

## ENGAGEMENT LETTER FOR MUNICIPAL ADVISORY SERVICES

Municipal Advisors of Mississippi, Inc. (“**MUNICIPAL ADVISOR**”) appreciates the opportunity to serve as municipal advisor to the **CITY OF BAY ST. LOUIS, MISSISSIPPI**, (“**Client**”). Upon your acceptance, this engagement letter (the “**Agreement**”) will serve as our mutual agreement with respect to the terms and conditions of our engagement as your municipal advisor, effective on the date this Agreement is executed by the Client (the “**Effective Date**”).

### 1. Scope of Services.

- (a) **Services to be provided.** Municipal Advisor is engaged by Client as its municipal advisor to provide services with respect to the issuances of municipal securities (“**Issues**”) set forth in the attached Appendix A, as amended or supplemented from time to time (the “**Scope of Services**”):
- (b) **Limitations on Scope of Services.** The Scope of Services is subject to the following limitations:
  - (i) The Scope of Services is limited solely to the services described therein and is subject to any limitations set forth within the description of the Scope of Services.
  - (ii) Unless otherwise provided in the Scope of Services described herein, Municipal Advisor is not responsible for preparing any preliminary or final official statement, or for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about Municipal Advisor provided by Municipal Advisor for inclusion in such documents.
  - (iii) The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any Issue or in connection with any opinion or certificate rendered by counsel or any other person at closing, and does not include review or advice on any feasibility study.
  - (iv) If Client has designated Municipal Advisor as its independent registered municipal advisor (“**IRMA**”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “**IRMA exemption**”) with respect to the activities and aspects described in the Scope of Services, the Scope of Services as they relate to such designation as IRMA shall be subject to any limitations with respect to Municipal Advisor’s activities as IRMA as may be provided in the Scope of Services described herein. Municipal Advisor is not responsible for verifying that it is independent (within the meaning of the IRMA exemption as interpreted by the SEC) from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption. Any reference to Municipal Advisor, its personnel and its role as IRMA in the written representation of Client contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) is subject to prior approval by Municipal Advisor, and Client agrees not to represent, publicly or to any specific person, that Municipal Advisor is Client’s IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, outside the Scope of Services without Municipal Advisor’s prior written consent.
- (c) **Amendment to Scope of Services.** The Scope of Services may be changed only by written amendment or supplement to the Scope of Services described herein. The parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services.

- 2. **Municipal Advisor’s Regulatory Duties When Servicing Client.** MSRB Rule G-42 requires that Municipal Advisor make a reasonable inquiry as to the facts that are relevant to Client’s determination whether to proceed with a course of action with a course of action or that form the basis for and advice provided by Municipal Advisor to Client. The rule also requires that Municipal Advisor undertake a

reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about Client and the authority of each person acting on Client's behalf.

Client agrees to cooperate, and to cause its agents to cooperate, with Municipal Advisor in carrying out these regulatory duties, including providing to Municipal Advisor accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, Client agrees that, to the extent Client seeks to have Municipal Advisor provide advice with regard to any recommendation made by a third party, Client will provide to Municipal Advisor written direction to do so as well as any information it has received from such third party relating to its recommendation.

### 3. **Term of this Engagement.**

The term of this Agreement begins on the Effective Date and ends, unless earlier terminated as provided below, at the close of business on the settlement date for the Issue. This Agreement may be terminated with or without cause by either party upon the giving of at least thirty days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination.

### 4. **Compensation.**

(a) **Fees and expenses.** The fees due to Municipal Advisor hereunder shall be, and expenses incurred by Municipal Advisor in connection with any services provided hereunder shall be reimbursed, as set forth below:

**Fees for this engagement shall be in an amount not to exceed Twenty Basis Points (.20%) of the Par Value of the Issue(s).**

(b) **Limitation of liability.** In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Municipal Advisor or any of its associated persons, Municipal Advisor and its associated persons shall have no liability to Client for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment, or for any financial or other damages resulting from Client's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Municipal Advisor to Client. No recourse shall be had against Municipal Advisor for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of Client arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with any Issue or otherwise relating to the tax treatment of any Issue, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by Client of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor's fiduciary duty to Client under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

5. **Required Disclosures.** MSRB Rule G-42 requires that Municipal Advisor provide you with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in Municipal Advisor's Disclosure Statement delivered to Client together with this Agreement.

