

## **RHODE ISLAND TURNPIKE AND BRIDGE AUTHORITY**

### **INVITATION TO BID**

### **FINANCIAL ADVISORY SERVICES**

### **CONTRACT 11-11**

Sealed bids, in triplicate, plainly marked, "Sealed Bid – FINANCIAL ADVISORY SERVICES" will be received until **1:00 PM on December 28, 2011**, at the Office of the Executive Director of the Rhode Island Turnpike and Bridge Authority in the Administrative Building Toll Plaza, 1 East Shore Road Jamestown, Rhode Island 02835. Bids will be opened publicly at 1:00 P.M. Bids must be received by RITBA no later than 1:00 pm on December 28<sup>th</sup>.

Copies of specifications may be obtained at the above office or via e-mail on or after Wednesday, **November 30, 2011**, between the hours of 8:30 AM and 4:00 PM, EST.

No bid may be withdrawn for a period of sixty (60) days subsequent to the opening thereof without written permission of the Executive Director. All bids may be withdrawn upon written request prior to bid opening.

RITBA reserves the right to reject any or all bids, waive any informality in the bidding or accept the bid deemed to be in the best interests of the Authority.

#### PURPOSE

The Rhode Island Turnpike and Bridge Authority is seeking bids for Financial Advisory Services at the Rhode Island Turnpike and Bridge Authority facility in Jamestown, Rhode Island. **The contract is for a two-year period with a mutual option for 2 additional one-year extensions (2+1+1).** Responses will be considered bid as such.

#### CONTACT PERSON

For further information: Buddy Croft, Executive Director  
Telephone: (401) 423-0800

Buddy Croft  
Executive Director, RITBA

## FINANCIAL ADVISORY SERVICES

### CONTRACT 11-11

#### GENERAL TERMS AND CONDITIONS

1. RECEIPT AND OPENING OF BIDS:

Sealed bids will be accepted and time stamped upon receipt in the office of the RITBA Executive Director, 1 East Shore Road, Jamestown, RI until the time indicated on the attached Invitation for Bids, for the commodity, equipment or services listed in the Specifications and will be publicly opened and read in the Office of the Executive Director.

2. FORM OF BIDS:

Bids shall be submitted on the forms provided in accordance with instructions given in the specifications below.

3. SUBMISSION OF BIDS:

- a. Envelopes containing bids must be sealed and addressed to the Executive Director of the Rhode Island Turnpike and Bridge Authority at One East Shore road, Jamestown, RI and marked with the name and address of the bidder date and hour of opening and the name of the item in the bid call.
- b. Bids will be accepted until 1:00 pm, **December 28 , 2011**. No bid received thereafter will be considered.
- c. A bidder may withdraw his bid by written request at any time prior to the advertised time for bid opening. E-mailed bids, amendments or withdrawals will not be accepted.
- d. Unless otherwise specified, no bid may be withdrawn for a period of sixty (60) days from time of bid opening.
- e. Negligence on the part of the bidder in preparing the bid confers no rights for the withdrawal of the bid after it has been opened.
- f. Bids received prior to the time of opening will be securely kept, unopened. No responsibility will be attached to an officer or person for the premature opening of a bid not properly addressed and identified.
- g. Any deviation from the Specification must be noted in writing and attached as part of the bid. The bidder shall indicate the item or part with the deviation and indicate how the bid will deviate from the Specifications.
- h. IRS Form W-9, must be completed and submitted with the bid if the bidder falls under IRS requirements to file this form.

4. RHODE ISLAND SALES TAX:

The Rhode Island Turnpike and Bridge Authority is exempt (RITBA tax exempt # 984) from the payment of Rhode Island Sales Tax under the 1956 General Laws of the State of Rhode Island, 44-18-30, Paragraph I, as amended.

5. FEDERAL EXCISE TAX:

The Authority is exempt from the payment of any excise tax or Federal Transportation taxes. The prices proposed must be exclusive of taxes and will be so construed.

## **FINANCIAL ADVISORY SERVICES**

### **CONTRACT 11-11**

#### **INTRODUCTION:**

Rhode Island turnpike & Bridge Authority (RITBA) is seeking proposals from “qualified” companies that can provide financial advisory services. The information provided must demonstrate to the RITBA that the firms would be “qualified” and competent to provide the services requested. To be considered “qualified”, firms must demonstrate the skills and experience necessary to provide, at a minimum, the services listed in this Request for Proposal. Services shall be undertaken in a manner consistent with the prevailing accepted standards for similar services with respect to projects of comparable function and complexity and with the applicable laws and regulations published and in effect at the time of performance of the services.

The Authority is soliciting proposals from qualified Financial Advisory firms to assist the Authority in connection with the issuance of Revenue Bonds to (a) finance capital expenditures of approximately \$68,000,000 as well as other project work from time to time that may be related to other activities within the organization that will have an impact on the financial profile of the Authority. The firm will be chosen based on the experience of the individuals with whom the Authority will work, and the demonstrated ability of the firm to carry out the Proposed Plan of Finance.

#### **SCOPE OF WORK**

The scope of services to be provided to the Authority by the financial advisor will be solely at the direction of the Authority and will include, but not be limited to, the following:

##### **General Advisory Services**

1. Assist the Authority in assessing capital planning needs, including assisting in the drafting of any potential Requests for Proposals related to traffic and revenue studies.
2. Be available to attend any staff, Board, and legislative meetings concerning capital planning, toll and revenue studies, issuance of revenue bonds. Meet on a regular basis with the CFO, Executive Director, or any designee to review status of projects, assess progress and plan activities for future.
3. Assist in drafting and review legislation regarding matters related to debt or financing.
4. Monitor market developments, financing techniques and products as well as evaluate their impact on any plan of finance.
5. Monitor rating agency actions and policies, provide ongoing communication and support to the RITBA in its relationships with rating agencies.
6. Monitor industry research reports events, trends, and initiatives.

