



December 12, 2025

Ms. Julie A. Petersen, Director
USCA Municipal Advisors
4444 Westheimer, Suite G500
Houston, Texas 77027

RE: Arbitrage rebate calculation services proposal, on behalf of Waller County, Texas

Dear Ms. Petersen,

Arbitrage Compliance Specialists, Inc. ("ACS") is pleased to present this fee quote for **Arbitrage Rebate Compliance Services** to Waller County, Texas (the "County"). Our specialized knowledge of the Internal Revenue Code and Treasury Regulations coupled with our unparalleled arbitrage consulting experience with local municipal debt, our approach to services, and experienced client services team positions us to uniquely serve as the County's arbitrage rebate consultant. Some of the distinct benefits of selecting ACS for arbitrage rebate and yield restriction compliance services includes:

- **Regional Experience:** ACS is an active arbitrage rebate consultant within Texas, and provides our service to over three hundred cities, counties, school districts, health systems and municipal utility districts in the state. We have completed thousands of arbitrage rebate and yield restriction calculations on general obligation/unlimited tax bonds, revenue bonds, loans, notes, and commercial paper financings. We have completed over 20,000 arbitrage calculations for issuers in the state and over 61,000 calculations nationwide.
- **Dedicated, Experienced Staff:** Our firm has provided arbitrage rebate and yield restriction services to our clients dating back to 1986. ACS' team is highly experienced in the accounting, financial, and legal aspects of arbitrage consulting services. Our personnel that would be assigned to the calculations possess **115** years of combined experience providing arbitrage rebate consulting services.
- **Professional Opinions Provided by a Licensed CPA:** Administration of the entire calculation process is overseen by a CPA with 25 years of experience in the arbitrage industry. ACS also utilizes a former tax attorney (ACS' original co-founder) for assistance with complex calculations that require legal interpretation. Each report will include a statement that the calculation methodology used is consistent with the current Tax Code and may be relied upon by the County in determining the arbitrage rebate or yield restriction payment (if any) to the United States Treasury.
- **Value-Added Services:** We offer competitive fees, qualified personnel, and decades of experience which in turn deliver excellent value to our clients. Specializing solely in arbitrage calculations, we have developed an accurate and efficient means of calculating arbitrage liabilities. Our fees are straightforward and do not include hourly or one-time engagement fees. As part of our flat fee structure, ACS also provides on-going support services throughout the entire life cycle of the bond. As an independently owned firm specializing solely in arbitrage services, we offer a highly transparent and accessible service to our clientele. Most of ACS 1,800 clients nationally continue to select ACS as their arbitrage consultant due to the personalized nature of our services.

As an independent firm with no ties to the underwriting or financial advisory community, no outside investors or debt, ACS is positioned to provide uncompromised independent arbitrage rebate services to our clients. We appreciate the opportunity to provide our services the County and look forward to speaking with you and your colleagues soon.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Matt Collins".

Matt Collins, Vice President
Arbitrage Compliance Specialists, Inc.

ACS FEE QUOTE/ SCHEDULE – WALLER COUNTY, TEXAS

At a minimum, the IRS requires calculations every five years from the issuance date and upon final maturity of the bonds. Since the County may also require calculations more frequently than every five years, ACS is pleased to offer the County an annual report fee, in addition to a report fee for computation periods in excess of 12 months. **ACS does not charge additional fees for commingled funds, transferred proceeds, or variable rate debt issues. In fact, our fees also include record retention services, IRS audit support, and on-site or virtual training.**

We believe the prices offered are competitive and commensurate with the quality value and experience we have provided our clients dating back to the inception of the arbitrage regulations in 1986. The IRS recognizes the complexities and costs involved in the calculations, thereby providing for computation date credits to be included in each rebate calculation. Our annual fee proposed below is still well below the 2025 IRS credit amount of \$2,070.

