. No action taken.

Without objection, the next meeting scheduled to discuss the budget was cancelled and the next committee meeting to discuss the budget will be on Monday, September 6, 2025 at 6:00 p.m.

Link to the 2025 Proposed Budget Book:
https://www.wausauwi.gov/home/showpublisheddocument/15354/638949042290330000

Adjourn

Motion by Watson, seconded by Henke, to adjourn the meeting. Motion carried. Meeting adjourned at 8:17 p.m.

For full meeting video on YouTube: https://www.youtube.com/watch?v=Ca50cSQusv0

DRAFT

FINANCE COMMITTEE – BUDGET SESSION #3

Date and Time: Monday, October 6, 2025, at 6:00 p.m., Council Chambers
Members Present: Michael Martens (C), Vicki Tierney (VC), Becky McElhaney, Sarah Watson, Chad Henke
Others Present: Maryanne Groat, Mayor Doug Diny, Jamie Polley, Mathew Barnes, Eric Lindman, Dustin Kraege

Noting the presence of a quorum Chairperson Martens called the meeting to order at 6:07 p.m.

Budget discussion and actions regarding recommending a 2026 Budget including setting the 2026 Fee Schedule.

The budget reduction proposal for expense savings to reduce animal control was discussed. Martens stated that a reduction in enforcement of animal licensing would have a detrimental effect on the animal control fund which is used to support the program for licensing and animal control. Tierney questioned whether funding could be diverted for a study to restructure the Parks & Recreation Department to fund animal control and other funding deficits.

The budget reduction proposal for expense savings to have two pools open on any given day during the summer season and reducing the amount of dumpsters at parks was discussed. Tierney stated opposition to a reduction in the amount of dumpsters at parks as that could increase littering in parks. Watson stated the reduction of dumpsters was strategically considered to limit the amount of littering and the department would monitor for an increase in trash in parks upon the reduction. Martens stated having more dumpsters increases the possibility of illegal dumping of non-park refuse and further stated support of a pack-in/pack-out policy encouraged in city parks. Watson stated opposition to the funding of a study to restructure the Parks & Recreation Department. Tierney stated opposition to the study as well as the standing committee had already provided direction on that matter and as other priorities need to be funded. Watson questioned if funding could be diverted from the economic development fund, use to fund the study, toward the 400 Block fountain operation to then divert that allocated funding to full time pool operation. Watson further stated staff could conduct the study saving the cost. Tierney stated support for finding funding savings that did not impact services provided. Watson questioned if other funding savings from another department could be diverted. Tierney questioned if funding cuts to maintenance would be viable. It was stated cuts to maintenance would impact the services provided. Tierney stated a reduction in or funding from local business for flower baskets in the downtown area and other beautification efforts could be considered to reduce spending. Martens questioned if funding towards maintenance in city buildings could be considered. Watson questioned if a reduction in the council salary could be considered. Tierney questioned whether any equipment utilized by the Department of Public Works to be sold off could be considered. Henke requested to see the list of possible budget cuts for the committee to decide on what to reduce or reallocate. Tierney stated support for finding funding, even one time funding, to support keeping pools open as the pools have already been built by taxpayers.

The budget funding of the downtown officers was discussed. Watson stated support for paying for the downtown officers through the economic development fund as the presence of downtown officers supports business in the downtown business district. McElhaney stated the original long term funding plan to fund the downtown officers was supposed to be supported by attrition. Watson stated support for using the economic development for the one-time funding of the downtown officers as the opening of a new shelter outside of the downtown business district would move the unhoused population outside of downtown reducing the need for the additional officers.

Without objection, the next meeting scheduled to discuss the budget will be on Monday, October 13, 2025 at 5:00 p.m.

Link to the 2025 Proposed Budget Book:
https://www.wausauwi.gov/home/showpublisheddocument/15354/638949042290330000

Adjourn

Motion by Watson, seconded by Tierney, to adjourn the meeting. Motion carried. Meeting adjourned at 7:44 p.m.

For full meeting video on YouTube: https://www.youtube.com/watch?v=ac9h1NSMaec

DRAFT

FINANCE COMMITTEE – BUDGET SESSION #4

Date and Time: Monday, October 13, 2025, at 5:30 p.m., Council Chambers
Members Present: Michael Martens (C), Vicki Tierney (VC), Becky McElhaney, Sarah Watson, Chad Henke
Others Present: Maryanne Groat, Mayor Doug Diny, Jamie Polley, Eric Lindman, Mathew Barnes

Noting the presence of a quorum Chairperson Martens called the meeting to order at 5:32 p.m.

Budget discussion and actions regarding recommending a 2026 Budget including setting the 2026 Fee Schedule.

The budget reduction proposal for expense savings to have two pools open on any given day during the summer season was discussed. Martens stated moving the funding of the downtown flower basket program and the Riverlife Park piers to Room Tax Grant allocations made sense as the grant allocation fund is stable enough to support these additions.

Motion by Henke, seconded by Watson, to amend the budget to transfer the piers and the flower baskets to room tax funding out of the Parks & Recreation Department budget to use the funds to open the pools as they were. Motion carried 5-0.

Motion by Watson, seconded by McElhaney, to reallocate the available surplus within the animal control fund, in an amount not to exceed $60,000, to support the Community Service Officer II positions responsible for humane enforcement and animal welfare services. Motion carried 5-0.

The budget reduction proposal for expense savings to eliminate the reconstruction of 28th Avenue in the capital improvement project budget was discussed. McElhaney questioned why it was proposed for mill and overlay in the budget when the Infrastructure & Facilities Committee recommended reconstruction. It was stated it was reduced to mill and overlay to reduce the amount of debt within the proposed budget. Tierney stated grants could be utilized in the future if the reconstruction project is delayed for the mill and overlay. Martens stated that while a delay in reconstruction could provide an opportunity for more grant funding, putting off the project could also increase the overall cost of reconstruction. Henke questioned if the city could go to Aspirus to see if the entity would contribute to funding the reconstruction. Tierney stated support of delaying the reconstruction to pay down the lead service line project debt and then fund the reconstruction through that debt that had been paid off. Martens stated it might be prudent to wait to better manage debt capacity.

Motion by Henke, seconded by Watson, to amend the budget to borrow and additional $1.8 million to reconstruct 28th Avenue as was voted on in the Infrastructure & Facilities Committee. Motion failed 3-2, with Henke and Watson in support.

The budget proposal to add a solar array to the water treatment plant was discussed. Henke stated support of the solar array project as it has a hard return on investment with the cost savings, grants, and tax credits. Tierney questioned how much money would be lost if the project was not approved by July when the grant funds and tax credits would expire. It was stated that more than $700,000 could be lost. Henke stated the tax credits for residential homes was beneficial and cost effective prompting further support for the project. Martens stated support as the tax credits and grants are only available this year and the project is one of many things that could help support stable water rates in the future.

Motion by Henke, seconded by Watson, to amend the budget to add $2.5 million in borrowing for the solar array project and earmark future grant funds and tax credits toward paying off the debt incurred for the project. Motion carried 5-0.

The budget funding of the downtown officers and the budget proposal to study the restructuring of the Parks & Recreation Department was discussed. Watson stated support for paying for the downtown officers with the economic development fund as the officers supports business in the downtown business district. Watson further stated the opening of a new shelter outside of the downtown business district, which provides both day and night shelter, would move the unhoused population outside of downtown. Watson stated the Parks & Recreation Committee had voted not to consider the restructuring of the Parks & Recreation Department. Watson stated support for the amendment as it reduced the mill rate by 2 cents. McElhaney stated the need to support the funding of the downtown officers with the economic development fund as it is an economic need.

Motion by Watson, seconded by McElhaney, to amend the budget to strike the $45,000 allocation for the park consulting services study and take a resulting $86,502 from the economic development fund to fund, as a one-time transitional allocation, the downtown officer program and direct staff to review the need and structure of this deployment in the future. Motion carried 5-0.

Motion by Tierney, seconded by Henke, to approve the 2026 budget as amended. Motion carried 5-0.

Link to the 2025 Proposed Budget Book:
https://www.wausauwi.gov/home/showpublisheddocument/15354/638949042290330000

Adjourn
Motion by Watson, seconded by Henke, to adjourn the meeting. Motion carried. Meeting adjourned at 6:31 p.m.

For full meeting video on YouTube: https://www.youtube.com/watch?v=ORSFMdIRyYY

DRAFT

ANALYSIS OF POTENTIAL PARKS REPATRIATION SAVINGS

2024 BUDGET – CITY ONLY		2026 BUDGET – CITY & COUNTY		
Management & Administrative Position to Cut				
0.50	Parks Director	1.00	Parks Director	**Potential**
0.50	Assistant Director	1.00	Assistant Director	**Savings from**
0.50	Assistant Director	1.00	Assistant Director	**Reducing**
0.40	Administrative Officer	1.00	Administrative Officer	**Headcount by**
0.30	Secretary	1.00	Senior Adm. Specialist	**3.20 FTE at**
		1.00	Accountant	**$120,450 per**
0.40	Accounting Specialist I	1.00	Accounting Specialist	**Positions:**
0.40	Clerical Assistant II	1.00	Administrative Specialist	
0.50	Operations Supervisor	3.00	Operations Supervisors	**$385,440**
3.50	**FTE Total – Proposed Cuts****	**11.00**	**FTE City-County Department**	
Front Line Positions to Keep				
0.70	Equipment Operator III	2.00	Heavy Equipment Operator	* Bring 1.00 FTE
0.00	(Purchasing/Fleet Coordinator)*	1.00	(Purchasing/Fleet Coordinator)	Trades Technican
1.00	Mechanic	2.00	Mechanic	Over as 1:00 FTE
2.60	Trades Technician I & II*	1.00	Lic. Bldg. Maintenance Specialist	Pruchasing/Fleet
4.30	FTE Transfer into Existing DPW Units	6.00	FTE City-County Department	Coordinator
0.00		1.00	County Forester	** Add Back 0.30 FTE
0.70	Urban Forester	1.00	Parks Forester	to the Headcount
0.30	New FTE**	0.00		After Reducing It
1.00	Create One Supervisory Position	2.00	FTE City-County Department	By 3.50 FTE
				Leaves a Net
2.65	Arborists	4.00	Arborists	Reduction of
0.25	Turf Maintainer	4.00	Parks Maintenance Spec.	3.20FTE
1.40	Horticulturalist	2.00		
5.50	Parks Maintainer II	13.00	Parks Maintenance Techs.	
9.80	FTE Grounds Maintenance Staff	23.00	FTE City-County Department	
				*** Bring 0.50 FTE
1.00	Recreations Coordinator	1.00	Recreations Coordinator	Storekeeper Over
	*(Recreations Specialist)***	4.00	Recreations Specialist	As 0.50 FTE
0.50	Storekeeper**	0.00		Recreations
1.50	FTE Parks Program Staff	5.00	FTE City-County Department	Specialist
12.30	FTE New City Parks Division	47.00	FTE in the County Provided Org. Chart	
16.60	**FTE Identified Service & Support Positions to Keep**			
3.20	Management & Administrative Staff Cut (See Above)			
0.39	Unidentified Positions Attributed to the City			
20.19	**Total Positions – City Parks Dvision**			

Potential DPW-Run Parks Department Budget for 2027 with 20.00 FTE***

Personnel Services	$2,150,000
Contractual Services	$545,000
Supplies & Expense	$320,000
Building Materials	$80,000
Fixed Charges	$80,000
Division Total	**$3,175,000**

**** DPW may relocate 4.30 FTE in other Division

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

JOINT RESOLUTION FROM THE HUMAN RESOURCES COMMITEE AND FINANCE COMMITTEE			
Authorizing 3% Cost of Living Adjustment (COLA) for Non-Represented Employees Effective December 21, 2025.			
Committee Action	HR Approved 5-0 FIN Approved 4-0		
Fiscal Impact:	$387,227		
File Number:	03-1111	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes☒No☐		
	Included in Budget:	Yes☐No☐	*Budget Source:*	
	One-time Costs:	Yes☐No☐	*Amount:*	
	Recurring Costs:	Yes☐No☐	*Amount:*	
SOURCE	*Fee Financed:*	Yes☐No☐	*Amount:*	
	Grant Financed:	Yes☐No☐	*Amount:*	
	Debt Financed:	Yes☐No☐	*Amount*	*Annual Retirement*
	TID Financed:	Yes☐No☐	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, the City of Wausau is committed to a compensation policy that strengthens the recruitment and retention of well qualified and effective employees; and

WHEREAS, your Human Resources Committee and Finance Committee have reviewed and recommended the salary range structure of the non-represented employees be adjusted by 3% to reflect maturation of the salaries to remain competitive in the existing labor market; and

WHEREAS, your Human Resources Committee and Finance Committee have reviewed and recommended a general wage adjustment of 3% to be implemented on December 21, 2025, for non-represented employees covered under the City of Wausau employee handbook; and

WHEREAS, your Finance Committee has reviewed and recommends the funds be approved; and

WHEREAS, the fiscal impact by Funds is expected to be $387,227.

NOW THEREFORE BE IT RESOLVED, By the Common Council of the City of Wausau that the salary range structure of the City of Wausau Employee Handbook- non-represented employee be

increased by 3% to reflect the maturation of salaries in the market; and

BE IT RESOLVED, the Common Council of the City of Wausau that a 3% general wage adjustment be implemented effective December 21, 2025 pursuant to the terms outlined in the City of Wausau Employee Handbook – non-represented employees.

Approved:

_____

Doug Diny, Mayor

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

CONFIRMATION OF MAYOR'S APPOINTMENTS	
Confirming Appointments of the Mayor of the City of Wausau to the Ethics Board.	
File Number: 25-1102	**Date Introduced:** November 25, 2025

Ethics Board

Appointee:		Term:	Term Ending:
Christopher Filz	1st Term	Replacing Doug Hosler	4/30/2030

Attest:

_____

Kaitlyn Bernarde, City Clerk

Citizen Participation Form

Thank you for your interest in serving on one of our many Boards, Committees or Commissions. The Mayor makes appointments, which are subject to confirmation of the Council. Some, but not all, require residency or specific qualifications. Therefore, unless you express a specific interest in serving on a particular Board, Committee, or Commission, your response to the following questions will assist in appointing you, subject to confirmation of the Council. The City is looking for a broad representation of citizens with diverse backgrounds, talents, and interests. Submission of a completed application does not guarantee placement.

Contact Information

Full Name*

Christopher Filtz

First and Last Name

Residential Address*

Street Address

[redacted]

Address Line 2

City

Wausau

State/Province/Region

WI

Postal/Zip Code

54401-4457

Is this your residence for voter registration?*

☐ Yes No

Phone*

[redacted]

Email*

[redacted]

How long have you been a Wausau resident?*

19 years

Do you own a business within the City of Wausau?*

☐ Yes No

If Yes, please list the name and address of the business

AMP Marketing 311 N 6th Ave Wausau WI 54401

Employment Information

Please provide your current or most recent employment information

What is your most recent job title?*

Business Name*

Business Address *

Street Address

311 N 6th Ave

Address Line 2

City

Wausau

State/Province/Region

WI

Postal/Zip Code

54401-4457

Business Phone Number *

(715) 432-0989

Community Involvement

Please note any history of involvement with your community

Are you currently serving on any Boards, Commissions or Committees? *

☐ Yes ☐ No

If Yes, please list them here.

Bicycle and Pedestrian Advisory Committee, term expires 2026

Do you have previous experience in any form of government?(This could be as an employee, committee member, elected official, etc) *

☐ Yes ☐ No

Describe your involvement within the Wausau community - including government, schools, non-profit organizations, athletics, etc. *

Board Member Cycling Without Age Marathon County

Volunteer, United Way of Marathon County

Board Member Wausau Pedestrian and Bicycle Committee

Area of Interest

Information regarding existing City of Wausau Boards, Commissions and Committees can be found on the City Website at www.wausauwi.gov/your-government/city-council/boards-committees-commissions.

Please select your top three boards, committees, or commissions you are interested in serving on: *

- ☐ AARP Livability Committee
- ☐ Affordable Housing Regional Task Force
- ☐ Bicycle & Pedestrian Advisory Committee
- ☐ Board of Zoning Appeals
- ☐ Business Improvement District Board
- ☐ Citizen's Advisory Committee
- ☐ Ethics Board
- ☐ Administrative Review Board
- ☐ Airport Committee
- ☐ Board of Review
- ☐ Building Advisory Board
- ☐ Capital Improvement Program Committee(CIPC)
- ☐ Community Development Authority
- ☐ Historic Preservation Commission

- Joint Review Board
- Plan Commission
- Sustainability, Energy, and Environment Committee
- Wausau Arts Commission
- Wausau Water Works Commission
- Liberation and Freedom Committee
- Police and Fire Commission
- ☐ Transit Commission
- Wausau Veterans Committee
- Room Tax Commission

Please note your order of interest from the selections above.*

1. Ethics Board 2. Community Development Authority 3. Transit Commission

Please list first, second and third choice

Please expand on why you are interested in serving on your selected boards, committees, and commissions.*

I love serving my fellow citizens, from my volunteer activities to my military service I try to create a life where I give back more than I take. As a homeowner, business owner and property owner in Wausau and surrounding area I have an immediate interest in how my local government is run and I want to have a direct impact on how decisions are made that affect all citizens from all backgrounds in Wausau.