6. **Choice of Law.** This Agreement shall be construed and given effect in accordance with the laws of the State of Mississippi.

7. **Binding Effect; Assignment.** This Agreement shall be binding upon and inure to the benefit of Client and Municipal Advisor, their respective successors and permitted assigns; provided however, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.


8. **Entire Agreement.** This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. This Agreement may not be amended, supplemented or modified except by means of a written instrument executed by both parties.

9. **Severability.** If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions because it conflicts with

any provisions of any constitution, statute, rule or public policy, or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

- 10. No Third Party Beneficiary.** This Agreement is made solely for the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.
- 11. Authority.** The undersigned represents and warrants that the undersigned has full legal authority to execute this Agreement on behalf of Client. The individuals set forth in the attached Appendix B, as amended from time to time, have the authority to direct Municipal Advisor's performance of its activities under this Agreement
- 12. Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but which taken together, shall constitute one and the same instrument.

**MUNICIPAL ADVISORS OF MISSISSIPPI, INC.**

By:   
Title: Chief Executive Officer

Date: September 3<sup>rd</sup>, 2024

**ACCEPTED AND AGREED:**

**CITY OF BAY ST. LOUIS, MISSISSIPPI**

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

Title: \_\_\_\_\_

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

## APPENDIX A - SCOPE OF SERVICES

The Scope of Services to be provided under this Agreement shall consist of the activities checked below with respect to the planned issuance of **\$3,200,000 (NTE - NOT TO EXCEED) CITY OF BAY ST. LOUIS, MISSISSIPPI GRANT ANTICIPATION NOTE, SERIES 2024A** (the “ISSUE”). In addition, Municipal Advisor is designated as Client’s independent registered municipal advisor (“IRMA”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “IRMA exemption”) with respect to the aspects of the Issue(s) described in this Appendix A.

Municipal Advisor shall undertake the following activities for or on behalf of Client with respect to the Issue in carrying out this engagement, as directed by Client:

