

February 12, 2024

City of Marshall and Marshall Municipal Utilities, Minnesota
Attn: Mr. E.J. Moberg, Director of Administrative Services
344 West Main Street
Marshall, MN 56258

RE: Engagement Letter Agreement Related to Services

This letter agreement (the Engagement Letter) is to confirm our understanding of the basis upon which Baker Tilly US, LLP (Baker Tilly) and its affiliates are being engaged by the City of Marshall and Marshall Municipal Utilities, Minnesota (the Client) to assist the Client with advisory services.

Scope, Objectives and Approach

It is anticipated that projects undertaken in accordance with this Engagement Letter will be at the request of the Client. The scope of services, additional terms and associated fee for individual engagements will be contained in a Scope Appendix or Appendices to this Engagement Letter. Authorization to provide services will commence upon execution and return of this Engagement Letter and one or more Appendices.

Management's Responsibilities

It is understood that Baker Tilly will serve in an advisory capacity with the Client. The Client is responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge or experience to oversee the services we provide. The Client is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. The Client is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

The procedures we perform in our engagement will be heavily influenced by the representations that we receive from Client personnel. Accordingly, false representations could cause material errors to go undetected. The Client, therefore, agrees that Baker Tilly will have no liability in connection with claims based upon our failure to detect material errors resulting from false representations made to us by any Client personnel and our failure to provide an acceptable level of service due to those false representations.

The ability to provide service according to timelines established and at fees indicated will rely in part on receiving timely responses from the Client. The Client will provide information and responses to deliverables within the timeframes established in a Scope Appendix unless subsequently agreed otherwise in writing.

The responsibility for auditing the records of the Client rests with the Client's separately retained auditor and the work performed by Baker Tilly shall not include an audit or review of the records or the expression of an opinion on financial data.

Ownership of Intellectual Property

Unless otherwise stated in a specific Scope Appendix, subject to Baker Tilly's rights in Baker Tilly's Knowledge (as defined below), Client shall own all intellectual property rights in the deliverables developed under the applicable Scope Appendix or Appendices (Deliverables). Notwithstanding the foregoing, Baker Tilly will maintain all ownership right, title and interest to all Baker Tilly's Knowledge. For purposes of this Agreement Baker Tilly's Knowledge means Baker Tilly's proprietary programs, modules, products, inventions, designs, data, or other information, including all copyright, patent, trademark and other intellectual property rights related thereto, that are (1) owned or developed by Baker Tilly prior to the Effective Date of this Agreement or the applicable Scope Appendix or Appendices (Baker Tilly's Preexisting Knowledge) (2) developed or obtained by Baker Tilly after the Effective Date, that are reusable from client to client and project to project, where Client has not paid for such development; and (3) extensions, enhancements, or modifications of Baker Tilly's Preexisting Knowledge which do not include or incorporate Client's confidential information. To the extent that any Baker Tilly Knowledge is incorporated into the Deliverables, Baker Tilly grants to Client a non-exclusive, paid up, perpetual royalty-free worldwide license to use such Baker Tilly Knowledge in connection with the Deliverables, and for no other purpose without the prior written consent of Baker Tilly. Additionally, Baker Tilly may maintain copies of its work papers for a period of time and for use in a manner sufficient to satisfy any applicable legal or regulatory requirements for records retention.

The supporting documentation for this engagement, including, but not limited to work papers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. If we are required by law, regulation or professional standards to make certain documentation available to required third parties, the Client hereby authorizes us to do so.

Timing and Fees

Specific services will commence upon execution and return of a Scope Appendix to this Engagement Letter and our professional fees will be based on the rates outlined in such Scope Appendix.

Payment of professional fees is not contingent upon project completion by Client nor material timing changes in project completion. Professional fees provided according to the Scope Appendix are due within 30 days of being invoiced, regardless of project status. If necessary, monthly payment plan arrangements may be negotiated upon request.

Unless otherwise stated, in addition to the fees described in a Scope Appendix the Client will pay all of Baker Tilly's reasonable out-of-pocket expenses incurred in connection with the engagement. All out of pocket costs will be passed through at cost and will be in addition to the professional fee.

Dispute Resolution

Except for disputes related to confidentiality or intellectual property rights, all disputes and controversies between the parties hereto of every kind and nature arising out of or in connection with this Engagement Letter or the applicable Scope Appendix or Appendices as to the existence, construction, validity, interpretation or meaning, performance, nonperformance, enforcement, operation, breach, continuation, or termination of this Agreement or the applicable Scope Appendix or Appendices as shall be resolved as set forth in this section using the following procedure: In the unlikely event that differences concerning the services or fees provided by Baker Tilly should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by engaging in mediation administered by the American Arbitration Association under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute resolution procedure. Each party shall bear their own expenses from mediation and the fees and expenses of the mediator shall be shared equally by the parties. If the dispute is not resolved by mediation, then the parties agree to expressly waive trial by jury in any judicial

proceeding involving directly or indirectly, any matter (whether sounding in tort, contract, or otherwise) in any way arising out of, related to, or connected with this Agreement or the applicable Scope Appendix or Appendices as or the relationship of the parties established hereunder.