Are you willing and able to attend meetings on a regular basis?*

☐ Yes No

What qualifications and experience will you bring to the Board, Committee or Commission?*

I've served for two terms on the bicycle and pedestrian committee and have learned much about proper procedure, rules and conduct during official meetings. I am an active member, attending every meeting on time and contributing meaningful on topic discussion and ideas.

I bring that experience along with my 20+ years in leadership roles, a lifetime of knowledge in the local property business and my extensive experience in marketing (using my marketing work to address difficult topics with tact, honesty, and duty to my community, not just one person or party) to any board I serve on, giving the perspective of the average citizen who is often left out of the most important decisions our community makes.

Additional Information

You are welcome to attach additional information such as your resume or vitae that may further support your appointment.

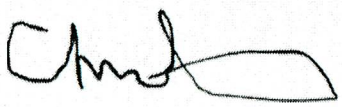
File Uploads

You may choose to attach supplemental information, such as a professional resume, personal biography, letter of interest, or references that may further support your appointment. This is not a requirement.

Acknowledgement

This application will remain on file for three years from the date of submission. Please be advised that your completed application including any supplemental attachments, are subject to open records requests under the Freedom of Information Act.

Signature*



Date

11/12/2025

City Attorney
Anne Jacobson, City Attorney

DATE: November 25, 2025
TO: Common Council
SUBJECT: **13-0913** Resolution from Finance Committee Approving Lease Extension with Resurrection Parish – Diocese of La Crosse.

PURPOSE

To decide whether to terminate the Ground Lease between the City of Wausau, as Tenant, and Church of the Resurrection Parish, as Landlord, or allow an option to extend the term for an additional ten (10) years beyond December 31, 2025.

BACKGROUND

On December 30, 2015, the City of Wausau executed a Ground Lease with Church of the Resurrection Parish ("Landlord"). The City is leasing from the Landlord, the east half of the block bounded by 1st and 2nd Streets and Grant Street to the north and McClellan Street to the south. The City purchased from the Parish, the west half of that same block, authorized by a Joint Resolution of Economic Development Committee and Finance Committee, File Number 13-0913, on February 24, 2015, for the purpose of eliminating blight and constructing a mixed use parking structure.

The east half of the block is used as a publicly accessible green space, with twenty (20) on-street angled parking stalls along N. 2nd Street, 12 of which are reserved exclusively for Landlord's use.

The City has four (4) options to extend the initial ten (10) year term, for four (4) consecutive ten (10) year terms, which are deemed to have been exercised automatically, unless written notice is provided to the Landlord not less than thirty (30) days prior to the expiration of the then current term (or by November 30, 2025).

The City has a right of first refusal on the leased space, in the event the Landlord receives a bona fide offer to purchase the east half of the block.

This is brought forward to allow the City the opportunity to terminate the Ground Lease, if it so desires. If no action is taken to terminate the Ground Lease, the Lease will automatically renew for an additional ten (10) years.

FISCAL IMPACT

None.

RECOMMENDATION

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION FROM THE FINANCE COMMITTEE			
Approving Lease Extension with Resurrection Parish – Diocese of La Crosse.			
Committee Action:	*Pending*		
Fiscal Impact:	None		
File Number:	13-0913	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes☒ No☐		
	Included in Budget:	Yes☐ No☐	*Budget Source:*	
	One-time Costs:	Yes☐ No☐	*Amount:*	
	Recurring Costs:	Yes☐ No☐	*Amount:*	
SOURCE	*Fee Financed:*	Yes☐ No☐	*Amount:*	
	Grant Financed:	Yes☐ No☐	*Amount:*	
	Debt Financed:	Yes☐ No☐	*Amount*	*Annual Retirement*
	TID Financed:	Yes☐ No☐	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, the City and Resurrection Parish – Diocese of La Crosse entered into a Ground Lease dated December 30, 2015 for the easterly half of the block bounded by 1st and 2nd Streets and McClellan and Grant Streets; and

WHEREAS, the initial ten-year term expires on December 30, 2025; and

WHEREAS, the City wishes to exercise their option to extend the lease for an additional ten years; and

WHEREAS, on November 25, 2025, your Finance Committee recommended extending the lease for ten years.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau that the Ground Lease between the City and Resurrection Parish – Diocese of La Crosse is hereby extended for an additional ten-year period.

Approved:

_____

Doug Diny, Mayor

GROUND LEASE

THIS GROUND LEASE ("Lease") is dated as of December 30th, 2015 (the "Commencement Date"), between the City of Wausau, Wisconsin, a Wisconsin municipal corporation ("Tenant") and Church of the Resurrection Parish (the "Landlord").

WHEREAS, Landlord owns that certain real property legally described on Exhibit A attached hereto and incorporated herein (the "Premises"); and

WHEREAS, subject to the terms and conditions of this Lease (including, without limitation, Section 1.2 hereof), Landlord desires to lease to Tenant and Tenant desires to lease from Landlord the Premises;

NOW THEREFORE, the parties agree as follows:

ARTICLE 1: THE PREMISES.

1.1 Lease. Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, subject to and in accordance with the terms and the provisions of this Lease.

1.2 Use. The Premises shall be used by Tenant for the construction and operation of a publicly accessible green space and approximately twenty (20)-stall surface parking lot, and for any related purposes. Tenant will not use the Premises or knowingly permit the Premises to be used in violation of any laws or in any manner that would constitute a public or private nuisance or waste.

1.3 Possession. Landlord shall deliver possession of the Premises to Tenant on the date hereof.

ARTICLE 2: TERM.

2.1 Term. The term of this Lease ("Term") shall be ten (10) years, commencing on the date hereof and expiring on the day immediately preceding the tenth (10th) anniversary of the date hereof (the "Expiration Date"), unless sooner terminated as provided herein.

2.2 Option to Extend. So long is Tenant is not in default hereunder beyond any notice and cure period, Tenant shall have four (4) options to extend the Term for four (4) consecutive ten (10) year periods (each, and "Extension Term" and when property exercised and taken together, collectively shall be deemed included in the Term) on the same terms and conditions as set forth herein, which option shall be deemed to be exercised automatically, unless Tenant provides written notice thereof to Landlord not less than thirty (30) days prior to the expiration of the then current Term or Extension Term.

ARTICLE 3: RENT.

3.1 Rent. The rent for the entire Term and any Extension Term shall be one dollar ($1) per year, payable on or before the anniversary of the Commencement Date.

ARTICLE 4: TAXES AND ASSESSMENTS.

4.1 Responsibility for Payment.

(a) Landlord shall pay all real estate taxes and assessments accruing prior to the date of this Lease.

(b) Tenant shall pay all real estate taxes and assessments accruing during the Term and any Extension Term.

(c) Real estate taxes and assessments for the years in which the Lease begins and ends shall be apportioned pro rata between Landlord and Tenant on the basis of the number of days that the Term of this Lease in such years exists within twenty (20) days following receipt of the tax bill for years in which proration is required.

4.2 Tenant's Failure to Pay. If Tenant fails to pay such real estate taxes and assessments allocated to Tenant hereunder prior to the date of delinquency thereof, Landlord may, at its option, pay such real estate taxes and assessments, together with all penalties and interest which may have been added thereto because of Tenant's delinquency or default, and may likewise redeem the Premises, or any part thereof, or the buildings or improvements situated thereon, from any tax sale or sales. Any amounts so paid by Landlord shall become immediately due and payable as rent by Tenant to Landlord, together with interest thereon at the rate of six percent (6%) per annum from the date of payment by Landlord until repaid to Landlord by Tenant. Any such payment by Landlord shall not be deemed to be a waiver of any other rights which Landlord may have under the provisions of this Lease or as provided by law.

4.3 Landlord's Failure to Pay. If Landlord fails to pay such real estate taxes and assessments allocated Landlord hereunder prior to the date of delinquency thereof, Tenant may, at its option, pay such real estate taxes and assessments, together with all penalties and interest which may have been added thereto because of Landlord's delinquency or default, and may likewise redeem the Premises, or any part thereof, or the buildings or improvements situated thereon, from any tax sale or sales. Any amounts so paid by Tenant shall become immediately due and payable, together with interest thereon at the rate of six percent (6%) per annum from the date of payment by Tenant until repaid to Tenant by Landlord. Any such payment by Tenant shall not be deemed to be a waiver of any other rights which Tenant may have under the provisions of this Lease or as provided by law.

ARTICLE 5: UTILITIES.

Tenant shall, during the Term hereof, pay all charges for utilities, including, without limitation, all charges for telephone, gas, electricity, sewage, garbage, heat, power and water used in or on the Premises.

ARTICLE 6: REPAIRS AND MAINTENANCE.

During the Term, except as otherwise provided in this Lease, Tenant shall, at its own expense and risk, maintain and repair the Premises as it determines to be appropriate in its sole discretion.

ARTICLE 7: DEMOLITION, ALTERATIONS AND ADDITIONS.

7.1 Demolition. Following the Commencement Date, Tenant shall demolish, remove, and dispose of any existing buildings and improvements on the Premises.

12/30/15

7.2 Surface Lot Improvements. Following the Commencement Date, Tenant shall construct on the southernmost parts of the Premises a surface parking area to accommodate approximately 20 parking stalls (the "Surface Lot"), the design of which shall be approved in advance by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed so as to allow completion of the project within one (1) year.

7.3 Green Space Improvements. Following the Commencement Date, Tenant shall construct a public park or similar green space on remaining portions of the Premises not used for the Surface Lot and its access, it being understood by Tenant that the design of such green space will not include more than twenty percent (20%) hard (i.e., paved) surfacing.

7.4 Condition to Commencement. Tenant's obligations under this Article 7 will be subject to the termination of that certain Post Closing Occupancy Agreement by and between Landlord and Tenant dated of even date herewith and Landlord's cleanup and removal of all property, materials and waste on the property subject to the Post Closing Occupancy Agreement.

ARTICLE 8: REPAIRS.

In the case of damage to or destruction of the Premises, Tenant shall repair or replace such damage or destruction as deemed necessary by Tenant.

ARTICLE 9: QUIET ENJOYMENT.

Tenant may lawfully and quietly possess and enjoy the Premises during the term of this Lease without hindrance by Landlord or any party claiming by, through, or under Landlord.

ARTICLE 10: ASSIGNMENT AND SUBLEASE.

Except as provided herein, Tenant shall not assign this Lease or sublet the Premises, or any portion thereof, or permit the use or the occupancy of the Premises, or any portion thereof, by any third party at any time, without first obtaining the consent of Landlord, which shall not be unreasonably withheld, provided any such assignee must assume the obligations of Tenant under this Lease; in which event, Tenant shall, upon such assumption, be released from all obligations hereunder. Notwithstanding the preceding provisions of this Article 10, Tenant may sublease parking stalls in the Surface Lot from time to time and at any time on terms and conditions as Tenant deems acceptable in its discretion; provided, however, that Tenant shall sublease to Landlord twelve (12) stalls at no rental charge to Landlord on such terms and conditions as are otherwise customary for parking stall leases by Tenant.

ARTICLE 11: SURRENDER.

11.1 Expiration of Term; Holding Over. At the expiration or termination of this Lease, Tenant shall surrender immediate possession of the Premises to Landlord in "AS IS" condition.

11.2 Removal of Tenant Personal Property. All fixtures, personal property, equipment and machinery located within the Premises may be removed by Tenant prior to or within ninety (90) days after termination of this Lease.

11.3 Abandoned Personal Property. Any equipment, machinery or other personal property of Tenant remaining on or in the Premises more than ninety (90) days after the termination of this Lease may, at the option of Landlord, be considered abandoned by Tenant and retained by Landlord or disposed of without accountability in such manner as Landlord may deem appropriate.

ARTICLE 12: CONDEMNATION.

12.1 Total Condemnation. If during the Term of this Lease, all of the Premises should be taken for any public or quasi-public use under any law, ordinance, or regulation or by right of eminent domain, or should be sold to a condemning authority under threat of condemnation, this Lease shall terminate and the rent shall be abated during the unexpired portion of this Lease, effective as of the date of the taking of the Premises by the condemning authority.

12.2 Partial Condemnation. If during the Term of this Lease, less than all of the Premises shall be taken for any public or quasi-public use under any law, ordinance, or regulations, or by right of eminent domain, or should be sold to a condemning authority under the threat of condemnation, Tenant shall have the option to terminate this Lease by written notice to Landlord within ninety (90) days of the taking.

12.3 Condemnation Awards. All condemnation awards shall be prorated between Landlord and Tenant based on the valuation of the parties' proportionate interest in the Premises so taken.

ARTICLE 13: DEFAULT.

13.1 Events of Default. The occurrence of any one or more of the following events shall constitute an event of default under this Lease, but only if such event of default is finally determined by a court ("Event of Default"):

(a) The failure by Tenant to pay any installment of rent or any other money due to Landlord under this Lease within thirty (30) days after receiving a written notice of the delinquency thereof from Landlord; and

(b) The failure by Tenant to perform any other covenant or agreement to be performed by Tenant under this Lease within thirty (30) days after receiving written notice from Landlord or, if more than thirty (30) days are required to perform such covenant or agreement, the failure of Tenant to commence the performance thereof within such thirty (30) day period and thereafter to diligently pursue such performance to completion.

13.2 Landlord Remedies. Upon the occurrence of an Event of Default (as confirmed by a final order of a court of competent jurisdiction), Landlord may, upon thirty (30) days prior written notice to Tenant, terminate this Lease, or have any such other remedies as may be available at law or in equity.

13.3 Expenses of Litigation. In case it should be necessary or proper for one party to bring an action under this Lease against the other, then the party which does not prevail agrees in each and any such case to pay to the party which prevails its reasonable attorneys' fees and costs.

ARTICLE 14: LEASE NOT SUBORDINATE TO ENCUMBRANCES.

This Lease shall not be subject and subordinate to any mortgages now on or that may be hereafter placed against the Premises.

ARTICLE 15: COMPLIANCE WITH LAWS.

Tenant shall promptly comply, or cause prompt compliance with, all laws, ordinances, orders, rules and regulations of all municipal, county, state, federal or other governmental authorities properly applicable to the Premises.

ARTICLE 16: CONSTRUCTION AND REPAIR LICENSE.

In addition to the other rights granted Tenant pursuant to this Lease, from time to time and at any time that Tenant, or its successors or assigns requires access to and use of the Premises for purposes of undertaking any construction, repairs, or replacements of any structure owned or operated by Tenant or its successors or assigns on property adjoining the Premises to the west, Tenant shall have a license to do so. This license shall survive the expiration or earlier termination of this Lease.

ARTICLE 17: ENVIRONMENTAL.

17.1 Remediation. Landlord shall be responsible for the remediation of any environmental contamination of the Premises which occurred prior to the date Tenant occupies the Premises pursuant to this Lease and any such contamination which occurs after the date Tenant takes possession of the Premises, insofar as such contamination was caused by Landlord's use of the Premises. Tenant shall be responsible for the remediation of any environmental contamination of the Premises which occurs after the date Tenant occupies the Premises and is caused by Tenant's use of the Premises pursuant to this Lease. "Environmental contamination" shall mean any matter giving rise to liability under the Resource, Conservation, Recovery Act, 42 U.S.C. Section 6901 *et seq.*, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 *et seq.*, any state or local law regulating hazardous or toxic waste, asbestos, environmental protection, spill compensation, clean air and water, or under any common law theory based on nuisance or strict liability.

17.2 Indemnification by Tenant. Tenant shall indemnify and hold Landlord harmless from and against any and all losses, liabilities, fines and penalties, damages, and expenses (including, without limitation, amounts paid in settlement, reasonable attorneys' fees, and other legal expenses) incurred by Landlord as a result of (a) any environmental contamination of the Premises which occurs after the date Tenant occupies the Premises pursuant to this Lease, or (b) any knowing violation by Tenant of any covenant or agreement between Landlord and the State of Wisconsin with respect to the remediation or preservation of the Premises. In case any action or proceeding is brought against Landlord by reason of any claim described above, Tenant shall defend the same at Tenant's expense by counsel satisfactory to Landlord.

17.3 Indemnification by Landlord. Landlord shall indemnify and hold Tenant harmless from and against any and all losses, liabilities, fines and penalties, damages, and expenses (including, without limitation, amounts paid in settlement, reasonable attorneys' fees, and other legal expenses) incurred by Tenant as a result of any environmental contamination of the Premises which occurred prior to the date Tenant occupies the Premises pursuant to this Lease and any such contamination which occurs after the date Tenant takes possession of the Premises, insofar as such contamination was not caused by Tenant's use of the Premises. In case any action or proceeding is brought against Tenant by reason of any claim described above, Landlord shall defend the same at Landlord's expense by counsel satisfactory to Tenant.

17.4 Survival. The provisions of this Article 17 shall survive the expiration or termination of this Lease.

ARTICLE 18: GENERAL PROVISIONS.

18.1 Binding Effect. The provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors, and assigns.

18.2 Governing Law. This Lease shall be construed, enforced, and governed in all respect, in accordance with the laws and the statutes of the State of Wisconsin.

18.3 Partial Invalidity. The invalidity of any particular term or provisions of this Lease shall not affect the validity of the remaining terms and provisions hereof.

18.4 Amendments. No alterations to or modifications of the terms or the provisions of this Lease shall be effective unless such alteration or such modification is reduced to writing, and is then properly executed by the parties hereto.

18.5 Complete Agreement. This Lease supersedes any prior contract or arrangement between the parties hereto, and represents the complete agreement of the parties hereto.