**A. New Issues.** Provide the following services with respect to Client’s new Issue:

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Evaluate options or alternatives with respect to the proposed new Issue   | <input type="checkbox"/> Advise Client with regard to any continuing disclosure undertaking required to be entered into in connection with the Issue, including advising on the selection of a dissemination agent   |
| <input checked="" type="checkbox"/> Review recommendations made by other parties to Client with respect to the new Issue  | <input type="checkbox"/> In a competitive bid sale, assist Client in collecting and analyzing bids submitted by underwriters and in connection with Client’s selection of a winning bidder   |
| <input checked="" type="checkbox"/> Review financial and other information regarding Client, the proposed Issue and any source of repayment of or security for the Issue  | <input checked="" type="checkbox"/> In a negotiated sale, assist Client in the selection of underwriters or placement agents   |
| <input checked="" type="checkbox"/> Consult with and/or advise Client on actual or potential changes in market place practices, market conditions, regulatory requirements or other matters that may have an impact on Client and its financing plans   | <input type="checkbox"/> At the time of sale, provide Client with relevant data on comparable issues recently or currently being sold nationally and by comparable Clients   |
| <input checked="" type="checkbox"/> Assist Client in establishing a plan of financing   | <input checked="" type="checkbox"/> In a negotiated sale, coordinate pre-pricing discussions, supervise the sale process, advise Client on matters relating to retail or other order periods and syndicate priorities, review the order book, advise on the acceptability of the underwriter’s pricing and offer to purchase |
| <input checked="" type="checkbox"/> Assist Client in establishing the structure, timing, terms and other similar matters concerning the Issue   | <input checked="" type="checkbox"/> Advise Client with respect to recommendations made by the underwriters and other interactions between Client and the underwriters  |
| <input checked="" type="checkbox"/> Prepare the financing schedule  | <input checked="" type="checkbox"/> Review required underwriter disclosures to Client  |
| <input type="checkbox"/> Provide assistance as to scheduling, coordinating and meeting procedural requirements relating to any required bond referendum, other than through cash or in-kind contributions with respect to such referendum   | <input checked="" type="checkbox"/> Assist Client in selecting legal and other professionals (such as trustee, escrow agent, accountant, feasibility consultant, etc.) to work on the Issue  |
| <input checked="" type="checkbox"/> Consult and meet with representatives of Client and its agents or consultants with respect to the Issue   | <input checked="" type="checkbox"/> Respond to questions from bidders, underwriters or potential investors   |
| <input checked="" type="checkbox"/> Attend meetings of Client’s governing body, as requested  | <input checked="" type="checkbox"/> Arrange and facilitate visits to, prepare materials for, and make recommendations to Client in connection with credit ratings agencies, insurers and other credit or liquidity providers   |
| <input checked="" type="checkbox"/> Advise Client on the manner of sale of the Issue  | <input checked="" type="checkbox"/> Work with bond counsel and other transaction participants to prepare and/or review necessary authorizing documentation of Client and other documents necessary to finalize and close the Issue   |
| <input checked="" type="checkbox"/> Assist in the gathering of information with respect to financial, statistical and factual information relating to Client in connection with the preparation of the preliminary and final official statement   | <input checked="" type="checkbox"/> Coordinate working group sessions, closing, delivery of the new Issue and transfer of funds  |
| <input type="checkbox"/> If the Issue is to be sold on a competitive bid basis and Client has not engaged disclosure counsel to prepare the preliminary and final official statement, prepare the preliminary and final official statement and the bid package, obtain CUSIP numbers and provide an electronic version of the official statement to the winning underwriter | <input type="checkbox"/> Prepare a closing memorandum or transaction summary, together with general guidance for Client with respect to post-closing requirements relating to the use and investment of bond proceeds and the payment of debt service  |
| <input checked="" type="checkbox"/> If the Issue is to be sold on a negotiated basis, assist in the preparation and/or review the preliminary and final official statement  |  |
| <input type="checkbox"/> Make arrangements for printing, advertising and other vendor services necessary or appropriate in connection with the Issue  |  |

- ☒ Provide such other usual and customary financial advisory services as may be requested by Client

**B. Limited IRMA Extension of Scope of Services for Certain Third-Party Recommendations.** In addition to the review of recommendations made by other parties as provided for elsewhere in this Appendix A, provide the following services as Client's designated independent registered municipal advisor with regard to the following limited matters:

- ☒ Review recommendations made by other parties to Client with respect to any actual or potential issuance of municipal securities by Client other than an Issue as defined in this Appendix A; provided that the review of a third-party recommendation relating to a particular actual or potential issuance of municipal securities not otherwise considered an Issue under this Appendix A shall not result in the Scope of Services being expanded to include all actual or potential issuances of municipal securities that are not otherwise considered Issues hereunder
- ☐ Review recommendations made by other parties to Client with respect to any actual or potential municipal financial product of Client other than a Product as defined in this Appendix A; provided that the review of a third-party recommendation relating to a particular actual or potential municipal financial product not otherwise considered a Product under this Appendix A shall not result in the Scope of Services being expanded to include all actual or potential municipal financial products that are not otherwise considered Products hereunder

## APPENDIX B - AUTHORIZED PARTIES

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Enter the name, title, phone number and e-mail address of each person who is authorized by the Issuer to direct the firm's activities as municipal advisor under the engagement.

1. 

Name	Title
Work Phone	Email Address
  
2. 

Name	Title
Work Phone	Email Address
  
3. 

Name	Title
Work Phone	Email Address
  
4. 