TOTAL COST SCHEDULE – ARBITRAGE REBATE CALCULATIONS

Report Title	Fee
Cost for first year in the calculation period (per bond)	\$750.00
Cost for additional one-year periods in the computation period	\$500.00

TOTAL COST SCHEDULE – YIELD RESTRICTION CALCULATIONS (IF APPLICABLE)

Report Title	Fee
Project Yield Restriction Fund Calculation (only if funds are not spent in 3-years)	\$750.00

Ancillary Services Included with the Arbitrage Rebate Calculation Fee:

Pre-calculation and Post-Calculation Services:	
Virtual training of County personnel (if requested)	Included
Arbitrage Rebate Calculation Services:	
Commingled funds analyses	Included
Spending exception calculations	Included
Transferred proceeds analyses	Included
Debt service reserve funds	Included

Expected cost (per bond) for either a one-year, two-year, three-year, four-year, and five-year computation period based on the proposed cost schedule above:

One-year:	Total: \$750.00 (\$750 x 1 year)
Two-year:	Total: \$1,250 (\$750 + \$500)
Three-year:	Total: \$1,750 (\$750 + (\$500 x 2))
Four-year:	Total: \$2,250 (\$750 + (\$500 x 3))
Five-year:	Total: \$2,750 (\$750 + (\$500 x 4))

ACS has provided an estimated cost schedule (based on the quoted fees above) for the 2017 & 2018 General Obligation bonds, along with the 2020 Tax Notes on the following page.

Bond Compliance Program Budget

Waller County, Texas



Monday, December 15, 2025

12/01/22 to 08/31/25

BOND FACTS			REPORT	BUDGET			
Ctrl #	PAR	Bond Issue	Description	Type	Start Date	End Date	Amount
1.00	\$9,375,000.00	General Obligation Bonds, Series 2017	Arbitrage Rebate Calculation	05th Year	12/28/17	12/28/22	\$2,750.00
2.00	\$28,930,000.00	General Obligation Bonds, Series 2018	Arbitrage Rebate Calculation	05th Year	06/28/18	06/28/23	\$2,750.00
3.00	\$4,870,000.00	Tax Note, Series 2020	Small Issuer Review	Interim	08/20/20	08/20/25	\$0.00*

Total **\$5,500.00**

*As long as no other debt was issued by the County between Jan. - Dec. 2020, the 2020 Tax Note will qualify for the small issuer exception to arbitrage rebate.

Calculation Services

1. Complete an in-depth analysis of the applicable bond documents and debt structure by our professional staff to determine bond elections and identify applicable exceptions
2. Monitor IRS filing deadlines, election requirements and restricted periods in our database tracking system to ensure timely reporting.
3. Review the applicable rebate, yield restriction/yield reduction or spending exceptions in compliance with Internal Revenue Code of 1986.
4. Provide calculations with a CPA certified professional opinion that can be relied upon by the Issuer regarding the arbitrage rebate liability. The report will provide supporting documentation to include the calculation method employed, assumptions and conclusions.

Information Provided by the Issuer:

1. The Issuer agrees to provide all necessary information for the debt issue as listed in this engagement letter ("Debt Issuance") within 15 days after the end of Calculation Period to provide ACS adequate time to meet the installment payment deadline as defined in the Tax Code.
 - a. Issuer agrees to provide all necessary Debt Issuance documents to include, but not limited to: Official Statement, Tax Certificate, IRS Form 8038-G, Escrow Verification Report and if applicable, letter of credit/liquidity facility and/or swap/hedge agreements.
 - b. Issuer agrees to provide all expenditures, investment earnings, and monthly cash investment balances for all gross proceeds. This includes (but is not limited to) the following funds accounts: Capital Project, Debt Service Reserve, Debt Service, Cost of Issuance, Escrow funds and if applicable all liquidity facility fees paid and/or swap/hedge payments. To accurately complete the calculations, as required by the Tax Code, data is to include:
 - i. Running balance or at the least a monthly balance.
 - ii. Expenditures by date
 - iii. Earnings by date.
 - iv. Fair Market Value, if available, on the last day of the computation period.
 - v. Exclusion of non-cash transactions such as amortization, accounts payable, and accounts receivable, etc.
 - vi. Fixed Investment records are to include:
 1. Settlement Date
 2. Purchase Amount
 3. Accrued interest paid on settlement date
 4. Coupon Rate
 5. Maturity Date
 6. Maturity Amount
2. The Issuer agrees to notify ACS within 15 days after the Debt Issuance has been refunded or defeased.
3. The Issuer agrees to notify ACS of all debt issuances that are supported by common funds to include, but not limited to debt service and reserve funds.

