



AGENDA COVER MEMO

Memorandum Date: May 21, 2024

Order Date: June 11, 2024

TO: Board of County Commissioners

DEPARTMENT: County Administration, Operations

PRESENTED BY: Greg Holmes, Financial Services Manager / County Treasurer

AGENDA ITEM TITLE: ORDER / In the Matter of Approving a Contract Amendment with Piper Sandler & Co. and Delegating Authority to the County Administrator to Sign the Contract

I. MOTION

Move to award approving the contract with Piper Sandler & Co. and delegate authority to the County Administrator to sign the contract.

II. AGENDA ITEM SUMMARY

The Board is asked to approve a three-year contract with the option for two one-year extensions for a financial service provider that assists Lane County in debt financing and refinancing matters.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The original contract was entered and approved under an exception contract pursuant to ORS 279A.025(2)(q)(A) in April 2019 for three years with three one-year amendments. The last amendment expired in April 2024. The financial advisors provide financial services and advice to the County concerning the planned issuance of the bonds or other obligations to be issued from time to time during the agreement term.

B. Policy Issues

This item is consistent with the debt management policy in Lane Manual 4.030.

C. Board Goals

This item supports the Lane County Strategic Plan by providing accurate financial information to decision-makers to identify operating efficiencies/inefficiencies that support the larger goal of building a stable and sufficient strategy for funding services. This item also supports the Plan by ensuring resource accountability and fiscal quality to our taxpayers.

D. Financial and/or Resource Considerations

Bond-related Fees. For services associated with the issuance of bonds or obligations, fees shall be paid as a cost of issuance as set forth below. Should bonds not be sold, no fees shall be due:

- **General Obligation Bonds** - a base fee of \$45,000 per bond issue plus \$0.35 per \$1,000 of principal issued.
- **Full Faith & Credit Obligations (general fund secured)** - a base fee of \$45,000 per obligation issue plus \$0.65 per \$1,000 of principal issued.
- **Revenue Bonds, Revenue Secured FFCs, or Urban Renewal Bonds** - a base fee of \$60,000 per bond issue, plus \$0.65 per \$1,000 of principal issued.
- **Bank Placement (general fund secured)** - To the extent any of the transactions identified above are placed directly with a bank, the fee will be \$40,000 per issue.
- **Bank Placement (revenue bonds, revenue secured FFC, or Urban Renewal Bonds)** - To the extent any of the transactions identified above are placed directly with a bank, the fee will be \$50,000 per issue.
- **Refunding Issue** - increase of \$9,500 per base fee listed above.
- **Additional Series** - increase of \$6,500 per base fee listed above.

Non-Debt Fees. For services that cannot be allocated directly to bonds or obligations issued by the Client, the following hourly rates shall apply:

Officers:	\$505
Associates/Analysts:	\$440
Administrative support:	\$350

E. Health Implications

There are no health implications for this item.

F. Analysis

Piper Sandler, Inc. provides professional consulting services related to the County's issuance of bonds or obligations. These services require unique expertise to conduct successfully, extensive knowledge of local bond issuance, and, more importantly, of Lane County's particular needs. Piper Sandler (previously Piper Jaffray) has provided this service to Lane County since 2002.

Pursuant to LM 20.200.120(D), the County may award a contract for Personal Services without competitive selection, provided that:

1. The Department Director makes a written determination that the services to be provided are Personal Services as defined in LM 20.300.210; and
2. The County has found that direct contracting is in the County's best interests for the contract.

G. Alternatives/Options

1. Approve the contract.
2. Approve a shorter duration contract.
3. Do not approve the contract and direct staff to bring back additional options.

IV. RECOMMENDATION

Staff recommends option 1, approval of the contract.

V. TIMING/IMPLEMENTATION

With Board approval, this contract for investment advisory services becomes effective for the current calendar year.

VI. FOLLOW-UP

Financial Services staff will process a contract for the County Administrator to sign.

VII. ATTACHMENTS

Board Order

Contract

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 24-06-11-01

IN THE MATTER OF APPROVING A CONTRACT
AMENDMENT WITH PIPER SANDLER & CO.
AND DELEGATING AUTHORITY TO THE
COUNTY ADMINISTRATOR TO SIGN THE
CONTRACT

WHEREAS, Lane Manual Chapter 20 sets forth policy regarding the award of grants, contracts, and amendments for services and policy regarding the signatory authority of the County Administrator; and

WHEREAS, LM 20.200.120(D) allows the County to award a contract for Personal Services without competitive selection; and

WHEREAS, the Department Director has made a written determination that the services provided are Personal Services as defined in LM 20.300.210; and

WHEREAS, the County has made a finding that direct contracting is in the best interest of the County for the Contract; and

WHEREAS, the County and Piper Sandler & Co. desire to enter into a contract for financial services related to County's issuance of bonds or obligations.