18.6 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original, and such counterparts together shall constitute one and the same instrument.

18.7 Notices. All notices provided by this Lease shall be given in writing (i) either by actual delivery of the notice to the party thereunto entitled, (ii) by mailing of the notice in the United States mail, first-class postage prepaid, to the address of the party entitled thereto, registered or certified mail, return receipt requested, or (iii) by delivery by nationally recognized overnight delivery service. The notice shall be deemed to be received on the date of its actual receipt by the party entitled thereto. All notices, demands, or other communications to any of the other parties to this Lease shall be addressed as follows:

If to the Landlord:

Church of the Resurrection Parish
621 Second Street
Wausau WI 54403
Attn: Pastor

If to the Tenant:

City of Wausau
407 Grant St.
Wausau, WI 54403
Attn: City Attorney

The address of any party hereto may be changed by notice to the other party duly served in accordance with the provisions hereof.

18.8 Waiver. Any waiver by a party hereto of a breach of any term or condition of this Lease shall not be considered as a waiver of any subsequent breach of the same or any other term or condition hereof.

18.9 Memorandum of Lease. Concurrent with the execution hereof, the parties shall execute and record with the appropriate county recorder a Memorandum of Lease in form and content reasonably acceptable to Tenant.

ARTICLE 19: RIGHT OF FIRST REFUSAL.

19.1 Grant. Landlord hereby grants to Tenant a right of first refusal ("ROFR") with respect to the Premises on the terms and conditions as set forth herein.

19.2 Notice. During any time that the Lease remains in effect, in the event that Landlord shall receive what Landlord deems, in its reasonable discretion, to be an acceptable offer for the purchase of the Premises, or any interest therein (such interest shall be called the "Current ROFR Property") from a third party not bound by this Agreement (a "Bona Fide Offer"), Landlord shall notify Tenant in writing of the Bona Fide Offer, which notice shall contain a full and complete copy of the Bona Fide Offer (the "ROFR Notice").

19.3 Process. Tenant shall have sixty (60) days from its receipt of the ROFR Notice to notify Landlord in writing that it agrees to purchase the Current ROFR Property on the same terms and conditions as are contained in the Bona Fide Offer (the "Tenant Acceptance") and the parties shall thereafter consummate the transaction contemplated in the ROFR Notice on the terms and conditions set forth therein. In the event that (i) Tenant provides Landlord written notification in such sixty (60) day period that it declines to purchase the Property, in accordance with the terms of the Bona Fide Offer, or (ii) Tenant otherwise fails to provide Tenant's Acceptance to Landlord within said sixty (60) day period, Tenant shall be deemed to have waived the ROFR, and the ROFR shall become null and void and be of no further force or effect with regard to such Current ROFR Property. In the event that, after Tenant's waiver of the ROFR, the terms and conditions of the transaction contemplated by the Bona Fide Offer shall be materially modified, then Landlord shall provide Tenant with an additional ROFR Notice with respect to the Current ROFR Property and Tenant shall have an additional thirty (30) days following receipt to provide a Tenant's Acceptance with regard to the Bona Fide Offer on such new terms and conditions. Should the transaction contemplated by the Bone Fide Offer fail to close for any reason, then the ROFR shall continue in full force and effect.

[Signature Page to Follow]

EXECUTED as of the day and year first above written.

LANDLORD:	TENANT:
CHURCH OF THE RESURRECTION PARISH	CITY OF WAUSAU, WISCONSIN
By: Rev Robert Schaller	By: James E. Tipple
Print Name: Reverend Robert Schaller	Print Name: James E. Tipple
Title: Vice-President	Title: Mayor
	Attest: Toni Rayala
	Print Name: TONI RAYALA
	Title: City Clerk

EXHIBIT A

PREMISES

Lot two (2) of Certified Survey Map No. 17225 recorded in the office of the Register of Deeds for Marathon County, Wisconsin, in Volume 82 of Certified Survey Maps on page 23, as Document No. 1701487.

MEMORANDUM OF LEASE

Document Number

Document Title

STATE OF WISCONSIN - MARATHON COUNTY

RECORDED

April 07, 2021 1:51 PM

DEAN J. STRATZ, REGISTER OF DEEDS

DOC# 1832240 PAGES: 2

1832240

Recording Area

Name and Return Address
Return to:
Joseph M. Mella
Ruder Ware, L.L.S.C.
P.O. Box 8050
Wausau, WI 54402-8050

291-2907-253-0610
Parcel Identifier No.

MEMORANDUM OF LEASE

This Memorandum of Lease is made and entered into effective as of March 22, 2021, by and between Resurrection Parish – Diocese of La Crosse ("Landlord") and City of Wausau, Wisconsin, a Wisconsin municipal corporation ("Tenant"). All capitalized terms utilized in this Memorandum of Lease and not defined herein shall have the meaning ascribed to them in the Lease (defined herein).

RECITALS:

A. Landlord and Tenant have entered into a certain Ground Lease dated December 30th, 2015, and amended by the First Amendment to Ground Lease dated of even date herewith (the "Lease"), whereby Landlord has leased to Tenant the Premises, as hereinafter defined.

B. Landlord and Tenant wish to provide notice of the existence of the Lease and to provide express and specific notice of certain of its terms.

ARTICLE 1 – AFFECTED PREMISES

Pursuant to the Lease, Landlord has leased to Tenant Lot two (2) of Certified Survey Map No. 17225, recorded in the office of the Register of Deed for Marathon County, Wisconsin in Volume 82 of Certified Survey Maps on page 23, as Document No. 1701487 (the "Premises").

ARTICLE 2 – TERM

The initial term of the Lease runs through December 30, 2025, and automatically extends for four (4) additional term (10) year extension periods, unless terminated not less than thirty (30) days prior to the expiration of the initial terms or an extension term at Tenant's option.

ARTICLE 3 – RIGHT OF FIRST REFUSAL

The Lease provides for a sixty (60) day right of first refusal to Tenant to purchase the Premises in accordance with the terms of the Bona Fide Offer and an additional thirty (30) day right of first refusal to purchase the Premises if the terms of such Bona Fide Offer are materially modified after waiver of the initial right of first refusal.

ARTICLE 4 - INCORPORATION BY REFERENCE

The terms and conditions of the Lease are incorporated by reference into this Memorandum of Lease as if such terms were written out at length. In the event of a conflict between this Memorandum of Lease and the Lease, the terms and conditions of the Lease shall govern. For a complete statement of the rights, privileges, and obligations created under and by the Lease, reference is hereby made to the Lease. Tenant and Landlord have executed this Memorandum of Lease as of the date first set forth above and each shall have a copy of the Lease in their records.

WITNESS the parties signify their agreement by executing the instrument below:

LANDLORD:
RESURRECTION PARISH
DIOCESE OF LA CROSSE

By: _____
Print Name: REV. MARK PIERCE
Title: VICE - PRESIDENT

TENANT:
CITY OF WAUSAU

By: _____
Print Name: Katie Rosenberg
Title: Mayor

ATTEST:
By: _____
Print Name: Leslie M. Kremer
Title: City Clerk

STATE OF WISCONSIN)
) ss.
COUNTY OF Marathon)

The foregoing instrument was acknowledged before me, a notary public, by Father Mark Pierce as Vice president of Resurrection Parish this 30 day of March, 2021.

_____
* Danielle J Ballschmieder
Notary Public
My commission expires June 8, 2024

DANIELLE J BALLSCHMIEDER NOTARY PUBLIC STATE OF WISCONSIN

STATE OF WISCONSIN)
) ss.
COUNTY OF Marathon)

The foregoing instrument was acknowledged before me, a notary public, by Katie Rosenberg and Leslie M. Kremer, as Mayor and City Clerk of City of Wausau, this 6th day of ~~January~~ April, 2021.

_____
* Lisa A. Parsch
Notary Public
My commission expires 8/3/24.

NOTARY PUBLIC LISA A. PARSCH STATE OF WISCONSIN

This Memorandum of Lease was drafted by Joseph M. Mella, Ruder Ware, L.L.S.C., 500 N. 1st St., P.O. Box 8050, Wausau, Wisconsin 54402-8050.

FIRST AMENDMENT TO GROUND LEASE

THIS FIRST AMENDMENT TO GROUND LEASE ("Lease") is dated as of MARCH 26TH, 2021 (the "Effective Date"), between the City of Wausau, Wisconsin, a Wisconsin municipal corporation ("Tenant") and Resurrection Parish – Diocese of La Crosse (the "Landlord").

WHEREAS, Landlord and Tenant are parties to that certain Ground Lease dated December 30, 2015 (the "Lease"); and

WHEREAS, the Tenant requested and has been granted the approval of the Landlord to forgo the construction of twenty (20) parking stalls on the leased Premises; and

WHEREAS, in lieu of a twenty (20) – stall surface parking on the leased Premises the Tenant has constructed twenty (20) on-street angled parking stalls, including two (2) handicapped accessible stalls; and

WHEREAS, the Tenant has agreed to designate twelve (12) of the total twenty (20) on-street angled parking stalls for the exclusive use of the Landlord; and

WHEREAS, the parties wish to amend the Lease as set forth herein;

NOW THEREFORE, the parties agree as follows:

ARTICLE 1: AMENDMENTS.

1.1 Section 1.2. Section 1.2 of the Lease is hereby amended in its entirety to read as follows:

1.2 Use. The Premises shall be used by Tenant for the construction and operation of a publicly accessible green space. Tenant will not use the Premises or knowingly permit the Premises to be used in violation of any laws or in any manner that would constitute a public or private nuisance or waste.

1.2 Section 7.2 Section 7.2 of the Lease is hereby amended in its entirety to read as follows:

7.2 Parking Area Improvements. The Parties acknowledge that following the Commencement Date (as defined in the Lease), Tenant constructed, with Landlord's approval, adjoining the eastern boundary of the Premises and accessible from N. 2nd Street, twenty (20) on-street angled parking stalls, two (2) of which are handicapped accessible (the "Surface Lot") and an adjoining sidewalk, which Surface Lot is fully located within the boundaries of the public right of way of N. 2nd Street and which adjoining sidewalk is fully located on the Premises. It is further acknowledged with regard to the Surface Lot that

twelve (12) of the twenty (20) angled parking stalls will be reserved for the exclusive use of the Landlord.

1.3 Section 7.4 Section 7.4 of the Lease is hereby deleted.

1.4 No Other Amendments. Except as set forth herein, the Lease is not amended and remains in full force and effect. All capitalized terms not defined herein shall have the meaning given thereto in the Lease.

1.5 Memorandum of Lease. Concurrent with the execution hereof, the parties shall execute and record with the appropriate county recorder a Memorandum of First Amendment to Lease in form and content reasonably acceptable to Tenant and Landlord.

[Signature Page to Follow]

EXECUTED as of the day and year first above written.

LANDLORD:

CHURCH OF THE RESURRECTION PARISH

By: _____
Print Name: Reverend Mark R. PIERCE
Title: Vice-President

TENANT:

CITY OF WAUSAU, WISCONSIN

By: _____
Print Name: Katie Rosenberg
Title: Mayor

Attest:

By: _____
Print Name: Leila M. Kremer
Title: City Clerk

EXHIBIT A

PREMISES

Lot two (2) of Certified Survey Map No. 17225 recorded in the office of the Register of Deeds for Marathon County, Wisconsin, in Volume 82 of Certified Survey Maps on page 23, as Document No. 1701487.

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION FROM THE COMMON COUNCIL			
Approving Master Payment Amount Purchase Agreement and Joinder Agreement between City of Wausau (Additional Seller) and NS PP Law Services LLC and Napoli Shkolnik PLLC (Initial Sellers), and NS Buyer 2025-1 LLC (Purchaser).			
Committee Action:	None		
Fiscal Impact:	Future PFAS settlement payments of $1,571,136		
File Number:	23-0514	**Date Introduced:**	November 25, 2025

FISCAL IMPACT SUMMARY				
COSTS	*Budget Neutral*	Yes☒No☐		
	Included in Budget:	Yes☐No☒	*Budget Source*	
	One-time Costs:	Yes☐No☒	*Amount:*	
	Recurring Costs:	Yes☐No☒	*Amount:*	
SOURCE	*Fee Financed:*	Yes☐No☐	*Amount:*	
	Grant Financed:	Yes☐No☐	*Amount:*	
	Debt Financed:	Yes☐No☐	*Amount*	*Annual Retirement*
	TID Financed:	Yes☐No☐	*Amount:*	
	TID Source: Increment Revenue ☐ *Debt* ☐ *Funds on Hand* ☐ *Interfund Loan* ☐			

RESOLUTION

WHEREAS, "PFAS" (per- and polyfluoroalkyl substances) are a group of human-made chemicals manufactured and used for decades since the 1940's in numerous products, including non-stick cookware, fast food wrappers, stain-resistant sprays and certain types of firefighting foam, which have made their way into the environment through accidental spills of PFAS-containing materials, discharges of PFAS-containing wastewater to treatment plants and certain types of firefighting foams; and

WHEREAS, in 2019, PFAS were detected in the City's public water system at levels in excess of DHS' recommended drinking water standard, requiring notification to customers of the PFAS levels in the drinking water, which levels have since been reduced through an anion exchange treatment process and Granulated Activated Carbon Treatment process; and

WHEREAS, the City has reduced PFAS levels in finished drinking water to below DHS recommended standards through an anion exchange treatment process and Granular Activated Carbon Treatment process at the new Drinking Water Treatment Facility, at substantial cost to the taxpayers; and

WHEREAS, on May 23, 2023, the Common Council authorized engagement of Napoli Shkolnik PLLC, to represent the interests of the City of Wausau, in any legal proceeding, on a contingent fee basis, and to do all things necessary in that representation to seek to recover from the responsible parties, the costs to the City associated with the remediation of PFAS; and

WHEREAS, the firm filed a complaint on behalf of the City of Wausau in Federal District Court in the Western District of Wisconsin, which was later transferred to the Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-2873-RMG, in Charleston, South Carolina, where proposed class action settlements with 3M and DuPont have been brokered and the City has submitted a Claims Form to counsel, to be eligible to receive payment under the Settlement as a class member, and additional compensation as a litigating member; and

WHEREAS, the Gross Settlement Payments to the City in the 3M Phase One Settlement, total $6,790,571.58, and the Net Amount totals $**4,963,694.79**; the Settlement Payments are structured to be paid out over nine years, with two initial payments being received in 2025:

- June 4, 2025 $ 64,747.77
- October 15, 2025 $2,861,180.69

This represents a Gross Settlement Amount of $3,998,370.42 and a Net Amount Paid of $**2,925,928.46** for 2025; and

WHEREAS, there remain eight (8) payments, each to be paid annually over the next eight (8) years, totaling $2,792,201.16 (Gross) and $**2,037,766.33** (Net Amount), through 2033; and

WHEREAS, NS PR Law Services, LLC, has presented an Accelerated Fees Schedule (attached), which allows the City the option of executing a Joinder Agreement in accordance with the Master Purchase Agreement, as attached hereto, to receive one additional present value lump sum, discounted using a fixed annual rate, and resulting in a lower amount than the sum of future payments paid out over time, depending upon the discount rate and actual funding date under the Purchase Agreement; and

WHEREAS, by executing a Joinder Agreement as an Additional Seller, the City's total scheduled settlement amount of $**2,037.766.33** would be discounted using a fixed annual rate to a present value of $**1,642,457.77** (assuming a funding date of October 31, 2025), reduced by $17,321.82 (service fee) for a total net purchase price of $**1,571,135.95**.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council approves the terms of the Master Purchase Agreement and Joinder Agreement, and authorizes the appropriate City officials to execute the Joinder Agreement and do all things necessary to sell, assign, transfer and convey its interests in those payment amounts reflected on the attached Schedule A, in exchange for a net purchase price, after deducting for a service fee.

Approved:

_____

Doug Diny, Mayor

MASTER PAYMENT AMOUNT PURCHASE AGREEMENT

This **MASTER PAYMENT AMOUNT PURCHASE AGREEMENT**, dated as of November 5, 2025 (as it may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof, this "Agreement"), among NS PR Law Services LLC, a Puerto Rico limited liability company ("NSPR"), having its principal place of business at San Juan in the Commonwealth of Puerto Rico, Napoli Shkolnik PLLC, a New York professional limited liability company, having its principal place of business at Melville in New York, United States (together with NSPR, each, individually, an "Initial Seller" and, collectively, the "Initial Sellers"), each additional seller that may from time to time become party hereto by execution of a joinder supplement substantially in the form of Exhibit A attached hereto (each, an "Additional Seller" and together with the Initial Seller, each, individually, a "Seller" and collectively, the "Sellers") and NS BUYER 2025-1 LLC, a Puerto Rico limited liability company (in such capacity, the "Purchaser").

WHEREAS, each Initial Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from each such Initial Seller, certain of its Applicable Payment Amounts (as defined below) and other respective Transferred Interests (as defined below);

WHEREAS, each Initial Seller is willing to sell such Applicable Payment Amounts to the Purchaser together with other respective Transferred Interests;

WHEREAS, each Additional Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from each such Additional Seller, certain of its Applicable Payment Amounts; and

WHEREAS, each Additional Seller is willing to sell such Applicable Payment Amounts to the Purchaser together with other respective Transferred Interests.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. As used in this Agreement, each of the following terms has the meaning given to such term in this Section 1.1 or in the schedules, sections and subsections referred to below.

"3M" means 3M Company, a Delaware corporation (together with its successors and permitted assigns).