Support Services:

1. Discuss the report and findings to ensure a complete understanding of the procedures and recommendations in such report.
2. Prepare a debt compliance monitoring schedule that identifies all-important relevant information by issue including prior calculations, liability amounts, future calculation due dates and important status notes
3. Advise on how future changes in the Tax Code may affect the debt issue.
4. Provide technical assistance and consultation in matters related to the arbitrage compliance regulations.

Other Terms & Conditions:

1. ACS reserves the right to withdraw or re-negotiate the terms of this engagement if our involvement is greater than originally anticipated. Examples include an increase in ACS' time, commitment resources utilized to research and/or locate missing documents or activity requested by ACS, or if information requested by ACS was not provided in the format listed in "Information Provided by Issuer," Sections 1(a), and Sections 1(b).

HISTORY OF ACS

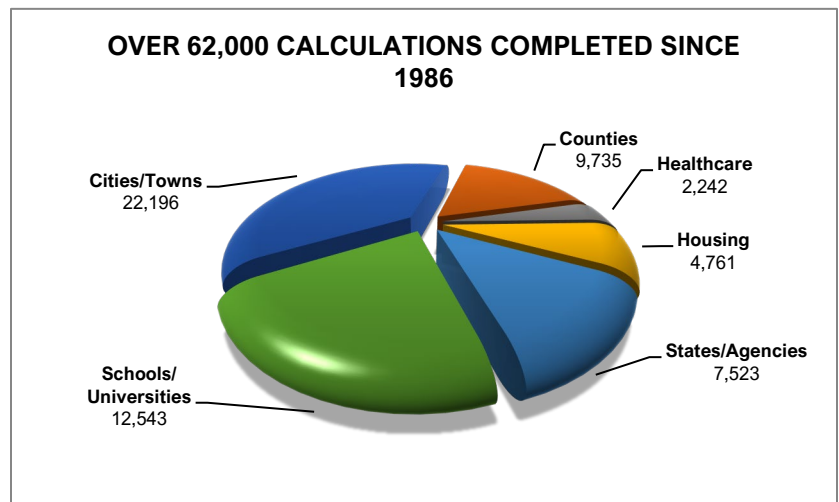
ACS' arbitrage rebate practice was formed in 1986 as part of Price Waterhouse Coopers, one of the eight largest accounting firms in the country at the time, then transitioned to Public Financial Management (PFM) and then incorporated as Arbitrage Compliance Specialists, Inc. in 1994. Ms. Janet P. Sacks, founder of ACS, was requested by the U.S. Congress as an expert in governmental bonds to provide advice regarding the formation of the arbitrage reporting methodology that is in use today. Our firm specializes in arbitrage rebate and yield restriction compliance for municipal issuers of tax-exempt debt. ACS employs 14 full-time professionals and is headquartered in Greenwood Village, Colorado with local offices located across the country. As one of the first arbitrage rebate practices in the country, we have expert knowledge when applying the numerous regulation changes that have taken place since 1986.

RELEVANT EXPERIENCE & QUALIFICATIONS

ACS' team of Arbitrage professionals expertly handle all facets of arbitrage services and bond compliance calculations including arbitrage rebate calculations, yield restriction calculations, spending exception calculations, penalty-in-lieu of rebate calculations, Schedule K of IRS Form 990 reviews, and IRS Voluntary Closing Agreement Program (VCAP) assistance. As an independent firm specializing *solely in the field of arbitrage compliance*, ACS is not involved with providing financial advisor services, bond counsel services or underwriter services to our clients; and therefore, the IRS has regarded our calculations as extremely reliable and free from any internal or external influence.

Since inception, ACS and the proposed project personnel have completed over **64,000** arbitrage rebate calculations on fixed and variable rate debt. In that time, our firm has managed a portfolio that consists of over **18,000** bond issues totaling **\$200 billion** in par value. We have provided compliance services for over **1,800** clients with each debt portfolio ranging from one to over three hundred debt issues.

