



MUNICIPAL ADVISOR AGREEMENT

November __, 2023

Honorable Mayor and members of the City Council
City of Mission, Texas
1201 E. 8th Street
Mission, TX 78942

Re: Municipal Advisory Agreement

Ladies and Gentlemen:

1. **Retention of RBC Capital Markets, LLC.** RBC Capital Markets, LLC (“RBC CM”) appreciates the opportunity to serve as municipal advisor to the City of Mission, Texas (the “Client” or “you”) in association with the issuance of obligations in the form of municipal securities or loan(s). 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”).
2. **Scope of Services for Municipal Securities.** RBC CM is engaged by the Client as its municipal advisor to provide the services set forth below (the “Scope of Services”) regarding the Obligations:
 - (a) Analyze the financing and structuring alternatives available to the Client if and as requested by the Client, taking into account its borrowing capacity, future financing needs, policy considerations, and such other factors as we deem appropriate to consider.
 - (b) Recommend a plan for the issuance of the Obligations, consistent with the goals and needs of the Client, that may include: (1) the type of Obligations (e.g. current interest, capital appreciation, deferred income, etc.); (2) the date of issue; (3) principal amount; (4) interest structure (e.g., fixed rate, variable rate, etc.); (5) interest payment dates; (6) a schedule of maturities; (7) early redemption options; (8) security provisions; (9) method of sale (e.g., public sale, direct purchase by a bank or other investor, etc.); (10) as applicable, the investment of proceeds of the Obligations via state and local government obligations (SLGS), competitively bid open market securities or guaranteed investment contracts; and (10) other matters that we consider appropriate to best serve the Client’s interests.
 - (c) Advise you of current conditions in the relevant debt market, market supply and demand issues, and other general market information and economic data which might reasonably be expected to influence interest rates, sale or bidding conditions or timing of issuance.
 - (d) Organize and coordinate the financing team selected by you. If requested, we will recommend qualified paying agents, escrow agents and verification agents, as the particular transaction may require, each of whom will be retained and compensated by you. In a negotiated offering, we will assist in the preparation of soliciting underwriter proposals upon request and provide assistance to you for the hiring of the underwriter(s).
 - (e) Work with counsel on the transaction, including bond counsel whom you retain, who will be recognized municipal bond attorneys, whose fees will be paid by you, and who will prepare the proceedings,

provide legal advice concerning the steps necessary to be taken to issue the Obligations, and issue an unqualified opinion (in a form standard for the particular type of financing) approving the legality of the Obligations and (as applicable) tax exemption of the interest paid thereon. In addition, bond counsel, disclosure counsel or underwriter's counsel (as applicable) will issue an opinion to the effect that the disclosure document does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading. Generally, working with counsel will mean coordinating with the attorneys and reviewing as municipal advisor such counsel's preparation of appropriate legal proceedings and documents, including documents concerning any required election.

- (f) As applicable, assist in the Client's preparation of the preliminary official statement and the official statement or equivalent document as the particular transaction may require (such as a private placement memorandum).
- (g) Make recommendations as to the need for credit rating(s) for the proposed Obligations and, should the Client seek a rating, coordinate the process of working with the rating agency or agencies and assist in the preparation of presentations as necessary.
- (h) Analyze the value and costs of obtaining municipal bond insurance, a liquidity facility or other credit enhancement for the Obligations and, should the Client seek any such credit enhancement, coordinate the process and assist in the preparation of presentations as necessary.
- (i) Propose various actions and strategies related to the pricing of a new issue of municipal securities, including analyzing the structure, timing, terms and other similar matters of a municipal securities transaction, while taking into account any unique features of the Obligations and any special instructions from the Client.
- (j) Attend meetings of governing bodies of the Client, its staff, representatives or committees as requested.
- (k) Coordinate with all parties to consummate the sale and delivery of the Obligations in a timely manner.
- (l) After closing, deliver to the Client and the paying agent(s) definitive debt records, including a schedule of annual debt service requirements on the Obligations.
- (m) You acknowledge that advice and recommendations involve professional judgment on our part and that the results cannot be, and are not, guaranteed. Further:
 - i. Unless otherwise provided in the Scope of Services described herein, RBC CM is not responsible for the information included in 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 RBC CM provided by RBC CM for inclusion in such documents.
 - ii. 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.
 - iii. The Scope of Services does not include providing advice or services with respect to investment advisory services, brokerage services or derivative products.
 - iv. If the Client designates RBC CM as its independent registered municipal advisor ("IRMA") pursuant to the Municipal Advisor Rule (the "MA Rule") of the Securities and Exchange Commission (the "SEC") with respect to the activities and aspects described in the Scope of Services, the Client agrees to disclose to RBC CM the existence of any such IRMA designations. Any reference to RBC CM, its personnel and its role as IRMA in the written