"Additional Seller" is defined in the preamble hereto.

"Affiliate" means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person shall be deemed to control another Person if the controlling Person

possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreed Tax Treatment" has the meaning set forth in Section 7.7.

"Agreement" is defined in the preamble hereto.

"Applicable Law" means any federal, state, local or municipal common law, code, rule, regulation, order, certification standard, accreditation standard, permit, ordinance, regulation, statute, treaty or judgment, injunction, decree or other decision of any court or other tribunal or Governmental Authority.

"Applicable Payment Amounts" means, in respect of a Seller, each payment amount set forth in the Payment Amount Schedule under the header "Applicable Payment Amount" for such Seller.

"Assumed Funding Date" means November 30, 2025.

"Business Day" means any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in New York are authorized or required by law or other governmental action to close.

"Claims Administrator" has the meaning set forth in the Settlement Agreement.

"Client" means, in the case of a Law Firm Seller, a client of such Law Firm Seller.

"Client Agreement" means, collectively, (i) any engagement letter between a Law Firm Seller and its Clients and (ii) any agreement previously entered into between an Initial Seller and any other Law Firm Seller, establishing a co-counsel or referral relationship relation to the representation of a Client, in each case related to such Seller's Transferred Interests.

"Client Funds" means funds belonging to any Client pursuant to the Settlement Agreement.

"Compliance Authority" means, with respect to any Person, (a) the U.S. Treasury Department/Office of Foreign Assets Control, (b) the U.S. Treasury Department/Financial Crimes Enforcement Network, (c) the U.S. State Department/Directorate of Defense Trade Controls, (d) the U.S. Commerce Department Bureau of Industry and Security, (e) the U.S. Internal Revenue Service, (f) the U.S. Justice Department, (g) the U.S. Securities and Exchange Commission and (h) any other similar Governmental Authority applicable to such Person.

"Court" has the meaning set forth in the Settlement Agreement.

"Dispute" has the meaning set forth in Section 7.8.

"Depositary Bank" means Wilmington Trust, N.A.

"Depositor Purchaser" means a newly-formed special purpose entity (a) that is formed by LuminArx (or any Affiliate or related fund thereof) before the Funding Date and (b) which LuminArx has designated as "Depositor Purchaser" in writing to the Initial Sellers on or before the Funding Date.

"Direction Letter" means that certain Direction Letter from the Initial Sellers to the Claims Administrator and the Special Master directing the Claims Administrator to make all future payments payable to the Sellers and certain other persons under the Settlement Agreement into the Escrow Account.

"Discount Rate" means SOFR (as of the third Business Day (or such other date selected by the Depositor Purchaser) on or prior to the Funding Date) *plus* (a) for Applicable Payment Amounts with a Payment Receipt Date on or prior to December 31, 2031, 4.00% per annum and (b) for Applicable Payment Amounts with a Payment Receipt Date thereafter, 5.00% per annum.

"Escrow Account" means a segregated trust account maintained at the Depositary Bank in its capacity as escrow agent into which the Claims Administrator shall be directed to deposit the proceeds of the Settlement Agreement under the terms of the Direction Letter.

"Escrow Agent" has the meaning given to the term in the Settlement Agreement.

"Filing" means, to the extent the same is still in effect, (i) UCC financing statements (including continuation statements and amendment statements, as applicable) or (ii) any analogous filing, registration or Record under applicable law, in each case that is filed, registered or recorded with any relevant governmental, municipal or other office.

"Funding Date" means the date upon which the Purchaser shall have received net cash proceeds from the Depositor Purchaser (or any other Person chosen by the Depositor Purchaser) in an amount no less than $130,000,000.

"Governmental Authority" means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or a foreign entity, government or supranational entity.

"Indemnified Amounts" has the meaning set forth in Section 5.3.

"Indemnified Parties" has the meaning set forth in Section 5.3.

"Initial Seller" is defined in the preamble hereto.

"Insolvency Event" means, with respect to a Person, the occurrence of: (i) the issuance of a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, whether voluntary or involuntary, (ii) consent to the appointment of a

conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to a Person or of or relating to all or substantially all of its property, (iii) admission in writing of inability to pay debts generally as they become due, (iv) filing of a petition to take advantage of any applicable insolvency or reorganization statute, (v) making an assignment for the benefit of its creditors, or (vi) voluntary suspension of payment of its obligations or (vii) an involuntary case shall be commenced against any Person under any bankruptcy code or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally or there shall have occurred the involuntary appointment of an interim receiver, trustee or other custodian of any Person, and any such event described in this clause (vii) shall continue for sixty (60) days without having been dismissed, bonded or discharged.

"IRS" means the U.S. Internal Revenue Service.

"Joinder Agreement" means a Joinder Agreement in substantially the form of Exhibit A hereto.

"Law Firm Seller" means a Seller which is a law firm (including, without limitation, the Initial Sellers and the Referring Law Firms that are parties hereto).

"Lien" means, with respect to any property or asset of any Person, any mortgage, lien, pledge, charge or other security interest or encumbrance of any kind in respect of such property or asset.

"LuminArx" means LuminArx Capital Management LP, a Delaware limited partnership.

"Material Adverse Effect" means, with respect to any event or circumstance and any Person, a material adverse effect on: (i) the business, assets, financial condition or results of operations of such Person; (ii) the ability of such Person to perform its material obligations under this Agreement; (iii) the validity or enforceability of this Agreement against such Person; (iv) the value, collectability or enforceability of the Transferred Interests; or (v) the perfection, priority or enforceability of the sale of, or Security Interest granted in, the Transferred Interests.

"MDL" has the meaning set forth in the definition of "Settlement Agreement".

"Net Purchase Price" has the meaning set forth in Section 2.1(d).

"NSPR" is defined in the preamble hereto.

"Obligor" means 3M; *provided* that, for the avoidance of doubt, "Obligor" shall include, to the extent necessary to effectuate the transactions contemplated hereby, any obligor under a Client Agreement.

"Outside Date" means December 31, 2025.

"Par Payment Schedule Value Amount" means, with respect to a Seller, the aggregate payment amounts set forth in the Payment Amount Schedule under the header "Applicable Payment Amount" for such Seller.

"Payment Amount Schedule" means (i) with respect to each Initial Seller, Schedule I hereto and (ii) with respect to each Additional Seller, Schedule A to the Joinder Agreement to which such Additional Seller is a party.

"Payment Receipt Date" means, in respect of an Applicable Payment Amount, the payment receipt date for such Applicable Payment Amount as set forth in the applicable Payment Amount Schedule.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

"Proceeds" has the meaning set forth in the UCC.

"Purchase Price" has the meaning set forth in Section 2.1(d).

"Purchase Price Cap" means $250,000,000.

"Purchaser" as defined in the preamble hereto.

"Records" has the meaning set forth in the UCC.

"Referring Law Firm" means any law firm or attorney with whom Initial Seller previously entered into a co-counsel or referral relationship relating to the representation of a Client in respect of the MDL.

"Related Assets" means, with respect to the Transferred Interests (i) all supporting obligations, agreements or arrangements of whatever character from time to time supporting or securing payment of any Applicable Payment Amount, whether pursuant to the Settlement Agreement or otherwise, (ii) all applicable Records (except as may be redacted for any client "confidential information" as that term is defined in Rule 1.6 of the New York Rules of Professional Conduct) or any information that is privileged and/or confidential and (iii) all Proceeds of the foregoing.

"Repurchase Event" means the occurrence of any of the following: (i) any representation or warranty by any Seller under this Agreement is incorrect in any material respect when made or deemed made, (ii) any Seller fails to perform or observe any term, covenant or agreement in this Agreement, (iii) any dispute, discount, deduction, claim, offset, defense or counterclaim of any kind relating to the Applicable Payment Amounts or Transferred Interests has been or is asserted by the Obligor, any Seller or any of their respective Affiliates, (iv) this Agreement or any part hereof, or any transaction or payment contemplated hereunder, is challenged or disputed by any Seller, the Claims Administrator, the Escrow Agent or the Obligor, or this Agreement is found to be invalid or unenforceable against a Seller in a final, non-appealable judgment by a court of competent jurisdiction, (v) any payment into the Escrow Account is delayed (*provided* that (a) if any such payment is not paid to the Escrow Account when due as a result of a technical or administrative error, it will not result in a Repurchase Event hereunder so long as such payment is made to the Escrow Account within two (2) Business Days of such required payment date and (b) the parties hereto acknowledge that up to two (2) applicable payments may be delayed pursuant to Section 6.11 of the Settlement Agreement pursuant to and subject to the terms set forth therein) or

(vi) any instruction inconsistent with this Agreement is made by a Seller to the Claims Administrator, Escrow Agent, or any other Person (other than, for the avoidance of doubt, as a result of the Obligor's failure to pay, or as a result of the Obligor instituting bankruptcy, insolvency, moratorium, reorganization or equivalent proceedings or having such proceedings being instituted against it); *provided, however*, that any event arising from the Obligor's failure to pay, or as a result of the Obligor instituting bankruptcy, insolvency, moratorium, reorganization or equivalent proceedings or having such proceedings being instituted against it, shall not be a Repurchase Event.

"Repurchase Price" means for a Seller, as of any date of determination, the aggregate of the present value of each unpaid Applicable Payment Amount using the Discount Rate based on the Payment Amount Schedule with respect to such Seller; *provided* that the time period used to determine the present value of each such Applicable Payment Amount shall commence on the later of (i) the first anniversary of the Funding Date and (ii) the date on which such Repurchase Price is paid hereunder.

"Sanctioned Person" means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.

"Security Interest" has the meaning set forth in the UCC.

"Seller" as defined in the preamble hereto.

"Service Fee Amount" means 3.50% of the Par Payment Schedule Value Amount.

"Settlement Agreement" means that certain Settlement Agreement between Public Water Systems and 3M Company in *In re: Aqueous Film-Forming Foams Products Liability Litigation*, MDL No. 2:18-mn-2873-RMG (ECF No. 3370-3, as amended by ECF Nos. 3620, 3697, 3793 and 3976, and as supplemented by ECF Nos. 3856, 3918, 3964 and 4107) (the "MDL"), among others, 3M, and an Affiliate of Purchaser, as interim class counsel, as further amended, restated or otherwise modified from time to time.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"Special Master" has the meaning set forth in the Settlement Agreement.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Termination Date" means the date upon which all of the Applicable Payment Amounts and any other obligations (other than contingent indemnification obligations for which no claim has been made or notified) hereunder have been paid in full to the Purchaser (or its assigns).

"Transfer Date" means, as to the Initial Sellers and Purchaser, the date hereof, and as to any Additional Seller and Purchaser, the "Transfer Date" specified in the Joinder Agreement to which such Additional Seller is a party.

"Transferred Interests" has the meaning set forth in Section 2.1(a).

"Trust Account" means a deposit account maintained at the Depositary Bank by Ultimate Purchaser into which the Sellers' portion of the proceeds of the Settlement Agreement are to be deposited.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that if by reason of mandatory provisions of law, the attachment, perfection, the effect of perfection or non-perfection, priority of a security interest or remedy is governed by the personal property security laws of any jurisdiction other than New York, "UCC" shall mean those personal property security laws as in effect, from time to time, in such other jurisdiction for the purposes of the provisions hereof relating to such attachment, perfection, priority or remedy and for the definitions related to such provisions.

"Ultimate Purchaser" means a newly-formed special purpose entity (a) that is formed by LuminArx (or any Affiliate or related fund thereof) before the Funding Date and (b) which LuminArx has designated as "Ultimate Purchaser" in writing to the Initial Sellers on or before the Funding Date.

Section 1.2. Other Definitional Provisions.

(a) All terms defined in this Agreement shall have the defined meanings when used in any instrument governed hereby and in any certificate or other document made or delivered pursuant hereto.

(b) The words "hereof," "herein," "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(c) Section, Schedule and Exhibit references contained in this Agreement are references to Sections, Schedules and Exhibits in or to this Agreement unless otherwise specified; and the term "including" shall mean "including without limitation."

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(e) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as the same may from time to time be amended, modified or supplemented in accordance with the terms thereof and includes (in the case of agreements or instruments) references to all attachments and instruments associated therewith; all references to a Person include its permitted successors and assigns.

ARTICLE II

ASSIGNMENT

Section 2.1. Assignment.(a) By execution of this Agreement or a Joinder Agreement hereto, each Seller, on the applicable Transfer Date, sells and assigns to the Purchaser, and the Purchaser purchases and assumes from such Seller, all of the respective rights, title to and interests of such Seller in and to the Applicable Payment Amounts under the Settlement Agreement and, with respect to a Law Firm Seller, each applicable Client Agreement (including, without limitation, all legal expenses, attorneys' fees, and other payments under such agreements) for each Payment Receipt Date set forth in the applicable Payment Amount Schedule (subject to extension pursuant to Section 6.11 of the Settlement Agreement), including all Related Assets, and to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of such Seller against any Person, whether known or unknown, arising under or in connection with the Settlement Agreement, each applicable Client Agreement (with respect to a Law Firm Seller) or the transactions governed thereby or in any way based on or related to any of the foregoing, in each case to the extent relating to each such Applicable Payment Amount (the "Transferred Interests"); *provided, however*, in no event shall any Phase Two Funds (as defined in the Settlement Agreement) be included in the Transferred Interests. For the avoidance of doubt, the "Transferred Interests" shall include any fee award in favor of, or an interest in a fee award held by, such Seller under the Settlement Agreement or any applicable Client Agreement (with respect to a Law Firm Seller), and the "Transferred Interests" shall comprise each Applicable Payment Amount, and any fee award in favor of, or an interest in a fee award owed to a Seller or any Referring Law Firm and any Client Funds (excluding any Applicable Payment Amount) shall be paid out of the residual amount in the Trust Account after such Applicable Payment Amount has been transferred to the Ultimate Purchaser.

(b) The foregoing sale, transfer, assignment, set-over and conveyance does not constitute, and is not intended to result in, the creation, or an assumption by the Purchaser, of any obligation of a Seller or any other Person in connection with any of the Applicable Payment Amounts, the other Transferred Interests or any agreement or instrument relating thereto, including any obligation to the Obligor.

(c) To the extent permitted by Applicable Law, each Seller hereby authorizes the Purchaser (and its assigns) to make Filings in all jurisdictions and with all filing offices as are necessary to perfect the assignment of the Transferred Interests to the Purchaser and the Security Interests granted to the Purchaser herein, without the signature of any Seller. Such Filings made on or after the Transfer Date but prior to the Funding Date in accordance with the terms hereof shall describe the Transferred Interests in the same manner as described herein. Future Filings may contain an indication or description of the Transferred Interest in a manner as the Purchaser may determine, acting reasonably, is reasonably necessary or advisable to ensure the perfection of the assignment of the Transferred Interest to the Purchaser and the Security Interest granted to the Purchaser herein in the United States (including, for the avoidance of doubt, all territories and possessions thereof).

(d) The purchase price payable to a Seller for its Applicable Payment Amounts and the other Transferred Interests related thereto (the "Purchase Price") shall equal the aggregate of the

present value of each Applicable Payment Amount using the Discount Rate based on the Payment Amount Schedule with respect to such Seller (which "Purchase Price" shall equal, as to the Initial Sellers, the amount set forth on Schedule I hereto, as automatically adjusted to reflect the applicable time period used to determine the present value using the actual Funding Date hereunder, and, as to any Additional Seller, the "Purchase Price" set forth in the Joinder Agreement to which such Additional Seller is a party, as automatically adjusted to reflect the applicable time period used to determine the present value using the actual Funding Date hereunder) and shall be payable to the applicable Seller by Purchaser by check in full within three Business Days after the Funding Date. Each Seller (excluding the Initial Sellers) shall pay to Purchaser a fee in an amount equal to the applicable Service Fee Amount, for services provided by Purchaser to each such Seller hereunder, such fee (in an amount equal to the Service Fee Amount) being netted by Purchaser from the Purchase Price (such net amount being the "Net Purchase Price"). To the extent that Purchaser notifies a Seller that the aggregate Purchase Price payable to all Sellers exceeds the Purchase Price Cap, the Purchaser shall have the right to revise the Payment Amount Schedule to reduce the aggregate Applicable Payment Amounts and accordingly reduce the Purchase Price payable to such Seller upon prior written notice (which may be given by email) and, if acknowledged and agreed by such Seller (which may be given by email), such reduced amount shall constitute the Purchase Price for such Seller hereunder without any further action of the parties hereto. To the extent such Seller declines to accept such revision and reduction (or is deemed in the sole discretion of the Purchaser to have declined), the Joinder Agreement with respect to such Seller shall be terminated, and the Payment Amount Schedule with respect to such Seller shall be revised to include no Applicable Payment Amounts thereon, in each case, without any further action of the parties hereto, and the Purchaser shall execute and deliver all reasonable instruments of transfer or assignment to such Seller.

(e) Each Seller further agrees, at its own expense, to indicate in its books and records and the appropriate computer files that the Applicable Payment Amounts and the other Transferred Interests have been conveyed to the Purchaser pursuant to this Agreement by including in such books and records and computer files the code identifying each such Applicable Payment Amount.

(f) Once the books and records and computer files have been indicated and the code referenced in Section 2.1(e) has been included with respect to any Applicable Payment Amount conveyed by such Seller, each such Seller further agrees not to alter such books and records and computer files and code during the remaining term of this Agreement relating to such Applicable Payment Amounts and other Transferred Interests.