Of our 1,800 clients we serve across the country, we have completed over 20,000 arbitrage rebate calculations for issuers in the State of Texas.



Throughout our history, ACS has completed calculations on a wide array of debt instruments, including (but not limited to): general obligation bonds, revenue bonds, capital leases, commercial paper, revolving lines of credit and many other types of tax-exempt financings.

ACCOUNTING & FINANCE EXPERTISE

Although the IRS or SEC does not require any requisite certifications or specific qualifications to provide arbitrage rebate compliance services, ACS maintains a high standard of employing personnel with accounting and financial services backgrounds. Over 75% of calculation department personnel at ACS possess a higher education degree in accounting and 100% of our calculation team possess a degree in Finance or accounting, including two Certified Public Accountants (CPA's) on staff. Our accountants perform in-depth analysis of the Statements of Net Position, Cash Flow, Revenues, Expenses, and Changes in Net Position in conjunction with the general ledgers and investment statements to ensure that bond proceeds are correctly allocated. Our accountants have a minimum of 9,560 hours of accounting training to include financial reporting, auditing, and taxes. Our personnel that maintain a CPA license and advanced degrees have upwards of 15,000 hours of accounting training.



STAFFING AND KEY PERSONNEL

Core Management Team

ACS' core management team assigned to undertake the proposed calculations possess 115 years of combined experience in the arbitrage compliance field:

Personnel	Years' Experience	Project Role
Doug Pahnke, CPA, President	25 Years	Comprehensive program & calculation leader
Robert Goubert, Director	23 Years	Backup project manager
Matt Collins, Vice President	12 Years	Primary project manager & daily contact
Ira B. Sacks, ACS Co-Founder	35 Years	Legal interpretation/compliance
Sean Cunningham, Vice President	8 Years	Calculation manager
Josh Freeman, Vice President	18 Years	Technical review manager
Nicole McKenna, VP – Client Relations	6 Years	Backup project manager

Doug Pahnke, CPA, President

Mr. Doug Pahnke has 27 years of experience as a project manager for many of the largest state and municipal entities across the nation and currently completes projects for over 7,500 debt issues. As project manager, Mr. Pahnke provides ongoing support to our firm's clients and oversees the entire calculation process from pre-issuance to post issuance compliance. To aid in the monitoring of ACS' client debt portfolios and applicable IRS deadlines, Mr. Pahnke developed a sophisticated Bond Management System ("BMS") software program that is utilized by ACS staff. BMS provides real-time management reports to assist our clients in ensuring full compliance with arbitrage rebate and yield restriction regulations.

Mr. Pahnke serves as a liaison between ACS and bond counsels across the Country. Recognizing bond counsel's need to continuously monitor their client's bond compliance, he developed a unique bond compliance program that has been implemented by more than 15 bond counsels which oversee more than 1,500 bond issues.

In 2013, Mr. Pahnke's vast knowledge of accounting methods coupled with his computer science background led him to develop a state-of-the-art arbitrage rebate computation software suite that enables different accounting methodologies to be run concurrently. The new software has reduced the time required for ACS to complete an arbitrage calculation by half, which has increased our turnaround times and consequently reduced our client's compliance costs.

A nationally recognized expert of the arbitrage rebate Tax Code, Mr. Pahnke coordinates ACS' IRS Audit Assurance to include our team of CPAs, legal counsel, and calculation support staff. Since the inception of the code, ACS has had a 100% rate of favorable outcomes for our clients under audit by the IRS.

Mr. Pahnke is a highly regarded instructor on the topic of arbitrage rebate compliance to government agencies, bond counsel, and accounting firms and is also a member of the United States Treasurers Association, National and State Government Finance Officers Association(s) and the National Association of Bond Lawyers.

Mr. Pahnke possesses over 25 years of arbitrage experience and holds a Bachelor of Science degree in Marketing & Finance from the University of Delaware and a Master of Science in Computer Science from the University of Colorado.

