

March 10, 2022

Mr. Marshall Labadie
Town Manager
Town of Highland Beach, Florida
3614 S. Ocean Boulevard
Highland Beach FL 33487

Dear Mr. Labadie,

Ford & Associates, Inc. ("Municipal Advisor") is providing **The Town of Highland Beach, Florida** (the "Town") the following information with respect to our engagement as Municipal Advisor. Ford & Associates is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.

MSRB Rule G-42 requires us to provide information regarding any conflicts of interest that we may have and with information about where to find our SEC filings on the SEC website to any entity on whose behalf we are providing municipal advisory services. The disclosures are provided in Municipal Advisor's Disclosure Statement delivered to the together with this letter. Ford & Associates agrees to promptly amend or supplement the disclosures to reflect any material changes or additions, which shall be delivered to the and incorporated by reference as of the date thereof into this letter to the same extent as if set forth herein.

With respect to all of the conflicts disclosed in the attached Disclosure Statement, Municipal Advisor mitigates such conflicts through its adherence to its fiduciary duty to, which requires it to put the Town's interests ahead of its own interests.

Ford & Associates, Inc.

By: Jerry W. Ford

Title: President

Signature: 

Date: March 10, 2022

Exhibit 1

March 10, 2022

This Disclosure Statement is provided by Ford & Associates, Inc. to the Town of Highland Beach, Florida (the "Town") in connection with the Ford & Associates, Inc. draft Engagement Letter sent March 10, 2022 (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 Ford & Associates, Inc. required to be disclosed to pursuant to MSRB Rule G-42(b) and (c)(ii).

PART A – Disclosures of Conflicts of Interest

MSRB Rule G-42 requires that municipal advisors provide disclosures to their clients relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by the municipal advisor, municipal advisors are required to provide a written statement to that effect.

Material Conflicts of Interest – Ford & Associates, Inc. makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under this Agreement, together with explanations of how Ford & Associates, Inc. addresses or intends to manage or mitigate each conflict.

Multiple Jurisdictions – From time to time, the Municipal Advisor may serve as municipal advisor to other governmental entities and obligated persons within Palm Beach County, Florida (the "Other Clients") and, in such cases, owes a regulatory duty to the Other Clients just as it does to Town. The Town and the Other Clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, Municipal Advisor could potentially face a conflict of interest arising from these competing client interests. In such instances, Municipal Advisor will manage and mitigate this potential conflict of interest by adherence to our fiduciary duty to the Town which requires us to deal honestly and with good faith to School and to mitigate any conflicts of interest in a manner that will permit it to us to act in your best interests.

General Mitigation - General Mitigations – As general mitigations of Ford & Associates, Inc.'s conflicts, with respect to each of the conflicts disclosed below, Ford & Associates, Inc. mitigates such conflicts through its adherence to its fiduciary duty to the client, which includes a duty of loyalty to the Town in performing all municipal advisory activities for the Town. This duty of loyalty obligates Ford & Associates, Inc. to deal honestly and with the utmost good faith with and to act in the best interests of the Town without regard to Ford & Associates, Inc.'s financial or other interests. Specific conflicts are as outlined below:

1. **Fee-Splitting Arrangements.** If applicable and as outlined in the Ford & Associates, Inc. subsequent Engagement Letter between the Town and Ford & Associates, Inc., from time to time, Ford & Associates may use FAI Capital Management or other sub-contractors acceptable to the Town in the provision of the services for the investment of bond proceeds. In so doing, the Town shall incur no additional costs for such services. FAI Capital Management, Inc. is an SEC registered investment advisor under common ownership as Ford & Associates, Inc.
2. **Compensation-Based Conflicts.**

a. For certain services relating to the issuance of debt, or the refinancing of existing debt, 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 Ford & Associates to recommend unnecessary financings or financings that are disadvantageous to the Town, or to advise the Town to increase the size of an issue. This conflict of interest is mitigated by the general mitigations described above.

b. Other services under subsequent agreements may be based on hourly fees of Ford & Associates' personnel, with the aggregate amount equaling the number of hours worked by such personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the Town and Ford & Associates, Inc. do not agree on a reasonable maximum amount at the outset of the engagement, because Ford & Associates, Inc. does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

Other than as described above, there are no known material conflicts of interest known to Ford & Associates, Inc. in connection with the Scope of Services under this Agreement

PART B – Disclosures of Information Regarding Legal Events and Disciplinary History

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to the client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, Ford & Associates, Inc. sets out below required disclosures and related information in connection with such disclosures.

1. Material Legal or Disciplinary Event. There are no legal or disciplinary events that are material to the Town's evaluation of Ford & Associates, Inc. or the integrity of Ford & Associates, Inc.'s management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.

2. How to Access Form MA and Form MA-I Filings. Ford & Associates, Inc.'s most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001620198&owner=include&count=40&hidefilings=0> .

3. Most Recent Change in Legal or Disciplinary Event Disclosure. Ford & Associates, Inc. has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

PART C – Future Supplemental Disclosures

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Ford & Associates, Inc. Ford & Associates, Inc. will provide the Town with any such supplement or amendment as it becomes available throughout the term of the Agreement.

Dated: March 10, 2022

_____ I have received a copy of Ford & Associates, Inc. Conflict-of-Interest Disclosure Statement as required by MSRB Rule G-42.

Signed: _____

Dated: _____