

**FIRST AMENDMENT TO
FINANCIAL ADVISORY AGREEMENT**

WITNESSETH:

WHEREAS, City of Willow Park, Texas (the “Issuer”), and Hilltop Securities Inc. (“HilltopSecurities”), previously entered into a certain Municipal Advisory Agreement, effective as of December 3, 2020 (the “Agreement”); and

WHEREAS, the Issuer and HilltopSecurities desire to amend Appendix B to the Agreement to add a fee calculation structure that is applicable to Development Services and Development Debt Instruments.

NOW THEREFORE, the Issuer and HilltopSecurities, in consideration of the mutual covenants and agreements contained in the Agreement and those set forth herein, do hereby agree to amend the Appendix B – Form and Basis of Compensation as follows:

APPENDIX B – FORM AND BASIS OF COMPENSATION

Traditional Municipal Finance Debt Instruments

This Appendix B sets out the form and basis of compensation to HilltopSecurities for the Municipal Advisory Services provided under the Agreement as set forth in Appendix A therewith; provided that the compensation arrangements set forth in this Appendix B shall also apply to any additional services hereafter added to the scope of the Municipal Advisory Services, unless otherwise provided in the amendment to the Agreement relating to such change in scope of Municipal Advisory Services as provided in paragraph D of Section I of the Agreement.

I. New Issuances of Municipal Securities. The fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section I of Appendix A of the Agreement for each new issuance of municipal securities, will not exceed those contained in our fee schedule as listed below:

\$20,000	for the first	\$1,000,000 of municipal securities issued
plus \$4.00 per \$1,000	for the first	\$4,000,000 of municipal securities issued
plus \$2.00 per \$1,000	for the next	\$5,000,000 of municipal securities issued
plus \$1.00 per \$1,000	for the next	\$40,000,000 of municipal securities issued
plus \$0.75 per \$1,000	thereafter	

The above charges shall be multiplied by 1.25 for an issuance of municipal securities for which HilltopSecurities participates in the completion of an application to a federal or state government agency or for the issuance of revenue bonds, refunding bonds or variable rate bonds, reflecting the additional services required.

The fees for Grant Funding and or Principal Forgiveness Financing due HilltopSecurities, separate from fees due to HilltopSecurities for delivery of bonds or other indebtedness, will be based on a flat fee, as listed below, for the portion of the grant funding or principal amount to be forgiven.

Pertaining to receiving total or combined funding, including any portions to be funded through delivery of bonds or loan agreement, in the approximate amounts up to \$17,000,000 through the Texas Water Development Board Principal Forgiveness Programs, HilltopSecurities will charge a flat fee for either the Grant Funding and or Principal Forgiveness Financing portions, not to exceed \$20,000.

The payment of charges as set forth in this Section I for new issuances shall be contingent upon the delivery of the new issuance and shall be due at the time that the municipal securities and/or principal forgiveness funds are delivered.

II. Baseline Advice on Outstanding Issuances of Municipal Securities. There shall be no additional fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section II of Appendix A of the Agreement, with the understanding that such services are integral to HilltopSecurities' engagement as municipal advisor to the Issuer and HilltopSecurities shall be compensated for such services through and as part of the fees paid for the other services provided by HilltopSecurities hereunder.

III. Particularized Services on Outstanding Issuances of Municipal Securities. In connection with Other Post-Sale Services described in Section III of Appendix A of the Agreement, HilltopSecurities shall provide those services at no additional cost.

In connection with the brokerage of municipal escrow investments described in Section III of Appendix A of the Agreement, HilltopSecurities shall charge a commission that is normal and customary for investments of that type under then-current market conditions and shall disclose such commission to the Issuer so that the Issuer may consider the information in making its investment decision.

IV. Third-Party Recommendations, Proposals, Ideas or Other Matters as IRMA. In connection with its review of and advice on third-party recommendations to Issuers as an IRMA as described in Section IV of Appendix A of the Agreement, HilltopSecurities shall provide those services at no additional cost.

V. Other Services Relating to Municipal Securities. In connection with any services described in Section V of Appendix A of the Agreement requested by the Issuer and agreed to by HilltopSecurities, the fees due with respect to any such services shall be as agreed to by the parties hereto, which terms shall be made part of the compensation provided under the Agreement and shall be included in this Appendix as an amendment or addendum hereto.