CPA License #29500

Matt Collins, Vice President

Mr. Collins possesses 19 years of financial services experience (13 years in arbitrage consulting and 6 years of management at various banks) in addition to concurrently serving as President of the board of directors for a Colorado special district for three years. Mr. Collins currently manages the arbitrage rebate compliance program for 300 issuers with over \$22 billion of outstanding debt for ACS' clients nationwide. Mr. Collins facilitates the completion of over 750 arbitrage calculations annually and over 7,200 since the beginning of his tenure with ACS.



Along with Mr. Goubert, Mr. Collins is also responsible for business development strategy and related activities at ACS. As a former banker - in some cases to tax-exempt debt issuers, Mr. Collins' knowledge of investment structure and strategies provides invaluable insight when analyzing issuer debt portfolios for compliance with IRS arbitrage rebate regulations. Mr. Collins also regularly instructs at seminars across the country for GFOA and ASBO organizations regarding the intricacies of arbitrage rebate compliance.

Mr. Collins is an active member at the National Government Finance Officials Association ("GFOA"), a prior member of the National Association of Bond Lawyers, and member/speaker at 7 other government associations. He holds a Bachelor of Science Degree in Business Administration from the University of Northern Colorado.

Robert Goubert, Director

Mr. Robert Goubert's 25 years of experience in client relationship management began as a Manager with Marriott International Inc. where his responsibilities included budgeting, reconciliation, and customer service training implementation and oversight. Mr. Goubert manages a team of account management professionals; the team's primary function is to assist our clients with a seamless and efficient compliance program and to facilitate the coordination between our clients and our accounting staff.

As a nationally recognized instructor on the arbitrage reporting process, Mr. Goubert regularly presents on arbitrage minimization practices, accounting regulatory requirements, investment tracking systems and IRS audit-proofing procedures across the Country. Mr. Goubert is an active member of the National Government Finance Officials Association ("GFOA") as well as Washington, Oregon, Tennessee, and Utah GFOA state chapters.

Mr. Goubert possesses over 23 years of arbitrage rebate experience.

Mr. Sean Cunningham, Director

Mr. Cunningham joined ACS in 2016 and supervises the accounting and analytics department at ACS; and along with Mr. Pahnke, oversees all client rebate calculations, provides technical training for ACS personnel, and coordinates calculation workflow, quality control, and professional development. During his tenure, Mr. Cunningham has completed more than 4,100 complex arbitrage calculations; and provided quality assurance reviews on over 5,000 calculations.

Mr. Cunningham is particularly adept in adherence to the Tax Code and technical quality assurance metrics. The quality assurance process entails a complete analysis of raw financial data, the review of assumptions used in financial cash flow models and the language used in the arbitrage report to ensure compliance with the Tax Code. With the support of Mr. Pahnke and Ms. Sacks, Mr. Cunningham will primarily be responsible for thoroughly reviewing each arbitrage rebate, yield restriction, IRS Audit Defense report, and IRS Overpayment Recovery Request that is prepared by ACS.

Experience/Education:

8 Years of Arbitrage Rebate Experience

Bachelor of Science Degree – Finance

Josh Freeman, Vice President

Mr. Freeman recently joined ACS after having served as an arbitrage rebate consultant with Hilltop Securities. Mr. Freeman possesses over 18 years of experience providing arbitrage rebate consulting services to municipalities across the country, including Texas. He has completed over 10,500 arbitrage rebate and yield restriction calculations for cities, counties, state agencies, schools & universities, and special districts during his tenure at Hilltop. He has also reviewed over 10,000 arbitrage compliance reports and has created a rigorous quality assurance framework, scrutinizing each aspect of the arbitrage calculation.

Mr. Freeman's process entails a complete analysis of raw financial data, the review of assumptions used in financial cash flow models and supporting methodologies in the arbitrage report to ensure compliance with the Tax Code. Along with Mr. Cunningham, Mr. Freeman will provide quality assurance reviews on all calculations completed for the County ensuring that each arbitrage calculation confirms that the lowest legally permissible arbitrage liability has been calculated.



Mr. Freeman holds a bachelor's degree in finance and marketing from Texas A&M University and holds a Municipal Advisor Representative – Series 50 license from the MSRB.