NOW, THEREFORE, the Board of County Commissioners of Lane County ORDERS as follows:

1. That a contract for investment advisor services be awarded to Piper Sandler & Co.
and
2. That the County Administrator is delegated authority to sign the contract.

ADOPTED this 11 day of June, 2024.

Laurie Trieger, Chair
Lane County Board of Commissioners

FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the Agreement) is entered into on [REDACTED], 2024 by and between Lane County, Oregon (the Client) and Piper Sandler & Co. (Piper Sandler or the Financial Services Provider). This Agreement will serve as our mutual agreement with respect to the terms and conditions of our engagement as your financial services provider, effective on the date this Agreement is executed (the Effective Date).

I. Scope of Services.

- (A) **Services to be provided.** Piper Sandler is engaged by the Client to provide services with respect to the planned issuance of the Client's bonds or other obligations to be issued from time to time during the term of this Agreement (the Issue(s)).
- (B) **Scope of Services.** The Scope of Services to be provided respecting the Issue(s) may consist of the following, if directed by the Client:
1. Evaluate options or alternatives with respect to the proposed new Issue(s).
 2. Consult with and/or advise the Client on actual or potential changes in marketplace practices, market conditions or other matters that may have an impact on the Client's outstanding or new Issues.
 3. Assist the Client in establishing a plan of financing.
 4. Assist the Client in establishing the structure, timing, terms and other similar matters concerning the Issue(s).
 5. Prepare the financing schedule.
 6. Provide assistance as to scheduling, coordinating and meeting procedural requirements relating to any required bond referendum.
 7. Consult and meet with representatives of the Client and its agents or consultants with respect to the Issue
 8. Attend meetings of the Client's governing body, as requested.
 9. Advise the Client on the manner of sale of the Issue.
 10. Advise the Client with regard to continuing disclosure matters, as requested.
 11. In a competitive bid sale, prepare the bid package, obtain CUSIP numbers, assist the Client in collecting and analyzing bids submitted by underwriters and in connection with the Client's selection of a winning bidder.
 12. In a negotiated sale, assist the Client in identifying an underwriter or underwriters and other deal participants such as a paying agent, escrow agent, accountant, feasibility consultant, etc. to work on the Issue(s). Respond to questions from underwriters.
 13. In a negotiated sale, coordinate pre-pricing discussions, supervise the sale process, advise the Client on matters relating to retail or other order periods and syndicate priorities, review the order book, and if directed by the Client, advise on the acceptability of the underwriter's pricing and offer to purchase.
 14. Arrange and facilitate conversations with, prepare materials for, and make recommendations to the Client in connection with credit ratings agencies, insurers and other credit or liquidity providers.
 15. Coordinate working group sessions, closing, delivery of the new Issue and transfer of funds.
 16. Prepare closing memoranda.
 17. Advise Client on potential refunding or other refinancing opportunities of its outstanding Issue(s).
 18. Assist Client in responding to inquiries from investors or other market participants in connection with Client's outstanding Issue(s).

For Services Respecting Official Statement. Upon request, Piper Sandler will assemble the preliminary and final official statement for a public sale from information received from you, third parties and your agents, such as bond counsel. Piper Sandler will rely on you to provide us with accurate and complete information, access to relevant personnel and agents, and your final approval to the distribution and use of the preliminary and final official statements to carry out these duties. In addition, you agree to allow us to rely on any opinion or representation of you or your counsel as to the accuracy or completeness of the preliminary and final official statement.

II. Limitations on Scope of Services. In order to clarify the extent of our relationship, Piper Sandler is required under MSRB Rule G-42¹ to describe any limitations on the scope of the activities to be performed for you. Accordingly, the Scope of Services are subject to the following limitations:

The Scope of Services is limited solely to the services described herein and is subject to limitations set forth within the descriptions of the Scope of Services. Any duties created by this Agreement do not extend beyond the Scope of Services or to any other contract, agreement, relationship, or understanding, if any, of any nature between the Client and the Financial Services Provider.