Because a breach of any the provisions of this Engagement Letter or the applicable Scope Appendix or Appendices as concerning confidentiality or intellectual property rights will irreparably harm the non-breaching party, Client and Baker Tilly agree that if a party breaches any of its obligations thereunder, the non-breaching party shall, without limiting its other rights or remedies, be entitled to seek equitable relief (including, but not limited to, injunctive relief) to enforce its rights thereunder, including without limitation protection of its proprietary rights. The parties agree that the parties need not invoke the mediation procedures set forth in this section in order to seek injunctive or declaratory relief.

Limitation on Damages

To the extent allowed under applicable law, the aggregate liability (including attorney's fees and all other costs) of either party and its present or former partners, principals, agents or employees to the other party related to the services performed under an applicable Scope Appendix or Appendices shall not exceed the fees paid to Baker Tilly under the applicable Scope Appendix or Appendices to which the claim relates, except to the extent finally determined to have resulted from the gross negligence, willful misconduct or fraudulent behavior of the at-fault party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter or the applicable Scope Appendix or Appendices as even if the other party has been advised of the possibility of such damages.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim.

Other Matters

In the event Baker Tilly is requested by the Client; or required by government regulation, subpoena, or other legal process to produce our engagement working papers or its personnel as witnesses with respect to its Services rendered for the Client, so long as Baker Tilly is not a party to the proceeding in which the information is sought, Client will reimburse Baker Tilly for its professional time and expenses, as well as the fees and legal expenses incurred in responding to such a request.

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated, or subcontracted by either party without the 'written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization, or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

In the event that any provision of this Engagement Letter or statement of work contained in a Scope Appendix hereto is held by a court of competent jurisdiction to be unenforceable because it is invalid or in conflict with any law of any relevant jurisdiction, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Engagement Letter or statement of work did not contain the particular provisions held to be unenforceable. The unenforceable provisions shall be replaced by mutually acceptable provisions which, being valid, legal and enforceable, come closest to the intention of the parties underlying the invalid or unenforceable provision. If the Services should become subject to the independence rules of the U.S. Securities and Exchange Commission with respect to Client, such that any provision of this Engagement Letter would impair Baker Tilly's independence under its rules, such provision(s) shall be of no effect.

All non-municipal advisory services provided hereunder shall be performed in accordance with the professional standards of the Baker Tilly affiliate that performs the services and may not create a fiduciary relationship between the Baker Tilly affiliate and the Client.

Termination

Both the Client and Baker Tilly have the right to terminate this Engagement Letter, or any work being done under an individual Scope Appendix at any time after reasonable advance written notice. On termination, all fees and charges incurred prior to termination shall be paid promptly. Unless otherwise agreed to by the Client and Baker Tilly, the scope of services provided in a Scope Appendix will terminate 60 days after completion of the services in such Appendix.

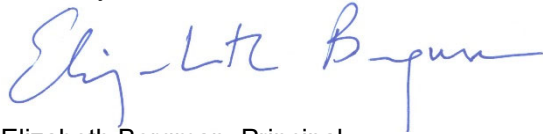
Important Disclosures

Incorporated as Attachment A and part of this Engagement Letter are important disclosures. These include disclosures that apply generally and those that are applicable in the event Baker Tilly is engaged to provide municipal advisory services.

This Engagement Letter, including the attached Disclosures as updated from time to time, comprises the complete and exclusive statement of the agreement between the parties, superseding all proposals, oral or written, and all other communications between the parties. Both parties acknowledge that work performed pursuant to the Engagement Letter will be done through Scope Appendices executed and made a part of this document.

Any rights and duties of the parties that by their nature extend beyond the expiration or termination of this Engagement Letter shall survive the expiration or termination of this Engagement Letter or any statement of work contained in a Scope Appendix hereto.

If this Engagement Letter is acceptable, please sign below and return one copy to us for our files.
Sincerely,



Elizabeth Bergman, Principal

Signature Section:

The terms as set forth in this Engagement Letter are agreed to on behalf of the Client by:

Name: _____

Title: _____

Date: _____

Attachment A

Important Disclosures

Non-Exclusive Services

Client acknowledges and agrees that Baker Tilly and its affiliates, including but not limited to Baker Tilly US, LLP, Baker Tilly Municipal Advisors, LLC, Baker Tilly Capital, LLC, and Baker Tilly Wealth Management, LLC, is free to render municipal advisory and other services to the Client or others and that Baker Tilly does not make its services available exclusively to the Client.