Name	Title
Work Phone	Email Address
  
5. 

Name	Title
Work Phone	Email Address
  
6. 

Name	Title
Work Phone	Email Address

**DISCLOSURE STATEMENT  
MUNICIPAL ADVISORS OF MISSISSIPPI, INC.**

This Disclosure Statement is provided by Municipal Advisors of Mississippi, Inc. (“MAofMS”) to **CITY OF BAY ST. LOUIS, MISSISSIPPI (“Client”)** in connection with the Municipal Advisor Engagement Letter dated **SEPTEMBER 3, 2024** (the “Agreement”) and is dated as of the same date as the Agreement. This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events of MAofMS required to be disclosed to Client pursuant to MSRB Rule G-42(b) and (c)(ii).

**DISCLOSURES OF CONFLICTS OF INTEREST**

MAofMS hereby makes the disclosures set forth below with respect to material conflicts of interest in connection with performance of the Scope of Services under the Agreement, together, if applicable, with explanations of how MAofMS addresses or intends to manage or mitigate each conflict.

- |  | <b>Potential<br/>Conflict</b>       |
|--|-------------------------------------|
| (a) Except for those marked as potential conflicts, none of the following entities have provided any advice, services, or products to or on behalf of Client that are directly related to the Scope of Services to be performed by MAofMS, including advice with respect to the structure, timing, terms, and other similar matters concerning municipal financial products or issues: |                                     |
| ▶ Southern Mississippi Planning & Development District (“SMPDD”)*  | <input type="checkbox"/>            |
| ▶ Southern Mississippi Investment Corporation  | <input type="checkbox"/>            |
| (b) Unless the potential conflict box is checked, MAofMS has not made any payments, directly or indirectly, to obtain or retain its engagement to perform municipal advisory activities for Client.  | <input type="checkbox"/>            |
| (c) Unless the potential conflict box is checked, MAofMS has not accepted any payments from any third parties to enlist its recommendation to Client of its services, any municipal securities transaction, or any municipal financial product.  | <input type="checkbox"/>            |
| (d) Unless the potential conflict box is checked, MAofMS does not maintain any fee-splitting arrangements with any provider of investments or services to Client.  | <input type="checkbox"/>            |
| (e) If the potential conflict box is not checked, MAofMS is not aware, after reasonable inquiry, of any other actual or potential conflicts of interest that could reasonably be anticipated to impair its ability to provide advice to or on behalf of Client in accordance with the standards of conduct of described in MSRB Rule G-42(a).  | <input checked="" type="checkbox"/> |

\* MAofMS is a wholly owned subsidiary of SMPDD. Fifteen counties in Southern Mississippi pay dues to SMPDD and representatives of each sit on its board. Member municipalities do not pay dues to SMPDD. Current board members are listed in the attached Disclosure Schedule.

**Please refer to the attached Disclosure Schedule, which is incorporated into and made part of this Disclosure Statement, for explanations as to how MAofMS addresses or intends to manage or mitigate conflicts related to its compensation structure and any additional potential conflicts identified above.**

**DISCLOSURES OF LEGAL AND DISCIPLINARY EVENTS**

There are no legal or disciplinary events material to Client’s evaluation of MAofMS or the integrity of MAofMS’s management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC. There have been no material changes to such information made to any such Form MA or Form MA-I since the dates on which they were initially filed with the SEC.

## DISCLOSURE SCHEDULE

This Disclosure Schedule is provided by MAofMS to Client as part of the Disclosure Statement and describes how MAofMS addresses or intends to manage or mitigate the material conflicts identified thereon.

As general mitigations of the conflicts identified on the Disclosure Statement, MAofMS mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates MAofMS to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to MAofMS's financial or other interests. MAofMS's municipal advisory supervisory structure provides strong safeguards against individual representatives of MAofMS potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict identified on the Disclosure Statement.