Nicole McKenna, Vice President – Client Relations

Mrs. McKenna joined ACS in 2018 and oversees ACS' Municipal Utility District (MUD) program, along with various issuers in Colorado and Texas. Mrs. McKenna coordinates with bond counsels, MUD district attorneys, bookkeepers, and ACS staff to complete over 350 arbitrage rebate and yield restriction calculations each year under the program. In addition to overseeing these programs at ACS, she is also responsible for business development strategies at ACS and oversees all human capital/human resources functions for the company.

Prior to joining ACS, Mrs. McKenna worked for an audit firm in Texas, providing audit services to several municipalities in the state. She is a member of the Colorado Government Finance Officers Association (CGFOA), the National Government Finance Officers Association, and the Texas Association of Water Board Directors (AWBD). She holds a Bachelor of Science Degree in Accounting from Texas Christian University.

Experience/Education:

6 Years of Arbitrage Rebate Experience
Bachelor of Science Degree – Accounting

Ira B. Sacks, ACS Co-Founder

Mr. Ira B. Sacks has been specializing in arbitrage rebate computations for over 35 years and led ACS' entire arbitrage rebate computational practice for over 25 years. Mr. Sacks is a renowned tax attorney specializing in Section 148(f) of the Tax Code and applicable regulations with an extensive education and experience within the arbitrage rebate industry. During his tenure with ACS, Ira has completed more than 17,500 of the most multifaceted arbitrage calculations in the industry with a historical firm portfolio par value exceeding \$160 billion.

An industry pioneer, Mr. Sacks has first-hand knowledge of completing arbitrage compliance calculations within each significant regulatory modification. Mr. Sacks understands that rebate compliance is a serious business, and the Tax Code is a volatile and complex set of rules and regulations subject to frequent changes and constant reinterpretation. He has completed calculations in conformance with each major evolution of the Code including the 1986, 1989 Temporary, 1992 and 1993 regulations.

Mr. Sacks was also the only tax attorney in the Country who completed arbitrage rebate calculations since the regulations were introduced in 1986. Mr. Sacks' primary goal is to ensure that each ACS calculation is performed in compliance with the Tax Code and Regulations while employing the most creative rebate minimization strategies.

Credited with the development and implementation of an industry-first, commercially available, arbitrage rebate calculation software system, Mr. Sacks also introduced a state-of-the-art bond year slicing optimization financial model used solely by our firm. This technologically advanced approach to isolating variable rate and investment rate allocations has reduced IRS arbitrage rebate and yield restriction payments by more than \$25 million.

Mr. Sacks continues to provide support to ACS' computational department by providing his services during any complex calculations that require historical or legal interpretation of the tax code.

Experience/Education:

35 Years of Arbitrage Rebate Experience
Bachelor of Science: Accounting, Finance, Computer Science; Master of Science: Law, Taxation, Business
CPA License #6950 (Retired), Attorney License #11490 (Retired)

PROPRIETARY SOFTWARE SYSTEM

To aid ACS staff and our clients, ACS utilizes a state of the art, proprietary database management system designed specifically for maintaining our clients' post-issuance tax compliance bond portfolio. This system can produce a variety of reports and schedules for ACS staff, as well as our clients. A sample of these reports include:



1. **Bond Detail Report:** Lists all relevant details for each debt issue including par amounts, premiums or discounts, issuance and maturity dates, yield restriction “temporary period” dates, bond yields, “materially higher yields,” relevant investment documents and investment records for each debt, and past, current, and future arbitrage rebate computation dates and installment calculation dates.
2. **Arbitrage Rebate Summary Report:** Provides a “high-level” view of all outstanding debt issues ACS is tracking, including the most recent arbitrage rebate report that has been completed and its corresponding liability, along with future arbitrage calculation dates for each debt issue. This report can be provided/exported into either pdf or excel formats.
3. **Data/Investment Records Request Checklist:** This report provides our clients with a clear and precise checklist of all items ACS would like to obtain to complete an arbitrage analysis on a specific bond, or multiple bonds.
4. **Budget Report:** This report can be utilized by ACS staff and clients to project upcoming arbitrage rebate calculation budgets during the current or future fiscal years.
5. **Forecasting Staff Scheduling Report:** The number of calculations due each month varies, and as such, the forecasting report assists ACS’ managers in scheduling the proper number of accountants to manage peak periods.