(g) To the extent the Funding Date has not occurred on or prior to the Outside Date, this Agreement (including all Joinder Agreements) shall automatically terminate and be of no further force and effect and the Purchaser shall execute and deliver all reasonable instruments of transfer or assignment to each Seller.

Section 2.2. Transfers Intended as Sales.(a) The sale and assignment of Transferred Interests by each Seller to the Purchaser hereunder is intended to be a true sale and absolute assignment of such Transferred Interests for all applicable purposes, including for accounting purposes. Notwithstanding the foregoing sentence or anything to the contrary herein, as security for the performance by the Sellers of all the terms, covenants and agreements on the part of each Seller to be performed under this Agreement, each Seller hereby grants to the

Purchaser a continuing first priority Security Interest in all of such Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) the applicable Transferred Interests (including all Related Assets related thereto), (ii) all books and Records of the applicable Seller to the extent related to any of the foregoing, and (iii) all Proceeds of, and all amounts received or receivable under any or all of, the foregoing. The Purchaser shall have, with respect to the Transferred Interests, in addition to all the other rights and remedies available to the Purchaser, all the rights and remedies of a first ranking secured party under the UCC.

(b) Without prejudice to any other terms of this Agreement, each Seller agrees that from time to time, it will execute and deliver to the Purchaser all further instruments and documents and take all further action, that may be necessary, or that the Purchaser may from time to time reasonably request, in order to effect the transactions contemplated hereby (including, for the avoidance of doubt, to create and/or maintain the validity, perfection or priority of and protect the Security Interests granted or purported to be granted hereby or to enable the Purchaser to exercise and enforce its rights and remedies hereunder with respect thereto, including to collect and deliver to the possession of the Purchaser any and all of the interests and assets hereby transferred by any Seller to the Purchaser), in each case at the applicable Seller's sole cost and expense.

Section 2.3. Further Encumbrance of Transferred Interests.(a) Immediately upon the conveyance to the Purchaser by a Seller of the Transferred Interests pursuant to Section 2.1, all right, title and interest of such Seller in and to such Transferred Interests shall terminate, and all such right, title and interest shall immediately vest in the Purchaser.

(b) Immediately upon the vesting of the Transferred Interests in the Purchaser, the Purchaser shall have the sole right to pledge or otherwise encumber such Transferred Interests.

Section 2.4 Rights upon the Occurrence of an Insolvency Event. If an Insolvency Event occurs with respect to a Seller, any Transferred Interests transferred to the Purchaser prior to the occurrence of such Insolvency Event and any cash or proceeds (including recoveries) received by the Purchaser in respect of such Transferred Interests shall continue to be property of the Purchaser.

Section 2.5 Power of Attorney. Each Seller hereby irrevocably makes, constitutes and appoints each of the Purchaser and the Ultimate Purchaser (and all officers, employees or agents designated by the Purchaser or the Ultimate Purchaser) as such Seller's true and lawful agent, proxy and attorney-in-fact (such appointment coupled with an interest), with full authority in the place and stead thereof and in the name thereof, and with full power and authority of substitution, from time to time in the Purchaser's or Ultimate Purchaser's (as applicable) reasonable discretion, to take any action and to execute any instrument that the Purchaser or Ultimate Purchaser (as applicable) may deem reasonably necessary or advisable to accomplish the purposes of this Agreement as it relates to the Purchaser's or Ultimate Purchaser's interest (as applicable) in the Transferred Interests, including to act in such Seller's name, place and stead, to demand, sue for, compromise and recover all such amounts which are, or may hereafter become due and payable for, or on account of the Transferred Interests. Each Seller hereby grants unto the Purchaser and the Ultimate Purchaser full authority to do all things necessary to enforce the Transferred Interests until the Termination Date. Each Seller agrees that the powers granted in this Section 2.5 are

discretionary in nature and exercisable at the reasonable discretion of the Purchaser or Ultimate Purchaser (as applicable). The Purchaser and the Ultimate Purchaser shall have no obligation to prove, defend, or take any affirmative action with respect to proving the validity or amount of any of the Transferred Interest. In the event an objection to the Purchaser's or Ultimate Purchaser's interest in the Transferred Interests is received, the party receiving such objection shall immediately notify each of the Purchaser and Ultimate Purchaser in writing and thereupon the applicable Seller shall take such further action, at its own cost and expense, as may be necessary or desirable to uphold and defend the Purchaser's or Ultimate Purchaser's (as applicable) interests in the Transferred Interests including, without limitation, the execution of appropriate transfer powers, corporate resolutions and consents. The powers of attorney granted herein are effective automatically and without the necessity of any other action being taken by any Person.

Section 2.6 Right to Withhold. The Purchaser shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts to the extent that the Purchaser is required to deduct or withhold with respect to the making of such payment under the Internal Revenue Code, or any applicable provision of state, local or non-U.S. Tax law. If the Purchaser proposes to make any deduction or withholding for Taxes under this Agreement, then the Purchaser shall use commercially reasonable efforts to (a) give the applicable Seller prior written notice of such intention at least three (3) Business Days prior to making any such deduction or withholding and (b) provide such Seller with a reasonable opportunity to provide any applicable certificate, form or documentation that would reduce or eliminate the requirement to deduct and withhold Tax with respect to such payment. To the extent that any amounts are deducted or withheld and timely paid over to the proper Governmental Authority by the Purchaser pursuant to this Section 2.6, such withheld or deducted amounts will be treated for all purposes of this Agreement as having been paid to the Seller(s) in respect of which such deduction or withholding was made by the Purchaser.

ARTICLE III

THE TRANSFERRED INTERESTS

Section 3.1. Representations and Warranties of Sellers Relating to the Transferred Interests.(a) On the applicable Transfer Date and on the Funding Date, each such Seller makes the following representations and warranties to the Purchaser as to the respective Transferred Interests conveyed by it to the Purchaser pursuant to Section 2.1(a) above on the applicable Transfer Date, on which the Purchaser relies in acquiring the related Transferred Interests on the applicable Transfer Date:

(i) No consent of any other Person and no authorization, approval, or other action by, and no notice to or filing with, any Governmental Authority is required (x) for the transfer by such Seller of the Transferred Interests pursuant to this Agreement, (y) for the perfection or maintenance of the Security Interest created hereby or (z) for the exercise by the Purchaser of the rights provided for in this Agreement or the remedies in respect of the Transferred Interests pursuant to this Agreement, except any Filing relating to the Security Interest granted to the Purchaser hereunder.

(ii) The information with respect to the Applicable Payment Amounts set forth in the Payment Amount Schedule in respect of such Seller is in each case true and correct as of the close of business on the applicable Transfer Date. Each such Seller has performed its customary verification of Obligor information.

(iii) Such Applicable Payment Amounts are being sold to Purchaser in exchange for fair consideration and reasonably equivalent value. Such Seller is not transferring any Applicable Payment Amount or the other Transferred Interests to the Purchaser in connection with any pre-existing indebtedness.

(iv) Such Seller's sale of such Applicable Payment Amounts and the other Transferred Interests to the Purchaser complies in all material respects with Applicable Law.

(v) This Agreement creates a valid and continuing Security Interest in the Applicable Payment Amounts and the other Transferred Interests in favor of the Purchaser, which Security Interest is, upon payment of the applicable Purchase Price, prior to all other Liens, and is enforceable as such as against creditors of and purchasers from such Seller, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws affecting creditors' rights generally or general equitable principles (whether considered in a proceeding in equity or at law).

(vi) The Applicable Payment Amounts constitute "accounts", "general intangibles" or "payment intangibles" within the meaning of the UCC.

(vii) As of the applicable Transfer Date, such Seller owns and has good and marketable title to the Applicable Payment Amounts and the other Transferred Interests, free and clear of any Lien, except for Liens (i) relating to the Security Interest granted to the Purchaser hereunder or (ii) that will be terminated upon payment of the Purchase Price or as to which the secured party has released its Security Interest with respect to collateral covering the Applicable Payment Amounts and the other Transferred Interests.

(viii) Such Seller has caused or will have caused, (x) in respect of the Initial Sellers, within two (2) days (or such longer period as the Purchaser agree in its sole discretion) of the date hereof, (y) in respect of any Sellers that are Referring Law Firms, two (2) days (or such longer period as the Purchaser agree in its sole discretion) of the applicable Transfer Date therefor, and (z) in respect of any Sellers that are Clients, within ten (10) days (or such longer period as the Purchaser agree in its sole discretion) of the Assumed Funding Date, in each case at its own expense, Filings to be made naming such Seller as "seller" and the Purchaser as "buyer" thereon with respect to the Applicable Payment Amounts and the other Transferred Interests meeting the requirements of Applicable Law in such manner and in such jurisdictions as are necessary to perfect the sale and assignment of the Applicable Payment Amounts and the related Transferred Interests to the Purchaser, and to deliver a file-stamped copy of such Filings or other evidence of such Filing to the Purchaser within ten (10) days (or such later date as the Purchaser may agree in its sole discretion) after the date such Filing is made.

(ix) Such Seller has not authorized the filing of and is not aware of any Filings against such Seller that include a description of collateral covering the Applicable Payment Amounts and the other Transferred Interests other than any Filing (x) relating to the Security Interest granted to the Purchaser hereunder or (y) that will be terminated upon payment of the Purchase Price or as to which the secured party has released its Security Interest with respect to collateral covering the Applicable Payment Amounts and the other Transferred Interests.

(x) As of the Transfer Date, the Payment Amount Schedule is an accurate and complete listing of all Applicable Payment Amounts and the information contained therein with respect to the identity of such Applicable Payment Amounts is in each case true and correct.

(b) The representations and warranties set forth in Section 3.1(a) survive the sale and assignment of the Applicable Payment Amounts and the other Transferred Interests to the Purchaser and the termination of this Agreement. If any Seller or the Purchaser has actual knowledge of a breach of any of the foregoing representations and warranties, the party discovering such breach will give prompt written notice to (i) the Purchaser or the Sellers, as applicable, and (ii) the Ultimate Purchaser.

Section 3.2. Repurchase Event. Each Seller shall inform the Purchaser promptly (in any event within one (1) Business Day of such discovery), in writing, upon the discovery of any breach of such Seller's representations and warranties made by such Seller pursuant to Section 3.1(a) with respect to any Applicable Payment Amount or other Transferred Interests conveyed to the Purchaser pursuant to Section 2.1(a) or the occurrence of any Repurchase Event. Within three (3) Business Days of such discovery or occurrence of a Repurchase Event, such Seller shall repurchase the Applicable Payment Amounts and other Transferred Interests conveyed by such Seller to the Purchaser unless the Purchaser and the Ultimate Purchaser affirmatively waives such breach or the occurrence of a Repurchase Event in writing. Unless so waived, such Seller shall remit in cash the applicable Repurchase Price to the Trust Account. Upon the occurrence and during the continuance of a Repurchase Event, each Seller hereby irrevocably makes, constitutes and appoints the Depositor Purchaser and the Ultimate Purchaser (and all Persons designated by the Depositor Purchaser or the Ultimate Purchaser, as applicable, for that purpose) as such Seller's true and lawful attorney and agent-in-fact to direct the Claims Administrator, the Special Master or the Escrow Agent via a direction letter or otherwise, to pay any Applicable Payment Amounts payable to such Seller to the Trust Account. Upon the deposit of the Repurchase Price into the Trust Account, the Purchaser shall execute and deliver all reasonable instruments of transfer or assignment to the applicable Seller(s).

Section 3.3. Turnover. Purchaser agrees that, to the extent it actually receives cash proceeds directly or indirectly from the Obligor arising from the Settlement Agreement which exceeds the aggregate Par Payment Schedule Value Amount transferred hereby, Purchaser agrees to promptly turnover to the applicable Seller the amount of such portion of excess owing to it from time to time pursuant to terms agreed in writing between the Purchaser and such applicable Seller or Sellers.

ARTICLE IV

THE PURCHASER

Section 4.1. Representations of Purchaser. The Purchaser hereby represents and warrants to the applicable Sellers on the applicable Transfer Date and the Funding Date that:

(a) Organization and Good Standing. The Purchaser is, and will continue to be, a limited liability company duly organized, validly existing and in good standing under the laws of the Commonwealth of Puerto Rico. The Purchaser is, and will continue to be in good standing with every Governmental Authority having jurisdiction over its activities, except where the failure to be in good standing would not reasonably be expected to result in a Material Adverse Effect.

(b) Power and Authority; Enforceability. The Purchaser has all requisite power and authority to own its properties, carry on its business as and where now being conducted and execute and deliver this Agreement, perform all of its obligations hereunder, and to carry out the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Purchaser and is a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws affecting creditors' rights generally or general equitable principles (whether considered in a proceeding in equity or at law).

(c) Consents and Approvals. The Purchaser has all qualifications, regulatory permissions and/or licenses necessary (except for such regulatory permissions and/or licenses where the failure to obtain or maintain has not had, and would not reasonably be expected to result in a Material Adverse Effect), and no consent, approval, authorization, registration, filing or order of any court or Governmental Authority is required, for the execution, delivery and performance by the Purchaser of or compliance by the Purchaser with, this Agreement, or the consummation of the transactions contemplated hereby.

(d) Compliance with Law. The Purchaser is in compliance with all Applicable Law and each and every order of any Governmental Authority or other board or tribunal, except to the extent its failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(e) Solvency. The Purchaser is not bankrupt or insolvent and no action or step has been taken by it or any other person to commence its bankruptcy (including any action or step in relation to commencement of proceedings relating to a bankruptcy or similar process under the laws of any jurisdiction and the rules, regulations and directions issued thereunder), no such step is intended by it and, so far as it is aware, no petition, application or the like is outstanding for its bankruptcy (including for any proceedings relating to a bankruptcy or similar process under the laws of any jurisdiction and the rules, regulations and directions issued thereunder) and the Purchaser will not become bankrupt or insolvent as a result of entering this transaction.

ARTICLE V

THE SELLERS

Section 5.1. Representations of the Seller. Each Seller hereby represents and warrants on its applicable Transfer Date and Funding Date (other than, in the case of Sellers that are Clients, clause (q)) that:

(a) Organization and Good Standing. Such Seller is, and will continue to be, a duly organized and validly existing entity and in good standing under the laws of the state of its organization. Such Seller is, and will continue to be in good standing with every Governmental Authority having jurisdiction over its activities, except where the failure to be in good standing would not reasonably be expected to result in a Material Adverse Effect. Such Seller is in compliance with its constituent agreements, documents and by-laws or operating agreement (or equivalent thereof).

(b) Power and Authority; Enforceability. Such Seller has all requisite power and authority to own its properties, carry on its business as and where now being conducted and execute and deliver this Agreement, perform all of its obligations hereunder, and to carry out the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by such Seller and is a legal, valid and binding obligation of such Seller, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws affecting creditors' rights generally or general equitable principles (whether considered in a proceeding in equity or at law).

(c) Consents and Approvals. Such Seller has all qualifications, regulatory permissions and/or licenses necessary, and no consent, approval, authorization, registration, filing or order of any court or Governmental Authority is required, for the execution, delivery and performance by such Seller of or compliance by such Seller with this Agreement or the consummation of the transactions contemplated hereby.

(d) Compliance with Law. Such Seller is in compliance with all Applicable Laws and each and every order of any Governmental Authority or other board or tribunal, except to the extent its failure to be in compliance would not reasonably be expected to result in a Material Adverse Effect.

(e) No Proceedings. There is no litigation, arbitration, proceeding or investigation pending or, to the best knowledge of such Seller, threatened against such Seller, before any Governmental Authority seeking any determination or ruling that would reasonably be expected to have a Material Adverse Effect.

(f) No Violation. The entry into and performance by such Seller of, and the consummation of the transactions contemplated by, this Agreement (i) do not and will not (A) conflict with (1) its certificate or articles of formation or organization and operating or limited liability agreement (or equivalent) or (2) in any material respect any provision of its contracts, agreements or documents binding upon it or any of its assets, including the Settlement Agreement,

(B) result in the creation or imposition of any Lien upon any of the Transferred Interests conveyed by such Seller pursuant to the terms of any contractual obligation (other than the contractual obligations hereunder), or (C) violate in any material respect any Applicable Law, and (ii) have been authorized by all necessary action and do not violate in any material respect any laws, regulations, agreements, or orders by which it is bound.

(g) Valid Sale. This Agreement constitutes a valid sale, transfer and assignment to the Purchaser of all right, title and interest of such Seller in the Transferred Interests conveyed by such Seller to the Purchaser or, if this Agreement does not constitute a transfer and assignment of such Transferred Interests, it constitutes a grant of a first priority perfected Security Interest in such Transferred Interests to the Purchaser, which is enforceable upon execution and delivery of this Agreement. Upon the filing of the Filings, the Purchaser shall have a first priority perfected security or ownership interest in such Transferred Interests.

(h) No Liens. Such Seller has not created, or suffered to exist, any Lien on the Transferred Interests conveyed by such Seller, other than any Lien terminated concurrent with the Purchase Price paid pursuant to this Agreement and the Liens granted hereunder.

(i) Accuracy of Information. Neither this Agreement, nor any certificate or written report or other written information furnished by or on behalf of such Seller in connection herewith contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading, in each case as of the date such statements were provided or as at the date (if any) at which it is stated.