Affiliated Entities

Baker Tilly US, LLP is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

Baker Tilly Wealth Management, LLC (BTWM), a U.S. Securities and Exchange Commission (SEC) registered investment adviser, may provide services to the Client in connection with the investment of proceeds from an issuance of securities. In such instances, services will be provided under a separate engagement, for an additional fee. Notwithstanding the foregoing, Baker Tilly may act as solicitor for and recommend the use of BTWM, but the Client shall be under no obligation to retain BTWM or to otherwise utilize BTWM relative to Client's investments. The fees paid with respect to investment services are typically based in part on the size of the issuance proceeds and Baker Tilly may have incentive to recommend larger financings than would be in the Client's best interest. Baker Tilly will manage and mitigate this potential conflict of interest by this disclosure of the affiliated entity's relationship, a Solicitation Disclosure Statement when Client retains BTWM's services.

Baker Tilly Capital, LLC (BTC) is a limited service broker-dealer specializing in merger and acquisition, capital sourcing, project finance and corporate finance advisory services. BTC does not participate in any municipal offerings advised on by its affiliate Baker Tilly Municipal Advisors. Any services provided to Client by BTC would be done so under a separate engagement for an additional fee.

Baker Tilly Municipal Advisors (BTMA) is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the SEC and the Municipal Securities Rulemaking Board (MSRB). As such, BTMA may provide certain specific municipal advisory services to the Client. BTMA is neither a placement agent to the Client nor a broker/dealer. The offer and sale of any bonds is made by the Client, in the sole discretion of the Client, and under its control and supervision. The Client acknowledges that BTMA does not undertake to sell or attempt to sell bonds or other debt obligations and will not take part in the offer or sale thereof.

Baker Tilly, may provide services to the Client in connection with human resources consulting, including, but not limited to, executive recruitment, talent management and community survey services. In such instances, services will be provided under a separate scope of work for an additional fee. Certain executives of the Client may have been hired after the services of Baker Tilly were utilized and may make decisions about whether to engage other services of Baker Tilly or its affiliates. Notwithstanding the foregoing, Baker Tilly may recommend the use of Baker Tilly or a subsidiary, but the Client shall be under no obligation to retain Baker Tilly or an affiliate or to otherwise utilize either relative to the Client's activities.

Conflict Disclosure Applicable to Municipal Advisory Services Provided by BTMA

Legal or Disciplinary Disclosure. BTMA is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving BTMA. Pursuant to MSRB Rule G-42, BTMA is required to disclose any legal or disciplinary event that is material to the Client's evaluation of BTMA or the integrity of its management or advisory personnel.

There are no criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations or civil litigation involving BTMA. Copies of BTMA filings with the SEC can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Baker Tilly Municipal Advisors, LLC or for our CIK number which is 0001616995. 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.

Contingent Fee. The fees to be paid by the Client to BTMA are or may be based on the size of the transaction and partially contingent on the successful closing of the transaction. Although this form of compensation may be customary in the municipal securities market, it presents a conflict because BTMA may have an incentive to recommend unnecessary financings, larger financings or financings that are disadvantageous to the Client. For example, when facts or circumstances arise that could cause a financing or other transaction to be delayed or fail to close, BTMA may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Hourly Fee Arrangements. Under an hourly fee form of compensation, BTMA will be paid an amount equal to the number of hours worked multiplied by an agreed upon billing rate. This form of compensation presents a potential conflict of interest if BTMA and the Client do not agree on a maximum fee under the applicable Appendix to this Engagement Letter because BTMA will not have a financial incentive to recommend alternatives that would result in fewer hours worked. In addition, hourly fees are typically payable by the Client whether or not the financing transaction closes.

Fixed Fee Arrangements. The fees to be paid by the Client to BTMA may be in a fixed amount established at the outset of the service. The amount is usually based upon an analysis by the Client and BTMA of, among other things, the expected duration and complexity of the transaction and the work documented in the Scope Appendix to be performed by Baker Tilly. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, Baker Tilly may suffer a loss. Thus, Baker Tilly may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives.

BTMA manages and mitigates conflicts related to fees and/or other services provided primarily through clarity in the fee to be charged and scope of work to be undertaken and by adherence to MSRB Rules including, but not limited to, the fiduciary duty which it owes to the Client requiring BTMA to put the interests of the Client ahead of its own and BTMA's duty to deal fairly with all persons in its municipal advisory activities.

To the extent any additional material conflicts of interest have been identified specific to a scope of work the conflict will be identified in the respective Scope Appendix. Material conflicts of interest that arise after the date of a Scope Appendix will be provide to the Client in writing at that time.

**SCOPE APPENDIX to
Engagement Letter dated: February 12, 2024
Between the City of Marshall and Marshall Municipal Utilities, Minnesota and
Baker Tilly US, LLP**

RE: Municipal Advisory Services - Debt Issuance, Arbitrage, and Continuing Disclosure

DATE: February 2, 2024

This Scope Appendix is attached by reference to the above-named engagement letter (the Engagement Letter) between the City of Marshall and Marshall Municipal Utilities, Minnesota (the Client) and Baker Tilly US, LLP and relates to services to be provided by Baker Tilly Municipal Advisors, LLC.