Unless explicitly directed by you in writing, the Scope of Services does not include evaluating advice or recommendations received by you from third parties.

The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any Issue(s) 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.

The parties agree that the scope of services set forth in Section I(B) of the Agreement shall exclude services with respect to municipal securities to be issued to pay down the Client's pension liability, respecting which the Financial Services Provider has not previously provided advice to the Client sufficient to establish a financial advisory relationship (as defined in Municipal Securities Rulemaking Board (MSRB) Rule G-23(b) and 15B(e)(4) of the Securities Exchange Act of 1934). The Parties agree that Consultant may from time-to-time seek a role as an underwriter or placement agent in connection with such issuances, and all matters related thereto would be provided for under a separate agreement. The Client acknowledges that in the capacity of an underwriter or placement agent, the Financial Services Provider would not have fiduciary duties to the Client and the Financial Services Provider's primary role would be to purchase or arrange for the placement of municipal securities in an arms-length transaction in which the Financial Services Provider's interests may differ from those of the Client.

III. Amending Scope of Services. The Scope of Services may be changed only by written amendment or supplement. The parties agree to amend or supplement the Scope of Services promptly to reflect any material changes or additions to the Scope of Services.

IV. Compensation. Compensation is based on both a fixed and hourly fee schedule as stated below.

Bond-related Fees. For services associated with the issuance of bonds or obligations, fees shall be paid as a cost of issuance as set forth below. Should bonds not be sold, no fees shall be due:

- **General Obligation Bonds** - a base fee of \$45,000 per bond issue plus \$0.35 per \$1,000 of principal issued.
- **Full Faith & Credit Obligations (general fund secured)** - a base fee of \$45,000 per obligation issue plus \$0.65 per \$1,000 of principal issued.
- **Revenue Bonds, Revenue Secured FFCs, or Urban Renewal Bonds** - a base fee of \$60,000 per bond issue, plus \$0.65 per \$1,000 of principal issued.
- **Bank Placement** (general fund secured) - To the extent any of the transactions identified above are placed directly with a bank, the fee will be \$40,000 per issue.

¹ See MSRB Rule G-42(c)(v).

- **Bank Placement** (revenue bonds, revenue secured FFC, or Urban Renewal Bonds) - To the extent any of the transactions identified above are placed directly with a bank, the fee will be \$50,000 per issue.
- **Refunding Issue** - increase of \$9,500 per base fee listed above.
- **Additional Series** - increase of \$6,500 per base fee listed above.

Non-Debt Fees. For services that cannot be allocated directly to bonds or obligations issued by the Client, the following hourly rates shall apply:

Officers:	\$505
Associates/Analysts:	\$440
Administrative support:	\$350

Incidental Expenses. Piper would expect to be reimbursed at cost for reasonable and necessary out-of-pocket expenses, including such items as overnight delivery, courier fees, and out of the area travel undertaken at the Client's request. These fees have typically been negligible in recent years.

After the first year of the contract, all fees set forth above shall be subject to annual adjustment by the CPI index.

For fixed fee work compensation is payable in immediately available funds at closing. For hourly work, amounts shall be billed to the Client in summary form, detailing the previous month's fees and costs, on or about the 15th day of each month for all services performed through the last day of the prior month. Backup invoices, supporting documentation, and records evidencing the progress made on the project to date shall be provided by Piper Sandler at Client's request.

V. IRMA Matters. If the Client has designated Piper Sandler as its independent registered municipal advisor ("IRMA") for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption"), the extent of the IRMA exemption is limited to the Scope of Services and any limitations thereto. Any reference to Piper Sandler, its personnel and its role as IRMA in the written representation of the Client contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) is subject to prior approval by Piper Sandler and Client agrees not to represent, publicly or to any specific person, that Piper Sandler is Client's IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, outside the Scope of Services without Piper Sandler's prior written consent.