ADDITIONAL VALUE-ADDED SERVICES

RECORDS RETENTION

ACS will provide assistance and consultation with investing and retention of all records received by County for the life of the debt issue plus six years to satisfy the federal record retention rules specified under the Tax Code.

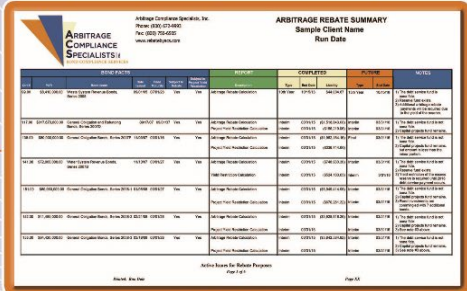
PROPRIETARY SOFTWARE SYSTEMS

ACS also utilizes a state of the art, proprietary database management system designed specifically for maintaining our clients’ post-issuance tax compliance bond portfolio. This system can produce a variety of reports and schedules for ACS staff, as well as our clients. A sample of these reports include:


6. **Bond Detail Report:** Lists all relevant details for each debt issue including par amounts, premiums or discounts, issuance and maturity dates, yield restriction “temporary period” dates, bond yields, “materially higher yields,” relevant investment documents and investment records for each debt, and past, current, and future arbitrage rebate computation dates and installment calculation dates.
7. **Arbitrage Rebate Summary Report:** Provides a “high-level” view of all outstanding debt issues ACS is tracking, including the most recent arbitrage rebate report that has been completed and its corresponding liability, along with future arbitrage calculation dates for each debt issue. This report can be provided/exported into either pdf or excel formats.
8. **Data/Investment Records Request Checklist:** This report provides our clients with a clear and precise checklist of all items ACS would like to obtain to complete an arbitrage analysis on a specific bond, or multiple bonds.
9. **Budget Report:** This report can be utilized by ACS staff and clients to project upcoming arbitrage rebate calculation budgets during the current or future fiscal years.
10. **Forecasting Staff Scheduling Report:** The number of calculations due each month varies, and as such, the forecasting report assists ACS’ managers in scheduling the proper number of accountants to manage peak periods.

Below you will find a graphic of our proprietary database and calculation system, including a visual sample of the variety of reports available and the capabilities the system provides.


Easy-to-Read Executive Summary



Streamlined Budgets for ACS' Fees



BMS Customized Document and Data Request



Ahead of the Competition With Our STATE-OF-THE-ART BOND MANAGEMENT SYSTEM ("BMS") ACS' Custom Software

MINIMIZE IRS EXPOSURE by Modeling Various Scenarios with Powerful Wizards.

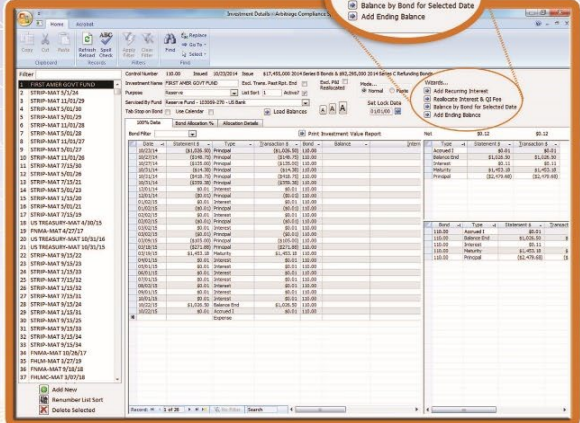
HIGH PERFORMANCE CALCULATIONS with Over 50 Reporting Criteria. **REDUCED REPORT TURNAROUND** Time Due to Programmed Refunding and Fund Allocations.

EASY-TO-READ Executive Summary. **STREAMLINED BUDGETS** for ACS' Fees. **BMS CUSTOMIZED DOCUMENT** and Data Requests.