SMPDD assists 15 counties and 38 municipal governments in the geographic service area encompassing Covington, Forrest, George, Greene, Hancock, Harrison, Jackson, Jefferson Davis, Jones, Lamar, Marion, Pearl River, Perry, Stone and Wayne Counties.

SMPDD Board of Directors			
<b>President</b>	Calvin C. Newsom, Marion County Board of Supervisors		
<b>1st Vice President</b>	David Hogan, Workforce Private Sector Rep.		
<b>2nd Vice President</b>	Bobby R. Bolton, Perry County Minority Rep.		
<b>Treasurer</b>	Steve Seymour, Workforce Private Sector Rep.		
<b>Secretary</b>	Scott Strickland, Workforce Private Sector Rep.		
<b>General Counsel</b>	Hugh Keating		
<b>Board Member</b>	<b>Affiliation</b>	<b>Board Member</b>	<b>Affiliation</b>
Sterling Craft	Covington County Board of Supervisors	Mike Favre	Mayor, City of Bay St. Louis
Roderick (Rod) Woullard	Forrest County Minority Rep.	Billy Hewes	Mayor, City of Gulfport
Gentry Mordica	Forrest County Board of Supervisors	Cliff Kelly	Mayor, Town of Mt. Olive
Tommy Dews	Forrest County Private Sector Rep.	Kenny Holloway	Mayor, City of Ocean Springs
Larry Havard	George County Board of Supervisors	Jim Luke	Mayor, City of Picayune
Wayne Barrow	Greene County Board of Supervisors	Richard Hux	Mayor, Town of Seminary
Darrin "Bo" Ladner	Hancock County Board of Supervisors	Dr. Adam Breerwood	Pearl River Comm. College, President
Derek Necaie	Hancock County Private Sector Rep.	Donald Hart	Pearl River County Minority Rep.
Rebecca Powers	Harrison County Board of Supervisors	Jason Spence	Pearl River County Board of Supervisors
Eric Chambless	Harrison County Private Sector Rep.	Patrick Lee	Pearl River County Private Sector Rep.
Troy Ross	Jackson County Board of Supervisors	Kevin Shows	Perry County Board of Supervisors
Leslie Kelley	Jackson County Private Sector Rep.	Paul Walley	Perry County Private Sector Rep.
Ennit Morris	Jackson County Minority Rep.	Jimmy Spring	Stone County Board of Supervisors
Demarrio Booth	Jefferson Davis County Minority Rep.	Lance Pearson	Stone County Private Sector Rep.
Michael Evans	Jefferson Davis County Board of Supervisors	Keith Clay	Wayne County Board of Supervisors
Phil Dickerson	Jones County Board of Supervisors	Ray Wesson	Workforce Private Sector Rep.
Mitch Brent	Lamar County Board of Supervisors	Amy Walker	Workforce Private Sector Rep.
Sedgie Foxworth	Marion County Private Sector Rep.	Hal Hayes	Workforce Private Sector Rep.

### Compensation-Based Conflicts

The fees due under the Agreement will be based on the size of the Issue and the payment of such fees shall be contingent upon the delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for MAofMS to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.



**(a) Affiliate Conflict. – NOT APPLICABLE**

The affiliate of MAofMS identified on the Disclosure Statement (the “Affiliate”), has or is expected to provide certain [advice/services/products] to or on behalf of Client that is directly related to Municipal Advisor’s activities within the Scope of Services under the Agreement. In particular, [INSERT BRIEF DESCRIPTION].

Affiliate’s business with Client could create an incentive for MAofMS to recommend to Client a course of action designed to increase the level of Client’s business activities with the Affiliate or to recommend against a course of action that would reduce or eliminate Client’s business activities with the Affiliate.

In addition to the general mitigations described above, this conflict of interest is mitigated [in part by the fact that Client had already engaged Affiliate prior to engaging MAofMS, and therefore MAofMS did not influence this decision. In addition, in the event that MAofMS makes a recommendation to Client that could influence the level of business with Affiliate, MAofMS will consider alternatives to such recommendation, which will be disclosed to Client along with the impact that the recommendation and its alternatives would have on the business activities of Client with the Affiliate.] Furthermore, this potential conflict is mitigated by the fact that Affiliate is subject to its own comprehensive regulatory regime as a [ ] under the applicable [federal securities/banking laws] under which they operate.

