

To: India Adams-Jacobs, Town of Bowling Green (the “Town”)
From: Davenport & Company LLC (“Davenport”)
Date: September 10, 2025
Subject: Financial Advisory Agreement & Compensation Amendments

BACKGROUND

Following up on our recent discussions related to our Financial Advisory Agreement (the “Agreement”), the Town is planning to contract with Davenport utilizing Montgomery County, Virginia’s cooperative procurement RFP process. As such, the related Contract (Number 25-07, included in this file) between Davenport & Company LLC and Montgomery County, Virginia (the “Cooperative Procurement Contract”) will serve as a basis for the Agreement between the Town and Davenport. Based on our recent discussions, Davenport would propose the following amendments to the compensation included in the Cooperative Procurement Contract.

PROPOSED AMENDMENTS TO COMPENSATION

A. Retainer Based Services

No annual retainer will be charged to the Town. For services provided under Article 2, Scope of Services, Section 2.2.A, Retainer Services in the Cooperative Procurement Contract, Davenport will be compensated on an hourly basis as shown in Section C below.

B. Transaction Related Services

As part of this engagement, Davenport will charge the following Not-To-Exceed (“NTE”) fees for certain financing approaches. The actual fee amount will be determined based upon the complexity and scope of work for individual transactions. These NTE transaction charges will be adjusted annually beginning January 1, 2026, as outlined in Section E below.

Credit	Public Offering with Bond Rating	State Loan/Bond Pool Program	Direct Bank Loan (No Bond Rating)
General Obligation Bonds	NTE \$85,000	NTE \$75,000	NTE \$75,000
Lease Revenue, Leases, & Revenue Bonds	NTE \$95,000	NTE \$85,000	NTE \$85,000
Equipment & Vehicle Financing	N/A	NTE \$50,000	NTE \$50,000
Revenue/Tax Anticipation Note	N/A	NTE \$35,000	NTE \$35,000
Refunding Component Upcharge	NTE \$30,000	NTE \$30,000	NTE \$30,000
Other Financing Structures (e.g., Special Assessment Financings, Tax Increment Financings, Variable Rate Demand Obligations, etc.) would be negotiated on a transaction-by-transaction basis.			

The Financial Advisor shall be compensated for any issuance of bonds and/or notes upon successful completion and closing of such financing, according to the provisions above. Should the Town terminate a financing prior to closing, the Financial Advisor shall be compensated for services provided prior to such termination according to the schedule of hourly rates found in Section C below.

C. Hourly Compensation

For services provided that constitute Capital Planning above and beyond the traditional scope of services associated with a bond transaction (including those outlined in Article 2, Scope of Services, Section 2.2.A, Retainer Services, and Section 2.2.C, Special Projects, in the Cooperative Procurement Contract), Davenport will invoice for services based on the schedule of hourly rates by position below. The hourly rates will be adjusted annually beginning January 1, 2026, as outlined in Section E below.

Senior Vice President	\$350
First Vice President	\$325
Vice President	\$300
Associate Vice President	\$275
Associate/Analyst	\$250

During each month or at such other frequency as requested by the Town, Davenport will receive compensation from the Town for the provision of services related to Capital Planning, as requested by the Town, and billed in accordance with the hourly fees above. The Town agrees to pay at the rate specified for services satisfactorily performed or provided in accordance with this Agreement. As agreed upon by the Town and the Financial Advisor, these fees can be incorporated with Transaction-Related fees addressed below to be paid from debt proceeds.

D. Additional Fee & Expenses

Customary direct out-of-pocket expenses (meals, lodging, and mileage) will be billed at cost. Additionally, Davenport will charge an additional fee equal to 4% of our compensation.

E. Inflation Adjustment Allowance

All fees and charges identified in Sections A, B, and C above shall be subject to annual adjustment based on the Consumer Price Index ("CPI") growth factor as published by the Bureau of Labor Statistics or similar/successor agencies for the period being billed using base prices as stated above.

ACKNOWLEDGEMENT

The Town and Davenport acknowledge and mutually agree to the proposed amendments to the compensation included in the Cooperative Procurement Contract as outlined herein.

Davenport & Company LLC

Town of Bowling Green, Virginia

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

ATTACHMENT

Cooperative Procurement Contract between Davenport & Company LLC and Montgomery County, Virginia.