SCOPE OF WORK

Baker Tilly Municipal Advisors, LLC (BTMA) will perform the following services:

A. General Municipal Advisory Services

Unless otherwise agreed to by the parties, in connection with any request for services relative to any financial topic, new project concept planning or other financially related topic or project (each referred to herein as a Project), BTMA shall perform the following services, as applicable:

1. Provide general financial advice relative to a Project.
2. Survey the resources available to determine the financial feasibility of a Project.
3. Assist in the development of a plan including alternative approaches for a particular Project that may be available and appropriate for such Project.
4. Assist the Client in selecting an approach for a Project.
5. Advise the Client generally on current market conditions, financial impacts of federal, state or other laws, and other general information and economic data that might be relevant to a Project.
6. Assist Client, as requested, in identifying other professional services that may be necessary to a Project.
7. Assist Client in coordinating the activities of the working group for a Project as needed.
8. Assist with the review of documents provided that are relevant to the development of a plan and alternative approaches for a Project.
9. Assist the Client with other components of a Project as requested and agreed upon.

B. Securities Issuance

Unless otherwise agreed to by the parties, in connection with any request for services relative to any debt issuance including modifying or refunding of a prior issuance or other financings (each referred to herein as a "Transaction"), BTMA shall perform the following services, as applicable:

1. Develop a preliminary estimate of project costs and provide a financial feasibility to assist the Client in its determination of what type of financing is most suitable to meet the needs of the Client for the particular issuance ("Debt Obligation").
2. Assist the Client in determination of an appropriate method of sale for the Debt Obligation (e.g. competitive, negotiated, private placement.)
3. Provide for the Client's consideration an amount, the security, maturity structure, call provisions, estimated pricing, and other terms and conditions of the Debt Obligation.
4. Advise the Client on current market conditions, financial impacts of federal, state or other laws, and other general information and economic data that might normally be expected to influence the ability to borrow or interest rates of the Debt Obligation.
5. Assist the Client in the analysis of advisability of securing a credit rating, and the selection of a credit rating firm or firms for the Debt Obligation and further assist in the development and presentation of information to obtain a credit rating or credit ratings for the Debt Obligation.
6. Assist the Client in the analysis of utilizing credit enhancement and provide assistance in seeking such credit enhancement if such credit enhancements would be advantageous to the Client.

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7. Assist Client in coordinating the financing activities between various parties to any Transaction as needed.
8. Assist Client in identifying other professional services that may be necessary for the issuance or post-issuance requirements of the Debt Obligation.
9. Assist the Client in connection with the preparation, composition, review and distribution of an offering document (e.g. Preliminary and Final Official Statement, Offering Circular, Term Sheet, or Private Placement Memorandum, as applicable) of the type and nature generally prepared in connection with the sale of municipal securities, which will disclose technical data, information and schedules relating to the Client, the project and the Debt Obligation.
10. Provide relevant information for and assist with the review of other primary financing documents, including but not limited to the relevant governing body issuance resolutions/ordinances, bond purchase agreement, closing documents, and official notice of sale.
11. Communicate with potential underwriters or investors, as appropriate to any Transaction, to ensure that each is furnished with information the Client has deemed to be material in order to render an independent, informed purchase or investment decision concerning the Client's proposed financing.
12. Facilitate the sale of Debt Obligations through receipt and analysis of bids in a competitive sale or analysis of pricing and terms offered by an underwriter or purchaser in a negotiated or private placement sale.
13. Coordinate with the proper parties to ensure the efficient delivery of the Debt Obligations to the applicable purchaser and receipt of proceeds.

C. Arbitrage Monitoring Services

BTMA shall, based on information supplied by Client, make arbitrage calculations (to include for purposes of this document, rebate and yield reduction calculations) required by Section 148 of the Internal Revenue Service ("IRS") Code and related U.S. Treasury regulations with respect to specified Debt Obligations for the reporting period designated for any such Debt Obligation. Annually, BTMA will provide the Client with a listing of the specified Debt Obligations and the reporting period designated for any such Debt Obligation (an "Authorization Listing") to confirm the scope of the ongoing arbitrage monitoring services. Exhibit A reflects the Authorization Listing as of the date of this Scope Appendix.

In carrying out its duties, BTMA shall periodically, for each specified Debt Obligation:

1. Determine the arbitrage yield limit on the applicable Debt Obligation;
2. Determine the amount of any arbitrage payment due the IRS while taking into consideration applicable exceptions;
3. Notify Client and/or its designee of any liability amount;
4. Prepare for submission by Client the form(s) with which to submit any payment amount due to the IRS at the appropriate intervals throughout the term of the engagement relative to each specified Debt Obligation.