representation of the Client contemplated under the MA Rule is subject to prior approval by RBC CM. RBC CM is not responsible for verifying that it is independent (within the meaning of the MA Rule as interpreted by the SEC) from any party.

3. Scope of Services for Loans with Bank or Governmental Agency/Authority.

- (a) As requested, analyze the risks and benefits of a loan with a bank or governmental agency/authority loan versus the issuance of municipal securities via the public debt markets.
- (b) Recommend a plan for the structure of the loan, including: (1) the debt repayment structure (e.g., current interest, capital appreciation, etc.). and maturity dates; (2) loan amount; (3) interest structure (e.g., fixed or variable rate, etc.); (4), payment dates and early redemption dates, if applicable; (5) security provisions; and (6) as applicable, the investment of loan proceeds via state and local government obligations (SLGs), competitively bid open market securities or guaranteed investment contracts; and (7) other matters that we consider appropriate to best serve the Client's needs.
- (c) Recommend: (1) lenders who are or may be active in the market for tax exempt municipal loans; (2) participate in the drafting for your review and approval appropriate request for bids or qualification for lenders to submit bids to provide a loan; and (3) facilitate the distribution of requests for bids or qualifications.
- (d) Analyze and negotiate the term sheets obtained and advise you and recommend the terms that meet your financial objectives.

4. 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.

5. RBC CM's Regulatory Duties When Servicing the Client under MSRB Rule G-42.

RBC CM must make a reasonable inquiry as to the facts that are relevant to the Client's determination whether to proceed with a course of action, or that form the basis for any advice provided by RBC CM to the Client. Municipal Securities Rulemaking Board ("MSRB") Rule G-42 also requires that RBC CM undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. RBC CM is also required to use reasonable diligence to know the essential facts concerning the Client and concerning the authority of each person acting on the Client's behalf. If the review of a recommendation of another party is requested by the Client and is within the Scope of Services of the Agreement, RBC CM must determine based on information obtained through reasonable diligence, whether the proposed securities transaction or financial product is or is not suitable for the Client. To the extent our services involve advising you with respect to a bank loan or a loan with a governmental agency or authority, certain rules and regulations of the Securities and Exchange Commission and MSRB may not apply to the activities of RBC CM.

The Client agrees to assist RBC CM in carrying out these regulatory duties, including providing to RBC CM accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Client agrees to notify RBC CM if the Client requests that RBC CM review any recommendation of a third party.

6. Term of this Engagement.

The Term of this Agreement begins on the Effective Date and may be terminated as provided for below. This Agreement may be terminated with or without cause by either party upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination.

7. Compensation.

The fees due to RBC CM hereunder shall be as set forth in Appendix A hereto. In addition, RBC CM shall be entitled to reimbursement of expenses incurred in connection with any services provided hereunder as set forth in Appendix A.

8. Limitation of Liability.

(a) In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of RBC CM or any of its associated persons, RBC CM and its associated persons shall have no liability to the 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 any Obligations, or investments of bond proceeds, or for any financial or other damages resulting from the Client's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by RBC CM to the Client. No recourse shall be had against RBC CM for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the 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.