VI. Piper Sandler's Regulatory Duties When Servicing the Client. MSRB Rule G-42 requires that Piper Sandler undertake certain inquiries or investigations of and relating to the Client in order for Piper Sandler to fulfill certain aspects of the fiduciary duty owed to the Client. Such inquiries generally are triggered: (a) by the requirement that Piper Sandler know the essential facts about the Client and the authority of each person acting on behalf of the Client so as to effectively service the relationship with the Client, to act in accordance with any special directions from the Client, to understand the authority of each person acting on behalf of the Client, and to comply with applicable laws, regulations and rules; (b) when Piper Sandler undertakes a determination of suitability of any recommendation made by Piper Sandler to the Client, if any or by others that Piper Sandler reviews for the Client, if any; (c) when making any representations, including with regard to matters pertaining to the Client or any Issue or Product; and (d) when providing any information in connection with the preparation of the preliminary or final official statement, including information about the Client, its financial condition, its operational status and its municipal securities or municipal financial products. Specifically, Client agrees to provide to Piper Sandler any documents on which the Client has relied in connection with any certification it may make with respect to the accuracy and completeness of any Official Statement for the Issue.

Client agrees to cooperate, and to cause its agents to cooperate, with Piper Sandler in carrying out these duties to inquire or investigate, including providing to Piper Sandler accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties.

In addition, the Client agrees that, to the extent the Client seeks to have Piper Sandler provide advice with regard to any recommendation made by a third party, the Client will provide to Piper Sandler written direction to do so as well as any information it has received from such third party relating to its recommendation.

VII. Expenses. Piper Sandler will be responsible for all of Piper Sandler's out-of-pocket expenses unless otherwise agreed upon or if travel is directed by Client. If travel is directed by the Client, Client will reimburse Piper Sandler for their expenses. In the event a new issue of securities is contemplated by this Agreement, Client will be responsible for the payment of all fees and expenses commonly known as costs of issuance, including but not limited to: publication expenses, local legal counsel, bond counsel, ratings, credit enhancement, travel associated with securing any rating or credit enhancement, printing of bonds, printing and distribution of required disclosure documents, trustee fees, paying agent fees, CUSIP registration, and the like.

VIII. Term of Agreement. The term of this Agreement shall begin on the Effective Date and ends, unless earlier terminated as provided below, on April 30, 2027, with the option of extending for two one year periods.

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. All fees due to Piper Sandler shall be due and payable upon termination. Upon termination, the obligations of Piper Sandler under this Agreement, including any amendment shall terminate immediately and Piper Sandler shall thereafter have no continuing fiduciary or other duties to the Client. The provisions of Sections IV, VII, XII, XIV, XV and XVII shall survive termination of this Agreement.

IX. Independent Contractor. The Financial Services Provider is an independent contractor and nothing herein contained shall constitute or designate the Financial Services Provider or any of its employees or agents as employees or agents of the Client.

X. Entire Agreement/Amendments. This Agreement, including any amendments and Appendices hereto which are expressly incorporated herein, constitute the entire Agreement between the parties hereto and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Financial Services Provider and Client.

XI. Required Disclosures. MSRB Rule G-42 requires that Piper Sandler provide you with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in Piper Sandler's Disclosure Statement attached as Appendix A to this Agreement.

XII. Limitation of Liability. In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Piper Sandler or any of its associated persons, Piper Sandler 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 municipal securities, any municipal financial product or any other investment, 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 Piper Sandler to the Client. No recourse shall be had against Piper Sandler 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 Product, if any or otherwise relating to the tax treatment of any Issue or Product if any, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by Client of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it

constitute a waiver or diminution of Piper Sandler's fiduciary duty to Client under Section 15B(c)(1), if applicable, of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