(j) Solvency. Such Seller is not bankrupt or insolvent, and no action or step has been taken by it or any other person to commence its bankruptcy (including any action or step in relation to commencement of proceedings relating to a bankruptcy or similar process under the laws of any jurisdiction and the rules, regulations and directions issued thereunder), no such step is intended by it and, so far as it is aware, no petition, application or the like is outstanding for its bankruptcy (including for any proceedings relating to a bankruptcy or similar process under the laws of any jurisdiction and the rules, regulations and directions issued thereunder), and the Seller will not become bankrupt or insolvent as a result of entering this transaction.

(k) Ordinary Course of Business; Bulk Sales. The sale of Applicable Payment Amounts and other Transferred Interests conveyed by such Seller hereunder is being made in the ordinary course of business of such Seller. The execution, delivery and performance of this Agreement by such Seller do not require compliance with any "bulk sales" laws or similar statutory provisions by such Seller.

(l) Seller Information. The chief executive office and the principal place of business of such Seller as of the applicable Transfer Date is, with respect to the Initial Sellers, set forth in the recitals to this Agreement and with respect to any Additional Seller, set forth in the recitals to its Joinder Agreement; the exact legal name, state of organization and type of organization of such Seller as of the Transfer Date, with respect to the Initial Sellers, is set forth in the recitals to this Agreement and with respect to any Additional Seller, is set forth in the recitals to its Joinder Agreement. Other than as disclosed to Purchaser in writing prior to the Transfer Date, such Seller has no other trade names, fictitious names, assumed names or "doing business as" names or other

names under which it has done or is doing business. Such Seller has not changed its (i) name, (ii) jurisdiction of organization, chief executive office or sole place of business or other location (within the meaning of § 9-307 of the UCC), or (iii) organizational structure in any way in the past four months, including mergers, consolidations and acquisitions, as well as any change in the name, form or jurisdiction thereof and, to the extent any such change has occurred, such Seller has disclosed the date of such change and (in the case of an acquisition, merger or consolidation) all information applicable to each acquiree or constituent party to a merger or consolidation in each case to the Purchaser.

(m) Accounting. Such Seller accounts for the transfer to the Purchaser of the Transferred Interests conveyed by such Seller under this Agreement as a sale of such Transferred Interests in its books, records and financial statements, in each case consistent with GAAP and with the requirements set forth herein.

(n) Investment Company Act. Such Seller is not an "investment company" within the meaning of the Investment Company Act.

(o) USA PATRIOT Act. Neither such Seller nor any of its respective Affiliates is (1) a Sanctioned Person; (2) a Person that resides or has a place of business in a country or territory named on such lists or which is designated as a "non-cooperative jurisdiction" by the Financial Action Task Force on Money Laundering, or whose subscription funds are transferred from or through such a jurisdiction; (3) a "Foreign Shell Bank" within the meaning of the PATRIOT Act, i.e., a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision; or (4) a person or entity that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Section 311 or 312 of the PATRIOT Act as warranting special measures due to money laundering concerns.

(p) Tax Status. Such Seller has (i) timely filed all tax returns (federal, state, foreign and local) required to be filed by it and (ii) paid, or caused to be paid, all Taxes, assessments and other governmental charges, if any, other than Taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP.

(q) Professional Conduct. The entry into this Agreement, and the performance by such Seller of its obligations hereunder, does not conflict with any rules of professional conduct or ethics applicable to attorneys (including, but not limited to, Rules 5.4 (Professional Independence of a Lawyer) and 5.8 (Contractual Relationships Between Lawyers and Nonlegal Professionals) of the New York Rules of Professional Conduct and all analogous applicable rules of any other jurisdiction).

Section 5.2. Covenants. From and after the Transfer Date, each Seller covenants and agrees (other than, in the case of Sellers that are Clients, clause (a)(ii)) as follows:

(a) Compliance with Laws. Such Seller will comply in all material respects with (i) the Settlement Agreement; (ii) any rules of professional conduct or ethics applicable to attorneys

(including, but not limited to, Rules 5.4 and 5.8 of the New York Rules of Professional Conduct and all analogous applicable rules of any other jurisdiction); and (iii) all Applicable Laws.

(b) Preservation of Existence. Such Seller will preserve and maintain its existence, rights, franchises and privileges in the state of its respective organization, and qualify and remain qualified in good standing as a foreign organization in each jurisdiction except where the failure to preserve and maintain such rights, franchises, privileges and qualification has not had, or could not reasonably be expected to have, a Material Adverse Effect.

(c) Transferred Interests. With respect to each Applicable Payment Amount and other Transferred Interests transferred hereunder by such Seller, such Seller will promptly after the Transfer Date: (i) take all action necessary to perfect the Purchaser's ownership of such Applicable Payment Amount and other Transferred Interests, including (A) filing and maintaining effective Filings listing such Seller as debtor in all necessary or appropriate filing offices in accordance with Section 2.1(c) and (B) executing or causing to be executed such other instruments or notices as may be necessary or appropriate and (ii) take all additional action that the Purchaser (or its assigns) may reasonably request, including the filing of Filings listing the Purchaser as secured party, to perfect, protect and more fully evidence the interests of the Purchaser in the Applicable Payment Amounts and the other Transferred Interests. Such Seller shall not compromise or settle any claims comprised in the Transferred Interests or change any amount comprised in the Transferred Interests without the prior written consent of the Purchaser.

(d) Name Change, Offices and Records. Each such Seller will not make any change to its name (within the meaning of Sections 9-503 and 9-507(c) of any applicable enactment of the UCC), type or jurisdiction of organization, become a "new debtor" (as defined in Section 9-102(a)(56) of any applicable enactment of the UCC), change its "location" (within the meaning of Section 9-307 of any applicable enactment of the UCC) or change the location where the majority of its tangible books and records are maintained unless, at least thirty (30) days (or such shorter period as the Purchaser may agree in its reasonable discretion) prior to the effective date of any such name change, change in type or jurisdiction of organization, or change in location of its tangible books and records, such Seller notifies the Purchaser (or its assigns) and (except with respect to a change of location of tangible books and records) delivers to the Purchaser (or its assigns) such Filings as the Purchaser (or its assigns) may reasonably request to reflect such name change or change in type or jurisdiction of organization.

(e) Notice of Certain Events. Such Seller will provide the Purchaser with written notice following the actual knowledge of the occurrence of any Repurchase Event in accordance with Section 3.2 hereof, and no later than one (1) Business Day following the occurrence thereof, such Seller will provide to the Purchaser (or its assigns) a certificate of such Seller setting forth the details of such event and the action that such Seller proposes to take with respect thereto.

(f) Taxes. Such Seller will pay and discharge or cause to be paid and discharged, when due all Taxes, assessments and governmental charges or levies imposed upon such Seller or upon such Seller's income and profits or upon any of such Seller's property, real, personal or mixed or upon any part thereof, as well as any other lawful claims which, if unpaid, might become a lien upon such properties or any part thereof, except for any such Taxes, assessments and governmental charges, levies or claims (i) as are appropriately contested in good faith by appropriate proceedings

diligently conducted and with respect to which adequate reserves are provided or (ii) that would not reasonably be expected to result in a Material Adverse Effect.

(g) Reporting. Such Seller will maintain for itself a system of accounting established and administered in accordance with GAAP and furnish or cause to be furnished to the Purchaser (and its assigns):

(i) Auditors' Management Letters. Promptly after received by such Seller or by its accountants, any auditors' management letters which refer in whole or in part to any inadequacy, defect, problem, qualification or other lack of fully satisfactory accounting controls utilized by such Seller.

(ii) Representations. Promptly upon receiving actual knowledge of same, notice of any representation or warranty set forth herein which was incorrect at the time it was given or deemed to have been given and at the same time deliver to the Purchaser (or its assigns) a written notice setting forth in reasonable detail the nature of such facts and circumstances.

(iii) Reserved.

(iv) Proceedings. Promptly and in any event within one (1) Business Day after such Seller receives notice or obtains actual knowledge thereof, notice of any settlement of, material judgment (including a material judgment with respect to the liability phase of a bifurcated trial) in or commencement of any labor controversy (of a material nature), litigation, action, suit or proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting such Seller or any of its respective Affiliates, in each case, that either individually or in the aggregate, could reasonably be expected (after giving effect to any applicable insurance or indemnity coverage) to have a Material Adverse Effect.

(vi) Notice of Material Events. Promptly upon becoming aware thereof, notice of any other event or circumstances that, in the reasonable judgment of such Seller, is likely to have a Material Adverse Effect.

(vii) Notice of Settlement Matters. Such Seller shall promptly forward to the Purchaser a copy of all material notices received from the Obligor, the Court, the Claims Administrator or the Escrow Agent with respect to the Transferred Interests, except to the extent such notices may be redacted for any client "confidential information" as that term is defined in Rule 1.6 of the New York Rules of Professional Conduct or that are privileged and/or confidential.

(h) Accounting Policy. Such Seller will promptly notify the Purchaser (and its assigns) of any material change in such Seller's accounting policies.

(i) Other. Such Seller will furnish to the Purchaser promptly, from time to time, such other information, documents, records or reports with respect to the Applicable Payment Amounts or other Transferred Interests transferred hereunder by such Seller or the condition or operations,

financial or otherwise, of such Seller as the Purchaser may from time to time reasonably request in order to protect the interests of the Purchaser under or as contemplated by this Agreement.

(j) True Sale. Except for purposes of GAAP, such Seller will not account for or treat the transactions contemplated by this Agreement in any manner other than as the sale, or absolute assignment, of the Applicable Payment Amounts and the other Transferred Interests by such Seller to the Purchaser.

(k) Reserved.

(l) Security Interests. Except for the transfers hereunder, such Seller covenants that it will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on any Applicable Payment Amount or other Transferred Interests conveyed by such Seller, whether now existing or hereafter created, or any interest therein; such Seller will immediately notify the Purchaser of the existence of any Lien on any Applicable Payment Amount or other Transferred Interests conveyed by such Seller and, in the event that the interests of the Purchaser in such Applicable Payment Amount or other Transferred Interests are materially and adversely affected, such Applicable Payment Amount and Transferred Interests conveyed by such Seller shall be repurchased from the Purchaser by such Seller as set forth in Section 3.2; such Seller shall defend the right, title and interest of the Purchaser and its assigns in, to and under all Applicable Payment Amounts and other Transferred Interests not repurchased, whether now existing or hereafter created, against all claims of third parties claiming through or under such Seller.

(m) Costs and Expenses. Such Seller agrees to pay all reasonable costs and disbursements in connection with the perfection, as against all third parties, of the Purchaser's (and its assigns') right, title and interest in and to the Applicable Payment Amounts and other Transferred Interests.

(n) Taxes. Such Seller hereby agrees that, upon receipt of written demand from the Purchaser, to the effect that the Purchaser has received actual notice of any Taxes arising out of any transfer of Applicable Payment Amounts or other Transferred Interests by such Seller, such Seller shall pay and otherwise indemnify and hold the Purchaser, on an after-tax basis, from and against any and all such Taxes (it being understood that the Purchaser shall have no obligation to pay such Taxes).

(o) No Impairment. Such Seller covenants that it shall take no action, nor omit to take any action, which would impair the rights of the Purchaser in any Applicable Payment Amount or other Transferred Interests, nor shall it, except as otherwise provided in this Agreement, reschedule, revise or defer payments due under any applicable Client Agreement (with respect to a Law Firm Seller) or the Settlement Agreement or consent to or take any corporate action to cause the same.

(o) Direction Letter. Such Seller covenants that it shall not consent or agree to any amendment, termination or revocation of the Direction Letter or take any corporate action to cause the same without the Ultimate Purchaser's prior written consent.

Section 5.3. Indemnification. Without limiting any other rights which the Purchaser and its assigns and their respective attorneys, accountants, employees, officers, directors and agents thereof (collectively, the "Indemnified Parties") may have hereunder or under Applicable Law, to the extent permitted by Applicable Law, each Seller hereby agrees to indemnify the Indemnified Parties from and against any and all damages, losses, claims, liabilities and related costs and expenses, including reasonable attorneys' fees and disbursements (collectively, the "Indemnified Amounts") awarded against or incurred by, any such Indemnified Party or other non-monetary damages of any such Indemnified Party arising out of or as a result of this Agreement, excluding, however, Indemnified Amounts to the extent resulting from the gross negligence, bad faith or willful misconduct on the part of any Indemnified Party. Without limiting the foregoing such Seller shall indemnify the Indemnified Parties for Indemnified Amounts relating to or resulting from:

(a) a breach of such Seller of any representation and warranty under Section 3.1 hereof with respect to any Applicable Payment Amount or other Transferred Interests (other than in connection with any Applicable Payment Amount which has been timely repurchased by such Seller pursuant to the terms hereof);

(b) reliance on any representation or warranty made or deemed made by such Seller or any of its officers or representatives under or in connection with this Agreement, which shall have been false or incorrect in any material respect when made or deemed made or delivered;

(c) the failure by such Seller to comply with any term, provision or covenant contained in this Agreement, or with any Applicable Law, with respect to any applicable Client Agreement (with respect to a Law Firm Seller), the Settlement Agreement or Applicable Payment Amount or other Transferred Interests, or the non-conformity of any Applicable Payment Amount or other Transferred Interests with any such Applicable Law;

(d) the failure to vest and maintain vested in the Purchaser a valid and enforceable first priority perfected Security Interest in any or all of the Applicable Payment Amounts or other Transferred Interests transferred hereunder by it;

(e) the failure to file, or any delay in filing, Filings or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to the Applicable Payment Amounts or other Transferred Interests conveyed by such Seller, whether at the time of the transfer or at any subsequent time;

(f) any dispute, claim, offset or defense (other than the discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Applicable Payment Amounts transferred hereunder by it (including a defense based on the Applicable Payment Amount not being a legal, valid and binding obligation of the Obligor enforceable against it in accordance with its terms);

(g) any action, suit or claim challenging the sale of the Applicable Payment Amounts or other Transferred Interests conveyed by such Seller or any attempt to recharacterize the transactions hereunder as secured loans and not as true sales of the Applicable Payment Amounts and other Transferred Interests (including any costs and expenses in defending against such actions, suits or claims);

(h) any litigation, proceeding or investigation before any Governmental Authority in respect of any Applicable Payment Amount on the Payment Amount Schedule or any other Transferred Interests transferred hereunder by it or any other investigation, litigation or proceeding relating to such Seller in which any Indemnified Party becomes involved as a result of any of the transactions contemplated by this Agreement; or

(i) the Purchase Price not constituting reasonably equivalent value in respect of the transfer by such Seller to the Purchaser of any of the Applicable Payment Amounts and the other related Transferred Interests conveyed by such Seller or any attempt by any Person to void or otherwise avoid any transfer hereunder under any statutory provision or common law or equitable action, including any provision of the Bankruptcy Code.

If for any reason the foregoing indemnification is unavailable to an Indemnified Party or insufficient to hold it harmless, then, to the extent permitted by Applicable Law, such applicable Seller shall contribute to the loss, claim, damage, liability or expense for which such indemnification is unavailable or insufficient in such proportion as is appropriate to reflect the relative benefits received, or sought to be received, by such Seller on the one hand and the party entitled to contribution on the other hand in the matters contemplated hereunder as well as the relative fault of such Seller on the one hand and such party on the other hand with respect to such loss, claim, damage, liability or expense and any other relevant equitable considerations. Each such Seller's indemnity and contribution obligations under this Agreement shall be in addition to any liability which such Seller may otherwise have, shall not be limited by any rights Purchaser or any other Indemnified Party may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Sellers, the Purchaser, and any other Indemnified Parties.

ARTICLE VI

JOINDERS

Section 6.1. Joinder of Additional Sellers. Prior to the Funding Date one or more Additional Sellers may from time to time join this Agreement as a "Seller" in all respects by delivering an executed Joinder Agreement to, and as acknowledged by, the Purchaser, without any further action of any other party hereto. Upon execution of any Joinder Agreement by such Additional Seller and when acknowledged by the Purchaser, the Additional Seller thereunder shall become a Seller hereunder, subject to the rights, duties and obligations of a Seller hereunder, without any further action of any other party hereto.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Notices. All notices, requests, and other communications to any party hereunder shall be in writing and shall be given to such party at its address set forth below or at such other address as such party may hereafter specify in writing.

If to an Initial Seller: NS PR Law Services LLC
1302 Avenue Ponce de León

San Juan, Puerto Rico 00907

Napoli Shkolnik PLLC
400 Broadhollow Rd #305
Melville, NY 11747

If to an Additional Seller: As set forth in its Joinder Agreement.

If to the Purchaser: NS BUYER 2025-1 LLC
1302 Avenue Ponce de León
San Juan, Puerto Rico 00907

If to the Ultimate Purchaser: c/o Luminarx Capital Management LP
712 Fifth Avenue, 23rd Floor
New York, NY 10019

Any notice, if mailed and properly addressed with postage prepaid or if properly addressed and sent by pre-paid courier service, shall be deemed given when received.

Section 7.2. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to its subject matter and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations of every nature whatsoever with respect thereto, all of which have become merged and finally integrated into this Agreement.