VI. Expenses. The Issuer shall be responsible for the following expenses in connection with the Municipal Advisory Services (including any additional services hereafter added to the scope of the Municipal Advisory Services), if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by HilltopSecurities as reimbursable expenses: bond counsel fees and expenses, bond printing costs, bond ratings fees and expenses, computer structuring costs, credit enhancement fees and expenses, accountant fees for verifications and related activities in connection with refundings, official statement preparation and printing, paying agent/registrar/trustee fees and expenses, travel expenses, underwriter and underwriter's counsel fees and expenses, and other miscellaneous expenses incurred by HilltopSecurities in the furtherance of any matter for which it serves as municipal advisor, including copy, delivery, phone and other charges normally incurred in connection with engagements of this type.

The Issuer agrees that any expense that it requests that HilltopSecurities pay to any third party on the Issuer's behalf shall be made in writing and shall be in accordance with paragraph C of Section III of the Agreement.

The payment of reimbursable expenses that HilltopSecurities has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of a new issuance of municipal securities or the completion of any other transactions for which such expenses have been assumed and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by HilltopSecurities, unless otherwise provided for in any amendment or addendum hereto in connection with the compensation arrangements for any services provided under the Agreement for which such amendment or addendum is required.

Development Services and Development Debt Instruments

Upon request, Hilltop Securities Inc. will assist the City in structuring and securing for any development of real property within the City (the "Development") one or more economic incentive program(s) as described in a development agreement for the Development ("Development Agreement") entered into between the City and a property owner, developer, and/or development district (a "Program").

I. Compensation for Services Rendered:

Recognizing the expertise that Hilltop Securities Inc. possesses with municipalities in Texas regarding economic incentive programs, the fee for assisting the City with reviewing, analyzing and structuring land developments and land development agreements shall be:

- (i) a nonrefundable upfront cash payment of \$25,000, payable prior to commencement of the work outlined in the Scope of Services and not credited against any other fees due to Hilltop Securities Inc.; and
- (ii) a fee of 2.0% of the par of any bonds or debt issued, with a minimum fee of \$75,000, by the City or by an entity under the City's control for the benefit of the development (this Development related financial advisory fee will apply to any General Obligation Bonds, Certificates of Obligation, Tax Notes, Waterworks and Sewer System Revenue Bonds, or Special Revenue Bonds that are issued, including any refunding bonds, as long as such Debt Instruments are related to a Program as defined above; provided, however, this fee will not apply to any "Traditional Municipal Finance Debt Instruments" for which Hilltop Securities Inc. receives fees as described on the first page of this Appendix).

Notwithstanding any provision in the Agreement or in this Appendix B, the City's obligations with respect the fee of 2.0% of the par of any bonds or debt issued by the City or by an entity under the City's control for the benefit of the development as described in the immediately preceding paragraph (ii) shall terminate if no such bond or debt is issued by the City or by an entity under the City's control for the benefit of the development within five years after the effective date of the Development Agreement related to a Program. Said termination shall occur immediately upon the fifth anniversary date of the effective date of such Development Agreement unless the City and Hilltop Securities Inc. enter into a duly authorized written agreement extending such obligation.

It is expected that the City will be reimbursed for the above-referenced fees by the developer as an expense of negotiating the economic incentive agreement(s).

Hilltop Securities Inc. shall be entitled to reimbursement for reasonable expenses in connection with providing the above-referenced Development consulting services to the City. Expenses shall be reimbursed within thirty (30) days after receipt of a detailed invoice therefor submitted by Hilltop Securities Inc. Expenses related to Development Services are not contingent upon a Program being agreed to or a transaction being completed.


MODIFICATIONS

The Agreement, except as amended by this First Amendment to Municipal Advisory Agreement, remains in effect in all other respects.

IN WITNESS WHEREOF, the parties have made and executed this Amendment in multiple copies, each of which shall be an original, effective as of _____.

HILLTOP SECURITIES INC.

CITY OF WILLOW PARK, TEXAS

By: 
Erick Macha, Managing Director

By: _____

Name: _____

Title: _____