(b) Official Statement and Waiver of Sovereign Immunity. Client acknowledges that it is responsible for the contents of the preliminary official statement, official statement or any other document related to the issuance of the Obligations as contemplated herein ("Offering Documents"). Client will take all reasonable steps to ensure that the governing body has reviewed and approved the contents of the Offering Documents. In addition, Client agrees and understands that this Agreement is a contract for services and to the extent permitted under the applicable state law, waives any claims or defenses you may have that you are immune from suit for any matter arising from or relating to this Agreement.

9. Required Disclosures.

MSRB Rules G-10 and G-42 require that RBC CM provide you with disclosures of pertinent regulatory information, potential and actual conflicts of interest, and information regarding certain legal events and disciplinary history. Such disclosures are provided in RBC CM's Disclosure Statement delivered to the Client together with this Agreement.

10. Know Your Client, Anti-Money Laundering, and Terrorist Financing Rules and Regulations.

The Client agrees to provide information to satisfy "Know Your Client," "Anti-Money Laundering" and "Terrorist Financing" rules and regulations, in each case, in accordance with RBC CM's requirements.

11. Waiver of Jury Trial.

EACH PARTY AGREES TO WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTERCLAIM OR ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE RELATIONSHIP BETWEEN THE PARTIES. PARTIES AGREE TO WAIVE CONSEQUENTIAL AND PUNATIVE DAMAGES.

12. Choice of Law.

This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.

13. Binding Effect; Assignment.

This Agreement shall be binding upon and inure to the benefit of the Client and RBC CM, 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.

14. 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.

15. 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.

16. 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.

17. Authority.

The undersigned representative of the Client represents and warrants that (s)he has full legal authority to execute this Agreement on behalf of the Client. The following individuals have the authority to direct RBC CM's performance of its activities under this Agreement on behalf of the Client:

Randy Perez, City Manager
Angie Vela, Finance Director

18. 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.

RBC CAPITAL MARKETS, LLC

By _____
Name _____
Title Managing Director
Date _____

ACCEPTANCE

ACCEPTED this [_____] day of [_____] , 2023

By _____
Name _____
Title _____

APPENDIX A

FEE SCHEDULE

In consideration for the services rendered by RBC CM, the Issuer agrees that our fee for each issue of Obligations will be as follows:

Base Fee - Any Issue up to \$500,000			\$ 6,125	
Plus				
\$ 7.50 per	\$1,000 next	\$ 500,000 or	\$16,000 for	\$ 1,000,000 Bonds
Plus				
\$ 5.00 per	\$1,000 next	\$ 1,500,000 or	\$23,500 for	\$ 2,500,000 Bonds
Plus				
\$ 2.75 per	\$1,000 next	\$ 2,500,000 or	\$30,375 for	\$ 5,000,000 Bonds
Plus				
\$ 2.00 per	\$1,000 next	\$ 5,000,000 or	\$40,375 for	\$10,000,000 Bonds
Plus				
\$ 1.00 per	\$1,000 over	\$10,000,000		

For any issue of refunding Obligations and/or other Obligations involving escrow Agreements, Revenue Bonds or Bonds issued to State or Federal Agencies, our fees shall be as computed from the above schedule, plus 25% (or 125% of the scheduled amount). It is also understood and agreed that, we will charge a document preparation fee to be negotiated on a case-by-case basis, not to exceed \$7,500.

It is also understood and agreed that when appropriate under the circumstances (depending on time and resources expended in the transaction), we will charge an additional fee to be negotiated on a case-by-case basis, not to exceed 25% of the scheduled Financial Advisory fee set out above.

RBC Capital Markets will bill the Issuer at Closing for each issue of Obligations a net amount which will include a fee calculated on the above schedule as well as any "out-of-pocket" expenses incurred on behalf of the Issuer.