Section 7.3. Amendment; Assignments. Except as contemplated by Section 2.1(d), Section 2.1(e), and Article VI, no provision of this Agreement may be modified, waived or terminated except by instrument in writing executed by the Initial Sellers and the Purchaser; *provided*, *however*, that, this Agreement shall not be amended without the prior written consent of all Sellers and Purchaser to the extent extending the Outside Date; and *provided*, *further*, that notwithstanding the foregoing no amendment or waiver of this Agreement shall be effective to the extent such amendment is materially adverse to the Ultimate Purchaser or its assigns without the prior written consent of the Ultimate Purchaser and any purported amendment to this Agreement without such consent shall be ineffective and deemed void. No Seller shall assign or delegate its respective rights or obligations under this Agreement without the prior written consent of the Purchaser and the Ultimate Purchaser in their sole and absolute discretion. The Purchaser (and its assigns) may, without the consent of, or notice to, the Sellers, assign all or a portion of the Transferred Interests and the Purchaser's rights and/or obligations under this Agreement to the Depositor Purchaser and the Ultimate Purchaser and its assigns. The Ultimate Purchaser and its assigns are intended third-party beneficiaries of this Agreement.

Section 7.4. Parties Bound. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

Section 7.5. Execution in Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Any signature page to this Agreement

(including a Joinder Agreement) containing a manual signature may be delivered by facsimile transmission or other electronic communication device (such as pdf attachment to an email or DocuSign) capable of transmitting or creating a printable written record, and when so delivered shall have the same legal effect, validity or enforceability of an original manually signed signature page, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Each party agrees that this Agreement and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

Section 7.6. Severability of Provisions. In case any provision in or obligation under this Agreement is invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, will not in any way be affected or impaired thereby. The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provision or obligation with a valid provision or obligation, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provision or obligation.

Section 7.7. Tax Forms; Agreed Tax Treatment. Each Seller shall deliver a properly completed and executed IRS Form W-9 or IRS Form W-8, as applicable, with respect to itself to the Purchaser. Each such Seller shall promptly notify the Purchaser of any change in circumstances occurring on or before the Funding Date that would modify or render invalid any such exemption or reduction or any documentation provided pursuant to this Section 7.7. The parties hereto intend the transaction contemplated hereby to constitute for U.S. federal and state income tax purposes as a sale by each such Seller and purchase by the Purchaser of the Transferred Interests (the "Agreed Tax Treatment"). The parties hereto agree not to take any position, in connection with any tax return, audit or similar proceeding related to taxes, that is inconsistent with this Agreed Tax Treatment except as otherwise required by a "determination" as defined in Section 1313(a) of the U.S. Internal Revenue Code of 1986, as amended).

Section 7.8. Governing Law; Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED BY, AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE THAT WOULD CAUSE THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION. ANY DISPUTE, CLAIM, OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ITS PERFORMANCE, BREACH, TERMINATION, ENFORCEMENT, INTERPRETATION, OR VALIDITY, INCLUDING A DETERMINATION OF THE SCOPE OR APPLICABILITY OF THIS AGREEMENT TO ARBITRATE, WHETHER SOUNDING IN CONTRACT, TORT, LAW, EQUITY OR ANY OTHER LEGAL FORM (A "DISPUTE") SHALL BE DETERMINED EXCLUSIVELY BY A SINGLE ARBITRATION PROCEEDING, BEFORE A SOLE ARBITRATOR, ADMINISTERED BY JAMS OR ITS SUCCESSOR PURSUANT TO ITS THEN APPLICABLE RULES REGARDLESS OF THE AMOUNT IN DISPUTE. THE SINGLE ARBITRATION SHALL BE HELD IN NEW YORK, NEW YORK, OR SUCH OTHER PLACE AS THE PARTIES MAY AGREE, AND SHALL BE CONDUCTED IN THE ENGLISH LANGUAGE. THE ARBITRATOR SHALL NOT HAVE THE POWER TO AWARD CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, TREBLE, MULTIPLE OR PUNITIVE DAMAGES. THE ARBITRATOR SHALL BE ENTITLED TO AWARD SPECIFIC PERFORMANCE. ANY ARBITRATION AWARD RENDERED IN CONNECTION WITH A DISPUTE SHALL BE ISSUED IN WRITING IN THE ENGLISH LANGUAGE AND SHALL STATE THE REASONS UPON WHICH IT IS BASED. THE ARBITRATION SHALL BE CONFIDENTIAL, EXCEPT ANY ARBITRATION AWARD RENDERED PURSUANT TO THIS PROVISION MAY BE SUBMITTED TO THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY OTHER COURT OF COMPETENT JURISDICTION FOR ENTRY OF JUDGMENT ON THE AWARD. THE PARTIES AGREE THAT ANY PETITION TO CONFIRM, CORRECT, OR VACATE AN ARBITRATION AWARD MAY BE SERVED BY CERTIFIED MAIL AND PERSONAL SERVICE OF ANY SUCH PETITION IS WAIVED. THE ARBITRATOR SHALL ALLOCATE THE FEES AND COSTS OF THE ARBITRATION SUCH THAT THE LOSING PARTY SHALL PAY THE PREVAILING PARTY'S ATTORNEYS' FEES AND COSTS AND THE COSTS ASSOCIATED WITH THE ARBITRATION. THE PARTIES HERETO ACKNOWLEDGE AND AGREE THAT, NOTWITHSTANDING THE FOREGOING, CERTAIN LEGAL ACTIONS OR PROCEEDINGS RELATING TO THE SETTLEMENT AGREEMENT MAY NEED TO BE BROUGHT IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA.

Section 7.9. Waiver of Jury Trial. EACH PARTY HERETO HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY RIGHTS IT MAY HAVE TO A JURY TRIAL IN RESPECT OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR ANY TRANSACTIONS PROVIDED HEREUNDER OR CONTEMPLATED HEREBY TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

Section 7.10. Non-Petition. Each Seller agrees that it will not, at any time, acquiesce, petition or otherwise invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Purchaser under any debtor relief law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official for the Purchaser or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Purchaser. This Section 7.10 shall survive the termination of this Agreement.

Section 7.11. Non-Recourse. No Person who is not a party (or the successor or permitted assign of a party) to this Agreement, including any Affiliate of any party to this Agreement or any past, present or future director, manager, officer, employee, incorporator, member, partner, direct or indirect equityholder, controlling person, agent, attorney or representative of any party or of any party's Affiliates (or any past, present or future Affiliate, director, manager, officer, employee, incorporator, member, partner, direct or indirect equityholder, controlling person, agent, advisor, attorney or representative of any such Person or such Person's Affiliates) shall have, except to the extent otherwise expressly agreed to in writing by such Person, any liability under, or any obligations arising out of, this Agreement, or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby. The provisions of this Section 7.11 are intended to be for the benefit of, and will be enforceable by, each Person described in this Section and his, her or its heirs, representatives, successors and assigns.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective duly authorized officers or other representatives solely in their official capacity and not in any individual capacity as of the day and the year first above written.

NS PR LAW SERVICES LLC
NAPOLI SHKOLNIK PLLC, as Initial Sellers

DocuSigned by:
By: _____
6200FE7F3C4247A...
Name: Paul Napoli
Title: Manager

NS BUYER 2025-1 LLC, as Purchaser

DocuSigned by:
By: _____
6200FE7F3C4247A...
Name: Paul Napoli
Title: Authorized Signatory

JOINDER AGREEMENT TO MASTER PAYMENT AMOUNT PURCHASE AGREEMENT

This JOINDER AGREEMENT (this "Agreement") dated as of the date set forth on the signature page to this Agreement (the "Transfer Date") is executed by the additional seller named on the signature page to this Agreement ("Additional Seller"), having its principal place of business at the address set forth on the signature page to this Agreement, and acknowledged by the Purchaser (as hereinafter defined) in connection with that certain Master Payment Amount Purchase Agreement, dated as of November 5, 2025 (as amended, restated, amended and restated, supplemented or modified from time to time, the "Master Payment Amount Purchase Agreement"), among the Sellers from time to time party thereto and NS BUYER 2025-1 LLC, as purchaser (the "Purchaser"), among the Sellers from time to time party thereto and the Purchaser. Capitalized terms not otherwise defined herein are being used herein as defined in the Master Payment Amount Purchase Agreement.

WHEREAS, the Additional Seller desires to be joined as a Seller under the Master Payment Amount Purchase Agreement pursuant to Section 6.1 thereof. NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Additional Seller hereby agrees as follows:

1. The Additional Seller is a "Seller" under the Master Payment Amount Purchase Agreement, effective upon the date of that it executes this Agreement. All references in the Master Payment Amount Purchase Agreement to the term "Seller" or "Sellers" shall be deemed to include the Additional Seller in those respective capacities. Without limiting the generality of the foregoing, the Additional Seller hereby repeats and reaffirms all covenants, agreements, representations and warranties made or given by a Seller contained in the Master Payment Amount Purchase Agreement (including, for the avoidance of doubt, the representations and warranties set forth in Article V thereof).
2. For the avoidance of doubt, such Additional Seller does hereby upon execution hereof sell, assign, transfer and convey to Purchaser, its heirs, administrators, representatives, successors and assigns, all rights, title and interests of such Additional Seller in, to and under the Applicable Payment Amounts and other Transferred Interests on the applicable Payment Receipt Dates in exchange for the right to receive a Net Purchase Price as set forth on Schedule A to this Agreement under the terms and subject to the conditions set forth in the Master Payment Amount Purchase Agreement (and, before giving effect to the netting of the Service Fee Amount, the Purchase Price is as set forth on Schedule A to this Agreement). The sale and assignment of Transferred Interests by such Additional Seller to the Purchaser is intended to be a true sale and absolute assignment of such Transferred Interests for all applicable purposes, including for accounting purposes. Notwithstanding the foregoing sentence or anything to the contrary herein, as security for the performance by such Additional Seller of all the terms, covenants and agreements on the part of such Additional Seller to be performed under the Master Payment Amount Purchase Agreement, such Additional Seller hereby grants to the Purchaser a continuing first priority Security Interest in all of such Additional Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) the applicable Transferred Interests (including all Related Assets related thereto), (ii) all books and Records of the applicable Additional Seller to the extent related to any of the foregoing, and (iii) all Proceeds of, and all amounts received or receivable under any or all of, the foregoing. The Purchaser shall have, with respect to the Transferred Interests, in addition to all the other rights and remedies available to the Purchaser, all the rights and remedies of a first ranking secured party under the UCC.
3. The Additional Seller directs all notices under Section 7.1 of the Master Payment Amount Purchase Agreement to be delivered to the address set forth on the signature page hereto.
4. The Additional Seller shall, at its expense, promptly execute and deliver all further instruments and documents, and take all further action, that the Purchaser may reasonably request, from time to time, in order to perfect, protect or more fully evidence the transactions contemplated hereby, the Master Payment Amount Purchase Agreement.
5. This Agreement, and all disputes, claims or causes of action (whether in contract, tort, statute or otherwise) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to any laws, rules or provisions that would cause the application of the laws of any jurisdiction other than the State of New York.

The undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date on this signature page by such applicable officers or other representatives solely in their official capacity and not in any individual capacity.

Enter Name of Additional Seller:

_____

By: _____

Name: _____

Title: _____

Date: _____

Additional Seller's Notice Details:

Enter Address:

_____

_____

Acknowledged and agreed:

NS BUYER 2025-1 LLC, as Purchaser

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE A

Payment Amount Schedule*

Payment Receipt Date	Applicable Payment Amount	Present Value of Applicable Payment Amount
June 2026	$780,994.14	$740,836.87
June 2027	$215,446.67	$188,810.79
June 2028	$251,354.44	$203,510.02
June 2029	$224,423.60	$167,872.66
June 2030	$152,608.05	$105,463.24
June 2031	$152,608.05	$97,434.63
June 2032	$134,654.16	$74,703.65
June 2033	$125,677.22	$63,825.90

Par Payment Schedule Value Amount: **$2,037,766.33**

Purchase Price: **$1,642,457.77**

Service Fee Amount: **$71,321.82**

Net Purchase Price: **$1,571,135.95**

*Note: Assumes an October 31, 2025 Funding Date. Amounts will be adjusted automatically to reflect the actual Funding Date.

NS PR LAW SERVICES LLC
ATTORNEYS AT LAW

2025-11-07

3M Phase 1 Illustrative Settlement Statement

WAUSAU WATERWORKS

Settlement Calculation

This Illustrative Statement reflects your estimated settlement payout under the 3M AFFF Multi-District Litigation Master Settlement Agreement (the "MSA"). The breakdown below includes applicable deductions and adjustments based on the terms of the MSA.

Variable	Description	Formula / Description
A	Adjusted Base Score (Eligible Claims Only)	Points assigned to each claim based on the allocation procedure, performed and audited by the Claim Administrator.
B	**Net Rate Value**	**The dollar amount assigned per point, as determined by the Claim Administrator (0.111)**
C	**Denominator**	**Ratio for gross calculations, as determined by the Claim Administrator and revised for each payment (0.9046)**
D	Gross Settlement Payment	= (A x B) / C = (Adjusted Base Score × 0.111) / 0.9046
E	Retainer Fees	= Gross Settlement Payment × Retainer 25.00%
F	Common Benefit	= Gross Settlement Payment × 8%
G	Attorney Fees	= Retainer Fees - Common Benefit
H	CA Holdback	Contingency by the Claims Admin to mitigate program financial risks
I	Case Costs	Costs incurred in litigation. *Deducted fully in 2025*
J	**Applicable Payment Amount (i.e., Net to Client)**	**= Gross Settlement Payment - Retainer Fees - CA Holdback - Case Costs**

Accelerated Fees Schedule

If you choose the present value ("PV") payout option by delivering an executed Joinder Agreement in accordance with the Purchase Agreement (as defined in the Explanatory Note below), your total scheduled settlement amount under the MSA would be discounted using a fixed annual rate in accordance with the Purchase Agreement (for illustrative purposes, this Illustration Statement assumes a discount rate of 8.24% for Applicable Payment Amounts with a payment receipt date on or prior to December 31, 2031 and 9.24% for Applicable Payment Amounts with a payment receipt date thereafter). This means, your lump sum value to be received is lower than the sum of the future cash flows. This is due to the discount rate applied and the implied value of those cash flows today. The PV amount in this Illustrative Statement is based on a discount rate calculated assuming an October 31, 2025 funding date and will fluctuate on an immaterial basis according to the actual discount rate and actual funding date under the Purchase Agreement.

3M Schedule	MSA Payment Receipt Date*	Gross Settlement Payment	Retainer Fees	Claim Admin Holdback	Net Amount Paid to Client**	Net Amount Paid or Payable to Client (PV for future payments)
Payments Total	**Apr 2025 to Jun 2033**	**$6,790,571.58**	**$1,697,642.91**	**$104,620.93**	**$4,963,694.79**	**$4,568,386.23**
Pmt#1	Apr 2025	$120,906.22	$30,226.56	$1,319.08	$64,747.77	$64,747.77
Pmt#2	Sep 2025	$3,877,464.20	$969,366.05	$46,917.32	$2,861,180.69	$2,861,180.69
Total 2025		**$3,998,370.42**	**$999,592.61**	**$48,236.40**	**$2,925,928.46**	**$2,925,928.46**
3M Schedule	**MSA Payment Receipt Date**	**Gross Settlement Payment**	**Retainer Fees**	**Claim Admin Holdback**	**Applicable Payment Amount (Net to Client)**	**PV of Applicable Payment Amounts*** **
Pmt#3	Jun 2026	$1,070,138.77	$267,534.69	$21,609.94	$780,994.14	$740,836.87
Pmt#4	Jun 2027	$295,210.69	$73,802.67	$5,961.35	$215,446.67	$188,810.79
Pmt#5	Jun 2028	$344,412.48	$86,103.12	$6,954.92	$251,354.44	$203,510.02
Pmt#6	Jun 2029	$307,511.14	$76,877.79	$6,209.75	$224,423.60	$167,872.66
Pmt#7	Jun 2030	$209,107.58	$52,276.90	$4,222.63	$152,608.05	$105,463.24
Pmt#8	Jun 2031	$209,107.58	$52,276.90	$4,222.63	$152,608.05	$97,434.63
Pmt#9	Jun 2032	$184,506.68	$46,126.67	$3,725.85	$134,654.16	$74,703.65
Pmt#10	Jun 2033	$172,206.24	$43,051.56	$3,477.46	$125,677.22	$63,825.90
Total Jun 2026 to Jun 2033		**$2,792,201.16**	**$698,050.30**	**$56,384.53**	**$2,037,766.33**	**$1,642,457.77**
	Service Fee Amount****					$71,321.82
	Net Purchase Price					***$1,571,135.95***

Explanatory Note

Reference is made to that certain Master Payment Amount Purchase Agreement, dated as of November 5, 2025, by and among NS PR Law Services LLC and Napoli Shkolnik PLLC, as initial sellers, each additional seller that may from time to time become party thereto, and NS BUYER 2025-1 LLC, as purchaser (the "Purchase Agreement"), a copy of which is enclosed along with this illustrative settlement statement (this "Illustrative Statement"). The Purchase Agreement entitles each seller thereunder to receive the present value of certain settlement payments that would otherwise be payable over the course of several years under the MSA (as defined below) in an upfront lump sum amount, in consideration for such seller transferring the rights to such settlement payments to the purchaser under the Purchase Agreement. In order to become a party to the Purchase Agreement as an additional seller, you must deliver an executed Joinder Agreement (as defined in the Purchase Agreement), a copy of which is also enclosed along with this Illustrative Statement, in accordance with the Purchase Agreement. If you wish to become a party to the Purchase Agreement as an additional seller, please deliver an executed Joinder Agreement prior to the Funding Date (as defined in the Purchase Agreement). This Illustrative Statement was prepared and delivered to you solely for illustrative purposes, does not constitute part of the Purchase Agreement or the Joinder Agreement, and is qualified in all respects by reference to the Purchase Agreement and the Joinder Agreement. In the event of any inconsistency between this Illustrative Statement, on the one hand, and the Purchase Agreement or Joinder Agreement, on the other hand, the Purchase Agreement or Joinder Agreement, as applicable, shall prevail.