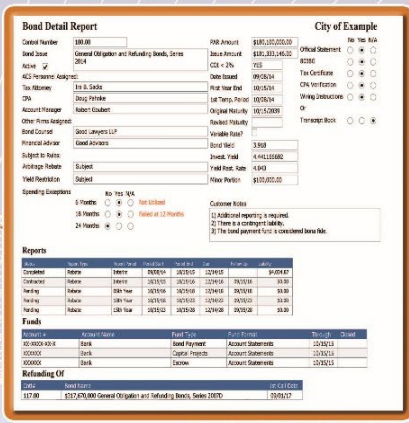
ARBITRAGE COMPLIANCE SPECIALISTS
800.672.9993 | www.RebateByACS.com

Over the past 30 years the number of unique bond issue types has grown from just a few to over 20 complex variations. ACS has proactively invested heavily in our state-of-the-art Bond Management System ("BMS") to ensure that an Issuer's tax-exempt debt remains in full compliance. Following are some representative screenshots of BMS' powerful, dynamic system demonstrating the advanced capacity and capability for handling the largest and most complex Issuers' debt structures.

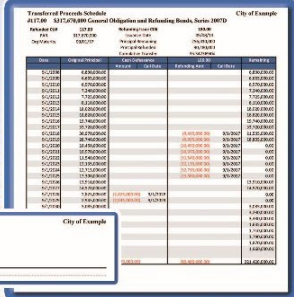
Minimize IRS Exposure By Modeling Various Scenarios with Powerful Wizards



High Performance Calculations With Over 50 Reporting Criteria



Reduced Report Turnaround Time Due to Programmed Refunding and Fund Allocations



PROVIDE ADVICE AND RECOMMENDATIONS CONCERNING UNIQUE OR EXTRAORDINARY COMPLIANCE ISSUES THAT MAY ARISE FROM TIME TO TIME.



ACS is committed to providing timely advice and recommendations as the County may request concerning unique or extraordinary compliance issues that may arise. As part of our due diligence, ACS will continually notify the County of any changes in arbitrage compliance regulations that may occur during the term of the contract. ACS relies on and interacts with a variety of resources daily to develop and maintain a well-rounded knowledge of the tax code. In turn, we can advise our clients on industry trends and changes as they happen. If ACS was to update our interpretation of the IRS Regulations, we would amend our completed calculations at no additional cost. Examples of such resources are listed below.

- Internal Revenue Service (“IRS”).
- Securities and Exchange Commission (“SEC”).
- National Association of Bond Lawyers (“NABL”).
- Municipal Securities Rulemaking Board (“MSRB”); and
- The Bond Buyer.

REVIEW OPPORTUNITIES AND RECOMMEND OPTIONS TO MINIMIZE EXISTING LIABILITIES OR INCREASE RETAINABLE EARNINGS.

ACS will review the available investment structure(s) with the County staff and advisors (if necessary). The most advantageous investment structure is not only dependent on the type of investment but also the duration as well.

ACS will make strategic decisions on how to value each investment as part of this process. Determining whether to use market value or present value is not a difficult process since market values are readily available to all arbitrage rebate firms. Fixed investment values are in constant flux, increasing and decreasing to adjust for market conditions. Since the ending date of an arbitrage rebate calculation rarely corresponds to the maturity date of the fixed investments, the market value will often be different from the present value. ACS will use the value (market or present value) on the computation end date which will result in a minimized yield restriction and/or arbitrage rebate liability.

ARBITRAGE COMPLIANCE TRAINING

Our virtual training program is customized via based on the needs of the County. We do this to help clients meet their annual training goals, decrease the amount of time needed to collect reporting information and to allow better communication of compliance matters between ACS and our clients. In addition, ACS has the entire library of IRS agent training modules, which can be provided to supplement our training. These modules have been developed for the sole purpose of preparing IRS agents for field audits. ACS also provides our internally produced modules that build upon each other so participants can start with a basic review of bond compliance prior to moving into more advanced topics related to arbitrage rebate, yield restriction, private business use, accounting rules, understanding the bond documents/arbitrage reporting, the IRS Voluntary Closing Agreement Program, Continuing Disclosure and developing policies and procedures for compliance.