XIII. Indemnification.

- (A) **Client's Indemnification.** Unless prohibited by law, the Client hereby indemnifies and holds harmless the Financial Services Provider, each individual, corporation, partnership, trust, association or other entity controlling the Financial Services Provider, any affiliate of the Financial Services Provider or any such controlling entity and their respective directors, officers, employees, partners, incorporators, shareholders, trustees and agents (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that any information in the Preliminary Official Statement or Final Official Statement contained (as of any relevant time) an untrue statement of a material fact or omitted (as of any relevant time) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (B) **Financial Service Provider's Indemnification.** Except as provided in Section XII and subsection XIII(C) below, and to the fullest extent permitted by law, the Financial Services Provider shall indemnify the Client and its officers, agents, and employees from all claims, suits, or actions arising out of or resulting from Financial Services Provider's performance of or failure to perform in breach of this Agreement; *provided, however, that* the Financial Services Provider's obligation to indemnify the Client shall only apply if and when and to the extent that a court of competent jurisdiction in a final non-appealable judgment has determined the percentage of the Financial Services Provider's fault for the liability alleged in which case the Financial Services Provider shall be obligated to pay the amount equal to the percentage of its fault that has been actually determined; *provided, further that* this subsection XIII(B) does not include indemnification by the Financial Services Provider of the Client for the Client's acts or omissions, whether related to the Agreement or otherwise. In no event shall the indemnification obligation extend beyond the date when the institution of legal or equitable proceedings for professional negligence would be barred by any applicable statute of repose or statute of limitations.
- (C) **Financial Services Provider's Indemnification for Claims for Professional Liability.** Except as provided in Section XII, and to the fullest extent permitted by law, the Financial Services Provider shall indemnify the Client and its officers, agents and employees, from all claims, suits, or actions to the extent caused by the professionally negligent acts or omissions of the Financial Services Provider or its subcontractors, agents or employees in performance of professional services under this Agreement, except for damages arising to the extent of the Client's gross negligence or willful misconduct. Notwithstanding the foregoing, the Financial Services Provider's obligation to indemnify the Client shall only apply if and when and to the extent that a court of competent jurisdiction in a final non-appealable judgment has determined the percentage of the Financial Services Provider's fault for the liability alleged in which case the Financial Services Provider shall be obligated to pay the amount equal to the percentage of its fault that has been actually determined. In no event shall the indemnification obligation extend beyond the date when the institution of legal or equitable proceedings for professional negligence would be barred by any applicable statute of repose or statute of limitations.

XIV. Official Statement. The Client acknowledges and understands that state and federal laws relating to disclosure in connection with municipal securities, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Client and that the failure of the Financial Services Provider to advise the Client respecting these laws shall not constitute a breach by the Financial Services Provider or any of its duties and responsibilities under this Agreement.

The Client acknowledges that any Official Statement distributed in connected with an issuance of securities are statements of the Client and not of Piper Sandler.

XV. Notices. Any written notice or communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal services, when deposited in the United States' mail, first-class postage prepaid, addressed to the Client at:

Lane County
125 East 8th Avenue
Eugene, OR 97401

Greg Holmes, CPA
Financial Services Manager/ County Treasurer
541-682-4198
Greg.Holmes@lanecountyor.gov

Or to the Financial Services Provider at:

Piper Sandler & Co.
1300 S.W. Fifth Avenue, Suite 3650
Portland, OR 97201

Carol Samuels, Managing Director

503 275-8301
carol.samuels@psc.com

With a copy to:

Piper Sandler & Co.
Legal Department
800 Nicollet Mall, Suite 900
Minneapolis, MN 55402

XVI. Consent to Jurisdiction; Service of Process. The parties each hereby (a) submits to the jurisdiction of any State or Federal court sitting in the State of Oregon for the resolution of any claim or dispute with respect to or arising out of or relating to this Agreement or the relationship between the parties (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in a State or Federal court sitting in the State of Oregon and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

XVII. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Oregon.

XVIII. Counterparts; Severability. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

XIX. Waiver of Jury Trial. THE PARTIES EACH HEREBY 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 PUNITIVE DAMAGES.

XX. 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.

XXI. Authority. The undersigned represents and warrants that they have full legal authority to execute this Agreement on behalf of the Client. The following individual(s) at the Client have the authority to direct Piper Sandler's performance of its activities under this Agreement:

Greg Holmes, CPA, Financial Services Manager/ County Treasurer

The following individuals at Piper Sandler have the authority to direct Piper Sandler's performance of its activities under this Agreement:

Carol Samuels, Managing Director

XXII. Insurance. The Financial Services Provider shall provide all insurance coverages indicated in Exhibit A.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

PIPER SANDLER & CO.

By:



Carol Samuels

Its: Managing Director

Date:

ACCEPTED AND AGREED:

By:

Its:

Date:

Piper Sandler & Co. is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board ("MSRB"). A brochure is posted on the website of the MSRB, at www.msrb.org that describes the protections that may be provided by MSRB rules and how to file a complaint with an appropriate regulatory authority.

APPENDIX A – DISCLOSURE STATEMENT

Municipal Securities Rulemaking Board Rule G-42 (the Rule) requires that Piper Sandler provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Accordingly, this Appendix A provides information regarding conflicts of interest and legal or disciplinary events of Piper Sandler required to be disclosed pursuant to MSRB Rule G-42(b) and (c)(ii).

(A) ***Disclosures of Conflicts of Interest.*** The Rule requires that Piper Sandler provide to you disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in the Rule, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by us, Piper Sandler is required to provide a written statement to that effect.