*This Illustrative Statement includes payments already made under the MSA in 2025. Such payments are not subject to the Purchase Agreement or Joinder Agreement in any respect, and no amount would be payable to a seller under the Purchase Agreement in respect of such payments, since they have already been paid under the MSA.

** Net Amount Paid to Client in 2025 was calculated taking the Case Costs into consideration $24,612.95.

***The discount rates of 8.24% for Applicable Payment Amounts with a payment receipt date on or prior to December 31, 2031 and 9.24% for Applicable Payment Amounts with a payment receipt date thereafter applied to this illustration will shift based on SOFR and the actual funding date.

****Service Fee Amount represents the 3.5% fee applied to only the total payout of Payments 3 to 10.

SCHEDULE A

Payment Amount Schedule*

Payment Receipt Date	Applicable Payment Amount	Present Value of Applicable Payment Amount
June 2026	$780,994.14	$740,836.87
June 2027	$215,446.67	$188,810.79
June 2028	$251,354.44	$203,510.02
June 2029	$224,423.60	$167,872.66
June 2030	$152,608.05	$105,463.24
June 2031	$152,608.05	$97,434.63
June 2032	$134,654.16	$74,703.65
June 2033	$125,677.22	$63,825.90

Par Payment Schedule Value Amount: **$2,037,766.33**

Purchase Price: **$1,642,457.77**

Service Fee Amount: **$71,321.82**

Net Purchase Price: **$1,571,135.95**

*Note: Assumes an October 31, 2025 Funding Date. Amounts will be adjusted automatically to reflect the actual Funding Date.

NS PR LAW SERVICES LLC
ATTORNEYS AT LAW

2025-11-07

3M Phase 1 Illustrative Settlement Statement

WAUSAU WATERWORKS

Settlement Calculation

This Illustrative Statement reflects your estimated settlement payout under the 3M AFFF Multi-District Litigation Master Settlement Agreement (the "MSA"). The breakdown below includes applicable deductions and adjustments based on the terms of the MSA.

Variable	Description	Formula / Description
A	Adjusted Base Score (Eligible Claims Only)	Points assigned to each claim based on the allocation procedure, performed and audited by the Claim Administrator.
B	**Net Rate Value**	**The dollar amount assigned per point, as determined by the Claim Administrator (0.111)**
C	**Denominator**	**Ratio for gross calculations, as determined by the Claim Administrator and revised for each payment (0.9046)**
D	Gross Settlement Payment	= (A x B) / C = (Adjusted Base Score × 0.111) / 0.9046
E	Retainer Fees	= Gross Settlement Payment × Retainer 25.00%
F	Common Benefit	= Gross Settlement Payment × 8%
G	Attorney Fees	= Retainer Fees - Common Benefit
H	CA Holdback	Contingency by the Claims Admin to mitigate program financial risks
I	Case Costs	Costs incurred in litigation. *Deducted fully in 2025*
J	**Applicable Payment Amount (i.e., Net to Client)**	**= Gross Settlement Payment - Retainer Fees - CA Holdback - Case Costs**

Accelerated Fees Schedule

If you choose the present value ("PV") payout option by delivering an executed Joinder Agreement in accordance with the Purchase Agreement (as defined in the Explanatory Note below), your total scheduled settlement amount under the MSA would be discounted using a fixed annual rate in accordance with the Purchase Agreement (for illustrative purposes, this Illustration Statement assumes a discount rate of 8.24% for Applicable Payment Amounts with a payment receipt date on or prior to December 31, 2031 and 9.24% for Applicable Payment Amounts with a payment receipt date thereafter). This means, your lump sum value to be received is lower than the sum of the future cash flows. This is due to the discount rate applied and the implied value of those cash flows today. The PV amount in this Illustrative Statement is based on a discount rate calculated assuming an October 31, 2025 funding date and will fluctuate on an immaterial basis according to the actual discount rate and actual funding date under the Purchase Agreement.

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Pmt#8	Jun 2031	$209,107.58	$52,276.90	$4,222.63	$152,608.05	$97,434.63
Pmt#9	Jun 2032	$184,506.68	$46,126.67	$3,725.85	$134,654.16	$74,703.65
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	Service Fee Amount****					$71,321.82
	Net Purchase Price					***$1,571,135.95***

Explanatory Note

Reference is made to that certain Master Payment Amount Purchase Agreement, dated as of November 5, 2025, by and among NS PR Law Services LLC and Napoli Shkolnik PLLC, as initial sellers, each additional seller that may from time to time become party thereto, and NS BUYER 2025-1 LLC, as purchaser (the "Purchase Agreement"), a copy of which is enclosed along with this illustrative settlement statement (this "Illustrative Statement"). The Purchase Agreement entitles each seller thereunder to receive the present value of certain settlement payments that would otherwise be payable over the course of several years under the MSA (as defined below) in an upfront lump sum amount, in consideration for such seller transferring the rights to such settlement payments to the purchaser under the Purchase Agreement. In order to become a party to the Purchase Agreement as an additional seller, you must deliver an executed Joinder Agreement (as defined in the Purchase Agreement), a copy of which is also enclosed along with this Illustrative Statement, in accordance with the Purchase Agreement. If you wish to become a party to the Purchase Agreement as an additional seller, please deliver an executed Joinder Agreement prior to the Funding Date (as defined in the Purchase Agreement). This Illustrative Statement was prepared and delivered to you solely for illustrative purposes, does not constitute part of the Purchase Agreement or the Joinder Agreement, and is qualified in all respects by reference to the Purchase Agreement and the Joinder Agreement. In the event of any inconsistency between this Illustrative Statement, on the one hand, and the Purchase Agreement or Joinder Agreement, on the other hand, the Purchase Agreement or Joinder Agreement, as applicable, shall prevail.

*This Illustrative Statement includes payments already made under the MSA in 2025. Such payments are not subject to the Purchase Agreement or Joinder Agreement in any respect, and no amount would be payable to a seller under the Purchase Agreement in respect of such payments, since they have already been paid under the MSA.

** Net Amount Paid to Client in 2025 was calculated taking the Case Costs into consideration $24,612.95.

***The discount rates of 8.24% for Applicable Payment Amounts with a payment receipt date on or prior to December 31, 2031 and 9.24% for Applicable Payment Amounts with a payment receipt date thereafter applied to this illustration will shift based on SOFR and the actual funding date.

****Service Fee Amount represents the 3.5% fee applied to only the total payout of Payments 3 to 10.

NAPOLI
SHKOLNIK PLLC
ATTORNEYS AT LAW

May 22, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

Re: Initial 3M AFFF Settlement Payment Enclosed

Dear MARYANNE GROAT, FINANCE DIRECTOR:

We are pleased to enclose a check representing your Public Water System's initial share of the settlement reached with 3M in the Aqueous Film-Forming Foam (AFFF) Products Liability Litigation (MDL 2873). This payment reflects approximately **20% of your total gross award** in the 3M settlement.

A **second, larger payment—representing approximately 50% of the total gross recovery—is expected by the end of this summer**, with the final portion to be disbursed in subsequent installments over time, as outlined in the Court-approved settlement structure.

Additionally, **further payments from the separate settlements with DuPont, BASF, and Tyco are anticipated before the end of the year**, and will be disbursed as those settlements are processed and approved.

For your reference, we have attached a **settlement statement** outlining the full breakdown of the gross award, including itemized deductions for litigation costs, attorneys' fees, and court-ordered common benefit (MDL) assessments. We are happy to schedule a call to walk through the details or answer any questions you may have.

Lastly, because your system has detected PFAS contamination, it is likely that a **specific polluter or group of polluters is responsible for releases in the vicinity of your wells.** This may give rise to additional claims under **CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) and negligence laws.** If we have not already reached out, we will be contacting you in the near future to discuss your rights and options for pursuing these claims, including potential recovery from the polluters and their insurers.

We appreciate the opportunity to represent your system and community in this important matter. If you have any questions about this payment, the pending settlements, or next steps in identifying responsible parties, please don't hesitate to reach out

Very truly yours,

Paul J. Napoli

Enclosures

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

Settlement Statement

May 22, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

PWS Name	PWSID	Source Name	Award Value
WAUSAU WATERWORKS	WI7370102	Well 10	$32,236.87
WAUSAU WATERWORKS	WI7370102	Well 11	$19,701.17
WAUSAU WATERWORKS	WI7370102	Well 3	$11,879.90
WAUSAU WATERWORKS	WI7370102	Well 6	$22,636.44
WAUSAU WATERWORKS	WI7370102	Well 7	$21,620.24
WAUSAU WATERWORKS	WI7370102	Well 9	$12,831.60

3ME Phase One - Payment One Gross Settlement Award	**$120,906.22**
Deductions for Attorneys' Fees	
Attorneys' Fees Gross @ 25%	$30,226.56
MDL Fees @ 8%	$9,672.50
Total Attorneys' Fees Minus MDL Fees	$20,554.06
Total Fees Deductions from Client Share	**$30,226.56**
Deductions for Case Expenses	
Case Expenses (Rider on Next Page)	$24,612.81
Total Costs Deductions from Client Share	**$24,612.81**
Net Settlement Award	**$64,747.77**

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

Costs Rider

Memo	Amount
Common Cost Share	$328.64
Court Filing Expense	$795.35
Document Management Printing Cost	$0.28
Expert Costs (Retainers and Charges)	$11,173.00
PACER Document Service Expense	$3.30
Photocopy/Imaging Cost	$4.54
Postage Expense - Specific	$29.30
Service of Process Expense	$12,278.40

NAPOLI
SHKOLNIK PLLC
ATTORNEYS AT LAW

October 3, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

Re: Initial 3M AFFF Settlement Payment Enclosed

Dear MARYANNE GROAT, FINANCE DIRECTOR:

We are pleased to enclose a check representing your Public Water System's initial share of the settlement reached with 3M in the Aqueous Film-Forming Foam (AFFF) Products Liability Litigation (MDL 2873). This payment reflects approximately **63.61% of your total gross award** in the 3M settlement.

For your reference, we have attached a **settlement statement** outlining the full breakdown of the gross award, including itemized deductions for litigation costs, attorneys' fees, and court-ordered common benefit (MDL) assessments. We are happy to schedule a call to walk through the details or answer any questions you may have.

Lastly, because your system has detected PFAS contamination, it is likely that a **specific polluter or group of polluters is responsible for releases in the vicinity of your wells.** This may give rise to additional claims under **CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) and negligence laws.** If we have not already reached out, we will be contacting you in the near future to discuss your rights and options for pursuing these claims, including potential recovery from the polluters and their insurers.

We appreciate the opportunity to represent your system and community in this important matter. If you have any questions about this payment, the pending settlements, or next steps in identifying responsible parties, please don't hesitate to reach out

Very truly yours,

Paul J. Napoli

Enclosures

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

Settlement Statement

October 3, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

PWS Name	PWSID	Source Name	Award Value
WAUSAU WATERWORKS	WI7370102	Well 10	$707,279.51
WAUSAU WATERWORKS	WI7370102	Well 11	$725,546.73
WAUSAU WATERWORKS	WI7370102	Well 3	$558,008.33
WAUSAU WATERWORKS	WI7370102	Well 6	$796,747.09
WAUSAU WATERWORKS	WI7370102	Well 7	$708,329.41
WAUSAU WATERWORKS	WI7370102	Well 9	$381,553.12

3M Phase One - Payment One Gross Settlement Award	**$3,877,464.19**
Deductions for Attorneys' Fees	
Attorneys' Fees Gross @ 25%	$969,366.05
MDL Fees @ 8%	$310,197.14
Total Attorneys' Fees Minus MDL Fees	$659,168.91
Total Fees Deductions from Client Share	**$969,366.05**
Deductions for Claim Administrator	
Claim Administrator Holdback	$46,917.31
Total Admin Deductions from Client Share	**$46,917.31**
Deductions for Case Expenses	
Case Expenses (Rider on Next Page)	$0.14
Total Costs Deductions from Client Share	**$0.14**
Net Settlement Award	**$2,861,180.69**

Costs Rider

Memo	Amount
Document Management Printing Cost	$0.03
Photocopy/Imaging Cost	$0.11

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

October 27, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

Re: Dupont AFFF Settlement Payment Enclosed

Dear MARYANNE GROAT, FINANCE DIRECTOR:

We are pleased to enclose a check representing your Public Water System's initial share of the settlement reached with Dupont in the Aqueous Film-Forming Foam (AFFF) Products Liability Litigation (MDL 2873).

For your reference, we have attached a **settlement statement** outlining the full breakdown of the gross award, including itemized deductions for litigation costs, attorneys' fees, and court-ordered common benefit (MDL) assessments. We are happy to schedule a call to walk through the details or answer any questions you may have.

Lastly, because your system has detected PFAS contamination, it is likely that a **specific polluter or group of polluters is responsible for releases in the vicinity of your wells.** This may give rise to additional claims under **CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) and negligence laws.** If we have not already reached out, we will be contacting you in the near future to discuss your rights and options for pursuing these claims, including potential recovery from the polluters and their insurers.

We appreciate the opportunity to represent your system and community in this important matter. If you have any questions about this payment, the pending settlements, or next steps in identifying responsible parties, please don't hesitate to reach out

Very truly yours,

Paul J. Napoli

Enclosures

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

Settlement Statement

October 27, 2025

CITY OF WAUSAU
MARYANNE GROAT, FINANCE DIRECTOR
CITY HALL, 407 Grant St.
Wausau, WI 54403

PWS Name	PWSID	Source Name	Award Value
WAUSAU WATERWORKS	WI7370102	Well 10	$133,325.28
WAUSAU WATERWORKS	WI7370102	Well 11	$136,768.73
WAUSAU WATERWORKS	WI7370102	Well 3	$105,187.01
WAUSAU WATERWORKS	WI7370102	Well 6	$150,190.31
WAUSAU WATERWORKS	WI7370102	Well 7	$133,523.19
WAUSAU WATERWORKS	WI7370102	Well 9	$71,924.43

Dupont Phase One - Gross Settlement Award	**$730,918.94**
Deductions for Attorneys' Fees	
Attorneys' Fees Gross @ 25%	$182,729.74
MDL Fees @ 8%	$58,473.52
Total Attorneys' Fees Minus MDL Fees	$124,256.22
Total Fees Deductions from Client Share	**$182,729.74**
Deductions for Claim Administrator	
Claim Administrator Holdback	$36,034.30
Total Admin Deductions from Client Share	**$36,034.30**
Deductions for Case Expenses	
Case Expenses (Rider on Next Page)	$12,096.59
Total Costs Deductions from Client Share	**$12,096.59**
Net Settlement Award	**$500,058.31**

NAPOLI SHKOLNIK PLLC
ATTORNEYS AT LAW

Costs Rider

Memo	Amount
Document Management Printing Cost	$0.30
Expert Costs (Retainers and Charges)	$12,014.33
Photocopy/Imaging Cost	$7.34
Service of Process Expense	$74.62

Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Memorandum

From: **Anne Jacobson** aj

To: **Common Council**

Date: **November 21, 2025**

Re: **Consider approving the City's joinder and participation in receiving its PFAS Phase One 3M Settlement under the Accelerated Payment Program**

Purpose: To consider approving the City's joinder and participation in receiving its PFAS Phase One 3M Settlement under the Accelerated Payment Program.

Background: On May 23, 2023, the City approved the engagement of Napoli Shkolnik PLLC, to represent the interests of the City in any legal proceeding, on a contingent fee basis, and to do all things necessary in that representation to seek to recover from the responsible parties, the costs to the City associated with the remediation of PFAS in its public water system.

Through multi-district litigation, the City filed claims and participated in the 3M Phase One Settlement and Dupont Settlement. The 3M Settlement is structured upon ten (10) payments, paid out over nine (9) years. The City received two initial payments in 2025 in the net amount of **$2,925,928.46**. The City is to receive eight (8) additional payments, through 2033, in the net amount of **$2,037.766.33**.

Through the approval of the terms of the Master Payment Amount Purchase Agreement and execution of the Joinder Agreement, the City will receive future settlement payments upfront as a single lump sum, making funds available now, rather than waiting a term of ten years to receive all funds. This action would negate any future collectibility concerns. This transaction is also non-recourse, meaning no Seller may be pursued by a Purchaser for any future defaults or deficiencies on the part of 3M. A security interest will also be publicly filed, for added protection for Sellers.

The City would sell its Structured Settlement to Napoli Shkolnik. Other Sellers would do likewise, and Settlement payments owed under the 3M Settlement Agreement would be

transferred into a new entity created solely for this transaction. Simultaneously, Napoli Shkolnik will sell the Structured Settlement to LuminArx and Bank of America. Sellers would then receive a present value cash payment, minus a modest transaction fee to cover structuring and legal costs.

The City's total Scheduled Settlement payment amount of **$2,037.766.33** would then be discounted using a fixed annual rate to a present value of **$1,642,457.77** (assuming a funding date of October 31, 2025), reduced by $17,321.82 (service fee), for a total net purchase price of **$1,571,135.95.**

It is expected that the payment will be received by check before the end of 2025.