**SCOPE APPENDIX to
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Between the City of Marshall and Marshall Municipal Utilities, Minnesota and
Baker Tilly US, LLP**

Client agrees to timely provide BTMA with accurate information concerning cash and investment activity within all funds relative to the subject Debt Obligations. The information to be provided shall include:

1. Deposits and withdrawals of proceeds or money from other sources within any funds subject to the IRS arbitrage rules;
2. Payments of principal and interest on the Debt Obligations; and
3. All investment activity including:
 - a) Date of purchase or acquisition;
 - b) Purchase price of investments including any accrued interest;
 - c) Face amount and maturity date;
 - d) Stated rate of interest;
 - e) Interest payment dates;
 - f) Date of sale, transfer, or other disposition;
 - g) Sale or disposition price; and
 - h) Accrued interest due on the date of sale or disposition.
4. The Client will provide copies of Debt Obligation offering or legal documents, including, but not limited to, the official statement, the information return filed upon issuance (Form 8038 or 8038-G), the arbitrage certificate, verification report and the bond ordinance/trust indenture.
5. Any other information necessary for BTMA to make the calculations required for the specified Debt Obligation.

The Client is responsible for annually confirming the Authorization Listing and for notifying BTMA of any of the following:

- > additional or subsequent Debt Obligations that would require arbitrage monitoring services;
- > redemptions/refundings of Debt Obligations that would affect the reporting period designated in the most recent Authorization Listing.

Our engagement will not include verifying that: proceeds were used for purpose expenditures; investments were purchased at market price; no amounts were paid to any party in order to reduce the yield on any investment; the Debt Obligation was appropriately structured or qualified as a tax-exempt offering; or information provided to us is complete and accurate.

During the performance of these procedures, it may become necessary for us to consult with your bond counsel and/or obtain information from them concerning interpretations of the above information as affected by applicable sections of the Internal Revenue Code. We will consult with you before any such action is initiated.

Subsequent changes in official interpretations of the tax law may require or permit revision of calculations by requiring or permitting a different methodology for the calculation of arbitrage rebate and yield reduction. We will be under no obligation to update our report for any events occurring, or data or information coming to our attention, subsequent to the issuance of our report.

Calculation and payment of any arbitrage rebate liability and yield reduction payment due is the responsibility of the Client. As such, management has the primary responsibility for the arbitrage rebate and/or yield reduction payment return which the Client may be required to file. You should review the report and calculations carefully upon receipt.

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D. Continuing Disclosure Services

BTMA will commence continuing disclosure services for debt obligations as set forth in any continuing disclosure undertaking for the debt obligations that the Client will execute upon settlement. Annually, BTMA will check in with the Client to confirm the engagement for the next annual reporting period.

In carrying out its duties, BTMA shall do the following:

1. Preparation and filing of annual reporting.

The Client will provide BTMA with a copy of each executed Continuing Disclosure Undertaking (CDU) including master and supplemental CDUs if any.

BTMA will:

- a) Identify the Client's reporting obligations, compile and prepare, as needed, any necessary operating data, and file any required annual report and financial statements, including the audit as provided for in each CDU for the reporting period;
- b) Provide to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access System ("EMMA"), the annual information required under each respective CDU; and
- c) Provide additional reporting to purchasers, as set forth in Debt Obligation documents or private agreements;

2. Assistance filing reportable events on EMMA

Upon notification of one of the events listed as set forth in each CDU (collectively, Reportable Events), BTMA will assist the Client with filing any Reportable Events. Most Reportable Events are required by the Rule to be filed within ten business days of the occurrence of such event. Client will notify BTMA as soon as possible when they believe a reportable event has or may have occurred to enable BTMA to file a timely notice on EMMA. It is the Client's sole responsibility to notify BTMA of the potential occurrence of a Reportable Event.

3. Five-year Compliance Check

At the time any Debt Obligations subject to the Rule are issued, the Client must disclose in its official statement any instances in the past five years it failed to comply, in all material respects, with any previous undertakings for Debt Obligations which were subject to the Rule. BTMA will:

- a) Compile reporting requirements for any Debt Obligations that were outstanding during the five-year period and assess all financial data, operating data, and reportable event filings made for each applicable debt obligation. If necessary, at the time that BTMA conducts services annually under Item 1, BTMA will update the five-year compliance check.
- b) If a deficiency is found and the debt obligation(s) remain outstanding at the time of BTMA's compliance check, BTMA will prepare any necessary reporting or notices to meet the CDU obligations. BTMA will provide the Client with documentation that the EMMA filing has been completed.

Client agrees to provide BTMA with the audit and accurate information with respect to compiling the annual report in a timely manner and to fully disclose to BTMA any Reportable Events as they occur.

4. EMMA Issuer Homepage (Upon request. Hourly rates will apply.)

BTMA will assist the Client on the creation of an Issuer Homepage on EMMA where Client and related entity filings may be shown. The Client will have the option to review the Homepage and provide additional information related to the Client.

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5. Other post issuance services (Upon Request. Hourly rates will apply.)