Accordingly, we make the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under the Agreement, together with explanations of how we address or intend to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, we mitigate such conflicts through our adherence to our fiduciary duty to you in connection with municipal advisory activities, which includes a duty of loyalty to you in performing all municipal advisory activities for the Client. This duty of loyalty obligates us to deal honestly and with the utmost good faith with you and to act in your best interests without regard to our financial or other interests. In addition, as a broker dealer with a client-oriented business, our success and profitability over time is based on assuring the foundations exist of integrity and quality of service. Furthermore, Piper Sandler's supervisory structure, utilizing our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Piper Sandler potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Compensation-Based Conflicts. The fees due under the Agreement are based on the size of the Issue and the payment of such fees is contingent upon the successful delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present the appearance of a conflict or the potential for a conflict because it could create an incentive for Piper Sandler to recommend unnecessary financings or financings that are disadvantageous to the Client, or to advise the Client to increase the size of the issue. We believe that the appearance of a conflict or potential conflict is mitigated by our duty of care and fiduciary duty and the general mitigations related to our duties to you, as described above.

The fees due under the Agreement are in a fixed amount established at the outset of the Agreement. The amount is usually based upon an analysis by the Client and Piper Sandler of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Piper Sandler. This form of compensation presents the appearance of a conflict or a potential conflict of interest because, if the transaction requires more work than originally contemplated, Piper Sandler may suffer a loss. Thus, Piper Sandler may have an incentive to recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. In addition, contingent-based compensation, i.e. based upon the successful delivery of the Issue while customary in the municipal securities market, may present the appearance of a conflict or the potential for a conflict because it could create an incentive for Piper Sandler to recommend unnecessary financings or financings that are disadvantageous to the Client. This conflict of interest is mitigated by our duty of care and fiduciary duty and the general mitigations related to our duties to you, as described above.

The fees due under the Agreement are based on hourly fees of Piper Sandler's personnel, with the aggregate amount equaling the number of hours worked by such personnel times an agreed-upon hourly billing rate. This form of compensation presents the appearance of a conflict or a potential conflict of interest if the Client and Piper Sandler do not agree on a reasonable maximum amount at the outset of the engagement, because Piper Sandler does not have a financial incentive to recommend alternatives that would result in fewer hours worked. [In addition, contingent-based compensation, i.e. based upon the

successful delivery of the Issue while customary in the municipal securities market, may present the appearance of a conflict or the potential for a conflict because it could create an incentive for Piper Sandler to recommend unnecessary financings or financings that are disadvantageous to the Client.] This conflict of interest is mitigated by our duty of care and fiduciary duty and general mitigations related to our duties to you, as described above.

Transactions in Client's Securities. As a municipal advisor, Piper Sandler cannot act as an underwriter in connection with the same issue of bonds for which Piper Sandler is acting as a municipal advisor. From time to time, Piper Sandler or its affiliates may submit orders for and acquire your securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own trading account or for the accounts of its customers. Again, while we do not believe that this activity creates a material conflict of interest, we note that to mitigate any perception of conflict and to fulfill Piper Sandler's regulatory duties to the Client, Piper Sandler's activities are engaged in on customary terms through units of Piper Sandler that operate independently from Piper Sandler's municipal advisory business, thereby eliminating the likelihood that such investment activities would have an impact on the services provided by Piper Sandler to you under the Agreement.

(B) **Disclosures of Information Regarding Legal Events and Disciplinary History.** The Rule requires that all municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to a client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. Accordingly, Piper Sandler sets out below required disclosures and related information in connection with such disclosures.

- I. **Material Legal or Disciplinary Event.** There are no legal or disciplinary events that are material to the Client's evaluation of Piper Sandler or the integrity of Piper Sandler's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.
- II. **Most Recent Change in Legal or Disciplinary Event Disclosure.** Piper Sandler has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

(C) **How to Access Form MA and Form MA-I Filings.** Piper Sandler's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <http://www.sec.gov/edgar/searchedgar/companysearch.html>. The Form MA and the Form MA-I include information regarding legal events and disciplinary history about municipal advisor firms and their personnel, including information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Piper Sandler in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Piper Sandler on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Piper Sandler's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Piper Sandler's CRD number is 665.

(D) **Future Supplemental Disclosures.** As required by the Rule, this Section 5 may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Piper Sandler. Piper Sandler will provide you with any such supplement or amendment as it becomes available throughout the term of the Agreement.