**(b) Payments to be Retained. NOT APPLICABLE**

MAofMS has paid [ ], a municipal advisor registered under the Securities Exchange Act (the “Solicitor”), to solicit Client to [obtain/retain] Client’s municipal advisory business under this Agreement. Such payment could create an incentive for the Solicitor to make a biased recommendation of MAofMS to Client. In addition to the general mitigations described above, this conflict of interest is mitigated by the disclosure to Client of such payment, in that knowledge of such payment can be considered by Client in determining whether the solicitation by the Solicitor was potentially biased by such payment. Furthermore, this potential conflict is mitigated by the fact that the Solicitor is subject to the comprehensive regulatory regime for municipal advisors under the Securities Exchange Act.

**(c) Payments from Third Parties for Recommendations. NOT APPLICABLE**

MAofMS has received a payment from [ ] (the “Recommended Third-Party”) to recommend the Recommended Third-Party to Client to provide [ ] services to Client. Such payment could create an incentive for MAofMS to make a biased recommendation of the Recommended Third-Party to Client. In addition to the general mitigations described above, this conflict of interest is mitigated by the disclosure to Client of such payment, in that knowledge of such payment can be considered by Client in determining whether the recommendation by MAofMS of the Recommended Third-Party was potentially biased by such payment. Furthermore, this potential conflict is mitigated by the fact that such recommendation is subject to the comprehensive regulatory regime for municipal advisors under the Securities Exchange Act.

**(d) Fee-Splitting Arrangements. NOT APPLICABLE**

[At the direction of Client,] MAofMS has paid a portion of the fee it has received from Client for services under this Agreement to [ ] (the “Third-Party”) in connection with [ ] services provided by Third-Party to Client]

[MAofMS has received payment from [ ] (the “Third-Party”) in connection with its [ ] services provided to Client].

Such fee-splitting could result in divided loyalties of MAofMS and the Third-Party. In addition to the general mitigations described above, this conflict of interest is mitigated by [the fact that Client directed the fee-splitting arrangement, thereby obviating the potential for the payment to influence either party’s loyalty. The conflict is further mitigated by] the disclosure to Client of such payment, in that knowledge of such splitting of fees can be considered by Client in determining whether MAofMS or the Third-Party have competing loyalties to others besides Client. In addition, the mitigations described above with respect to Contingent Compensation also generally serve to mitigate this potential conflict of interest.

**(e) Other Municipal Advisor or Underwriting Relationships**

MAofMS serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, MAofMS serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client under this

Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, MAofMS could potentially face a conflict of interest arising from these competing client interests. None of these other engagements or relationships would impair MAofMS's ability to fulfill its regulatory duties to Client.

**Municipal Advisor Also Advising Conduit Borrower – NOT APPLICABLE**

In addition to serving as municipal advisor to Client, MAofMS serves as municipal advisor to [REDACTED], which is a conduit borrower with respect to an Issue under this Agreement. Client and the conduit borrower may have conflicting interests with regard to fees, terms of the issuance, and other matters. Such conflict is mitigated by [REDACTED].

**Bond Referendum Contributions – NOT APPLICABLE**

While we do not believe that the following create(s) a conflict of interest on the part of Municipal Advisor, we note that MAofMS has [made a contribution to a bond referendum campaign or provided in-kind election-related assistance to a bond referendum campaign and the campaign resulted in voter authorization for an Issue under this Agreement] [and/or] [made a contribution to a charitable organization at the request of personnel of Client] and/or [an associated person who serves as, or who has a family member who serves as, an officer, employee or official of Client]. Client may wish to consider any impact such circumstances may have on how it conducts its activities with MAofMS under this Agreement.