If requested, BTMA will provide to the Client other post issuance services including, but not limited to, consultation related to disclosure operating procedures, post issuance policies and procedures, and debt management.

E. Housing and Economic Development Services

1. Preparation of preliminary tax increment or tax abatement revenues projections for proposed new project. Estimation of future values and tax increments for a targeted area. Forecast the projected tax increment revenues to be generated over the life of the district based on those assumptions. Estimated range of available revenues based on valuations.
2. Assist Client with establishment of tax increment financing (TIF) district including drafting of TIF Plan and required notifications, presentations and attendance at workshops and/or public hearings, etc.
3. Assist Client with the creation of tax abatement, identification of tax abatement properties, drafting of required notice(s) and supporting documentation, presentations and attendance at workshops and/or public hearings, etc.
4. Assist Client with incentive portfolio development and potential for availability of financing tools including review of federal, state, and local tax credits and incentives available.
5. Assist Client with financial needs (But-For) analysis through review of developer information and determination on the reasonableness of assumptions. In certain cases, suggest alternative assumptions and provide sensitivity analysis, as necessary.
6. Assist Client with completion of rate of return calculation including Cash-on-Cash Return and Internal Rate of Return. Assist Client with defining appropriate level of assistance based on developer's rates of return comparing developer rate of return to the "market" return for similar projects, commenting on reasonableness of return considering type of project, current market and developer at risk equity.
7. Assist Client with negotiating public assistance agreements with developers.
8. Provide financial feasibility review to assist Client with assessment of the sufficiency of tax increment/tax abatement and other available revenues to support total project costs based on developer-provided total development costs and project assumptions. As necessary, suggest alternative assumptions and provide sensitivity analysis to assess sufficiency of tax increment or tax abatement revenues to support costs with considerations for timing of financing needs to provide financial support. Prepare cash flow analysis based on sensitivity analysis.
9. Provide background developer reviews to assist Client with learning more about prospective developers by performing in-depth business credit analyses, evaluating market conditions, assessing proposed business plans, and checking credentials and references.
10. Preparation of tax increment financing (TIF) management program to assist Client with analysis of existing TIF districts that includes an overview of current district status, preparation of cash flow analysis, suggestions for ongoing administrative goals, and recommendations for future opportunities or required compliance items.
11. Preparation of annual reports to assist Client with meeting annual compliance requirements and filing submission deadlines.
12. Assist Client with estimation of economic impacts of proposed developments including cost-benefit and/or net benefit analysis.
13. Assist Client with other components of a housing and economic development project as requested and agreed upon.

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COMPENSATION AND INVOICING

A. Compensation for services relating to debt obligations

1. Fees for Services

a) General obligation debt:

	<u>Par Amount</u>		<u>Base Fee</u>	<u>Additional Purposes Fee</u>	<u>Total Par</u>	<u>Total Fee</u>
Tier 1	-	to 2,999,999.99	\$ 18,000	\$ 5,000	<i>Total Par of all purposes</i>	<i>Base Fee + \$5,000 for each addtl purpose</i>
Tier 2	3,000,000.00	to 4,999,999.99	\$ 25,000	\$ 5,000	<i>Total Par of all purposes</i>	<i>Base Fee + \$5,000 for each addtl purpose</i>
Tier 3	5,000,000.00	to 9,999,999.99	\$ 30,000	\$ 7,500	<i>Total Par of all purposes</i>	<i>Base Fee + \$7,500 for each addtl purpose</i>
Tier 4	10,000,000.00	to 24,999,999.99	\$ 45,000	\$ 7,500	<i>Total Par of all purposes</i>	<i>Base Fee + \$7,500 for each addtl purpose</i>
Tier 5	25,000,000.00	to 49,999,999.99	\$ 65,000	\$ 10,000	<i>Total Par of all purposes</i>	<i>Base Fee + \$10,000 for each addtl purpose</i>
Tier 6	50,000,000.00	to 74,999,999.99	\$ 75,000	\$ 10,000	<i>Total Par of all purposes</i>	<i>Base Fee + \$10,000 for each addtl purpose</i>
Tier 7	75,000,000.00	to 99,999,999.99	\$ 100,000	\$ 10,000	<i>Total Par of all purposes</i>	<i>Base Fee + \$10,000 for each addtl purpose</i>

- b) The foregoing schedule shall apply to the total Par amount as indicated in the Preliminary Official Statement or Terms of Offering.
- c) The foregoing schedule shall include BTMA's services through closing of a Debt Obligation. If BTMA performs post-closing services relative to a Debt Obligation, it shall be compensated for such services at the hourly rates set out in Section B herein.
- d) Non ad valorem supported debt and advance refundings, shall be compensated at 1.35 times the fee set out in paragraph 1.a. above.
- e) Debt Obligations dependent on successful referenda, including GO sales tax revenue, shall be compensated at 1.25 times the fee set out in paragraph 1.a. above.
- f) In the event it is necessary for BTMA to repeat Debt Obligation services because of events beyond BTMA's control, BTMA shall be compensated for such repetitive services at the hourly rates set in paragraph B herein. BTMA shall not be entitled to compensation under this section for failed referenda unless otherwise provided by agreement between the Client and BTMA.
- g) Fee schedule and billing rates are subject to change periodically due to changing requirements and economic conditions. Baker Tilly will notify Client thirty (30) days in advance of any change to fees. If Client does not dispute such change in fees within that thirty (30) day period, Client will be deemed to have accepted such change. The fees billed will be the fees in place at the time services are provided. Actual fees will be based upon experience of the staff assigned and the complexity of the engagement.
- h) BTMA's fees shall be payable as follows:
 - (1) Except as specified elsewhere in this section, for a Debt Obligation, fees are due upon closing of the Debt Obligation, except that if the Debt Obligation is awarded but cannot be closed by reason of an error, act or omission of the Client, BTMA shall be paid the amount which it would have been due upon closing.

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- (2) If an issuance is awarded and does not close for a reason that is beyond the control of the Client and without fault of the Client, then BTMA shall be compensated at one-half the amount which would have been due upon closing.
- (3) If a Client Debt Obligation is abandoned for any reason and BTMA is without fault for such abandonment, BTMA shall be paid a fee in the amount that would have been due if BTMA's services to the point of abandonment had been charged at the hourly rate set out in paragraph B herein however not more than the fee had the Debt Obligation been issued. A Debt Obligation shall be deemed abandoned upon notice by the Client to BTMA of abandonment or whenever the Client has taken no action with respect to the Debt Obligation for one year, whichever occurs first. Delay in the issuance of Debt Obligations resulting from failed authorization referenda shall not constitute abandonment unless otherwise provided by agreement between the Client and BTMA.
- (4) Fees for services provided in connection with a private placement are not contingent on the successful placement of the Debt Obligation.

The Client shall be responsible for issuance expenses including, without exclusion of other expenses: (i) posting and distributing the Official Statement, (ii) legal fees, (iii) printing, (iv) delivery and settlement, (v) travel, (vi) rating fees, (vii) out-of-pocket Debt Obligation related expenses, and (viii) governmental and governmental agency fees and charges.

2. Compensation and invoicing for arbitrage services

Fees for services set forth in the Scope Appendix will be applied as follows per determination for each Debt Obligation:

- a) Initial determination for a Debt Obligation: \$2,500 for the first year, plus \$500 for each additional year up to a five-year period when such determinations are made for periods in excess of one year.
- b) Subsequent determination for a Debt Obligation: \$1,750 for one year, plus \$500 for each additional year when such determinations are made for periods in excess of one year.
- c) Preparation of Form 8038-T: \$500
- d) If BTMA is required to perform allocations of investments among funds and/or Debt Obligations, additional compensation will be charged at the standard hourly rates in place at the time services are provided.

3. Hourly rates for housing/economic development and other pre-debt or non-debt issuance related services

Standard Hourly Rates by Job Classification

2023

Principal	\$330
Director	\$300
Manager	\$260
Consultant	\$200
Support, municipal bond disclosure specialist	\$150
Intern	\$110

Billing rates are subject to change periodically due to changing requirements and economic conditions. Baker Tilly will notify Client thirty (30) days in advance of any change to fees. If Client does not dispute such change in fees within that thirty (30) day period, Client will be deemed to have accepted such change. The fees billed will be the fees in place at the time services are provided. Actual fees will be based upon experience of the staff assigned and the complexity of the engagement.

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The above hourly fees shall include all expenses incurred by BTMA with the exception of expenses incurred for mileage which will be billed on a separate line item. No such expenses will be incurred without the prior authorization of the Client. Hourly projects that are active as of the date of this contract, will transition to the new hourly rates herein on June 1, 2023.

4. Compensation for continuing disclosure services

Fees for continuing disclosure services include the following:

- a) Full Disclosure - An annual report is required to be prepared by BTMA:
 - (1) A fee of \$1,300.00 will be applied to each separate type of debt report required (i.e., general obligation, revenue, etc.); plus
 - (2) A fee of \$200.00 per debt obligation.
- b) Full Disclosure – The Client’s audited financial statements contain some or all of the required financial and operating data:
 - (1) A fee of \$600.00; plus
 - (2) A fee of \$200.00 per debt obligation.
- c) Full Disclosure – A Final Official Statement previously filed on EMMA can be referenced as containing all the required financial and operating data:
 - (1) A fee of \$200.00 per debt obligation.
- d) Limited Disclosure
 - (1) A fee of \$600.00; plus
 - (2) A fee of \$200.00 per debt obligation.

In addition to the above, Client shall be responsible for any county auditor certificate fees incurred for the preparation of an annual report.

5. Expenses and Hourly Fees

Amounts due BTMA for expenses and services charged at hourly rates shall not be contingent.

BILLING PROCEDURES

Normally, you will receive a monthly statement showing fees and costs incurred in the prior month. Occasionally, we may bill on a less frequent basis if the time involved in the prior month was minimal or if arrangements are made for the payment of fees from bond proceeds. The account balance is due and payable on receipt of the statement.

Nonattest Services

As part of this engagement, we will perform certain nonattest services. For purposes of the Engagement Letter and this Scope Appendix, nonattest services include services that the *Government Auditing Standards* refers to as nonaudit services.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

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In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

Conflicts of Interest

Attachment A to the Engagement Letter contains important disclosure information that is applicable to this Scope Appendix.

We are unaware of any additional conflicts of interest related to this Scope Appendix that exist at this time.

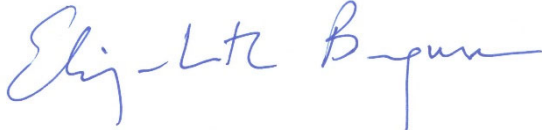
Termination

Notwithstanding termination provisions contained in the Engagement Letter, this Scope Appendix is intended to be ongoing and applicable individually to specific services including financings, arbitrage computations, and/or continuing disclosure engagement, (Sub-engagements) as if they are the sole subject of the Scope Appendix. As such, termination may occur for a specific Sub-engagement without terminating the Scope Appendix itself. On termination of a Sub-engagement or the Scope Appendix, all fees and charges incurred prior to termination shall be paid promptly. Unless otherwise agreed to by the Client and Baker Tilly, the scope of services provided in a Sub-engagement performed under this Scope Appendix will terminate 60 days after completion of the services for such Sub-engagement.

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If this Scope Appendix is acceptable, please sign below and return one copy to us for our files. We look forward to working with you on this important project.

Sincerely,



Elizabeth Bergman, Principal

Signature Section:

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client by:

Name: _____

Title: _____

Date: _____

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Exhibit B

Arbitrage Monitoring Services

Authorization to Engage Services (Authorization Listing)

This Authorization Listing is pursuant to the Arbitrage Monitoring Services Scope Appendix (Scope Appendix) dated February 2, 2024 by and between the City of Marshall, Minnesota (Client) and Baker Tilly Municipal Advisors (BTMA). BTMA will provide the services outlined in the Scope Appendix with respect to the following Debt Obligation(s) unless written notification is provided to BTMA that the Client will not require these services within 30 days of receipt of this Authorization Listing:

Bond Issue	Closing Date	Frequency
\$1,150,000 General Obligation Capital Improvement Plan Bonds, Series 2010A	9/15/2010	5th Year
\$3,150,000 General Obligation Tax Increment Bonds, Series 2011A	9/15/2011	5th Year
\$2,050,000 General Obligation Bonds, Series 2011B	9/15/2011	5th Year
\$4,410,000 General Obligation Bonds, Series 2012A	6/6/2012	5th Year
\$3,645,000 General Obligation Bonds, Series 2013A	8/7/2013	5th Year
\$15,735,000 General Obligation Sales Tax Bonds, Series 2014B Bonds	7/23/2014	5th Year
\$3,375,000 General Obligation Bonds, Series 2014C	7/23/2014	5th Year
\$1,710,000 General Obligation Bonds, Series 2015A	1/8/2015	5th Year
\$3,240,000 Lease Revenue Bonds, Series 2015 (EDA)	2/10/2015	5th Year
\$1,755,000 General Obligation Bonds, Series 2015B	7/22/2015	5th Year
\$3,560,000 General Obligation Bonds, Series 2016B	6/23/2016	5th Year
\$2,810,000 General Obligation Tax Abatement Bonds, Series 2016C	6/23/2016	5th Year
\$3,630,000 General Obligation Utility Revenue Refunding Bonds, Series 2016D	6/23/2016	5th Year
\$1,290,000 General Obligation Bonds, Series 2017A	7/13/2017	5th Year
\$4,430,000 General Obligation Bonds, Series 2017B	10/26/2017	5th Year
\$3,580,000 General Obligation Bonds, Series 2018A	7/25/2018	5th Year
\$6,170,000 General Obligation Capital Improvement Plan Bonds, Series 2020A	2/27/2020	5th Year
\$2,470,000 General Obligation Bonds, Series 2020B	7/9/2020	5th Year
\$1,965,000 General Obligation Bonds, Series 2021A	6/10/2021	5th Year
\$2,000,000 General Obligation State Aid Street Bonds, Series 2021B	6/10/2021	5th Year
\$2,825,000 General Obligation Bonds, Series 2022A	5/26/2022	5th Year
\$4,790,000 General Obligation Bonds, Series 2023A	6/22/2022	5th Year

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Bond Issue	Closing Date	Frequency
\$4,025,000 Public Utility Revenue Bonds, Series 2014A	4/24/2014	5th Year
\$3,085,000 Public Utility Revenue Refunding Bonds, Series 2021C	8/18/2021	5th Year