### **Project-based Services**

1. Provide financial analyses of potential Authority projects based on traffic and revenue projections and civil engineering reports prepared by others.
2. Provide debt capacity analyses. Create, update, maintain, use and improve a Capital Planning Model for the Authority.
3. Provide quantitative analysis to the RITBA with respect to projected debt service schedules, budget proposals, legislation and structure alternatives. Perform analyses and make recommendations on credit enhancement options, feasibility of various financial products and bond financing.
4. Provide recommendations on the marketing of bonds; methods for enhancing the RITBA's credit rating; advice on bond covenants, pledge of revenues, flow of funds, debt service coverage requirements; municipal bond market trends and timing of bond issues.
5. Provide advice to the Financing team with respect to market conditions and structure. Provide advice and assistance on the requirements of various financing structures, the principal amount of bonds to be sold, maturity schedules, call and put features, premiums, basis of awarding bids, and type of sales.
6. Assist in the preparation of official statements and related documents for each bond sale; coordinate printing, electronic posting and mailing of these documents.
7. Advise RITBA Board, Executive Director, and CFO on its correspondence with rating agencies. Prepare and submit documents and assist in presentations to rating agencies. Prepare, RITBA Board, Executive Director, CFO and any other staff and consultants for presentations to rating agencies.
8. Assist in writing, issuing, soliciting, and evaluating requests for proposals (RFP's) for underwriting services scheduling and managing any interview process; assist in preparing recommendations on retention of underwriters and underwriting teams. Assist CFO in managing communications with and monitoring performance of the RITBA's approved bond underwriting firms.
9. Assist CFO in drafting and formulating RFP's for required participants in transactions including but not limited to bond counsel, printer, verification agent, trustee, and assist in the analysis of responses.
10. Assist CFO in the solicitation and evaluation of bids for credit enhancement products; assist in the response to investor inquiries.
11. Recommend retention, designation and liability procedures for each bond sale; assist CFO in recommendations and negotiations of underwriter fees and other compensation; assist in allocations and allotments, create final report of the bond sale statistics, provide similar services for other types of financing structures that RITBA might undertake.
12. Participate in document review sessions and other working group meetings.

13. Provide assistance in the review and analysis of the pricing process and appropriate interest rates for the bonds and recommend the award to the underwriters.
14. Assist in the coordination of the closing process with Bond Counsel.
15. Provide advice, evaluations, and recommendations of products for management and optimization of interest income on RITBA financial assets. Assist in the preparation of solicitation of bids, evaluation of said bids, and recommendations on short- and long-term investment of bond proceeds, construction fund management, repurchase and other investment agreements to be presented to the RITBA Board and Executive Director.
16. Provide all other services usually necessary and required of a full service financial advisor, whether or not specifically outlined in the Scope of Services.

### **QUALIFIED APPLICANTS**

Applicants should demonstrate excellence in the area of Financial Advisory Services. The applicants should also demonstrate experience and longevity in the industry. Applicants should also demonstrate experience with similar-sized organizations as the Authority.

### **SUBMISSION OF BID**

#### SUBMISSION REQUIREMENTS:

Parties interested in submitting their response to this Request for Qualifications should include the following information:

- a) A cover letter stating your reasons for your interest in the position.
- b) Current resume for the organization
- c) Comment on your ability to provide these services
- d) Comment on availability
- e) Include pricing for each element of the contract : start-up, assessment, implementation, and additional services as well as maintenance pricing for the additional years of the contract
- f) Include four references.

#### INTERVIEWS:

If selected, interviews will be held on Thursday, January 12, 2012.

### **EVALUATION AND SELECTION**

- |    |   |                    |
|----|---|--------------------|
| 1. | <b>General Qualifications &amp; Experience</b>      | <b>(75) points</b> |
|    | a. Appropriateness of staff vitae / Account Manager | (50) points        |
|    | b. Vendor's capability, capacity and qualifications | (25) points        |

2. **Proposed Fee** **(25) points**

Notwithstanding the above RITBA reserves the right to accept or reject any or all offers, and to act in its best interest. RITBA also reserves the right to make one or more awards as a result of this solicitation and to act in its own best interest.

The contract is for a two-year period with a mutual option for 2 additional one-year extensions (2+1+1).

**Please address any questions regarding this offering to Ms. Nancy Parrillo in writing or by e-mail ([nparrillo@ritba.org](mailto:nparrillo@ritba.org)) and follow up with a telephone call at (401) 423-0800.**

Please submit your quotation to:

Rhode Island Turnpike and Bridge Authority  
Buddy Croft  
Executive Director  
P.O. Box 437, Jamestown, Rhode Island 02835  
P. (401) 423-0800; F. (401) 423-0830

Via UPS or FedEx:

Rhode Island Turnpike and Bridge Authority  
Buddy Croft  
Executive Director  
One East Shore Road  
Jamestown, Rhode Island 02835  
P. (401) 423-0800; F. (401) 423-0830

The Authority reserves the right to reject any or all bids.

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Company

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Authorized signature Title

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Date



**FINANCIAL ADVISORY AGREEMENT**

This Financial Advisory Agreement (the "Agreement") is made and entered into by and between Rhode Island Turnpike and Bridge Authority ("Issuer") and First Southwest Company ("FSC") effective as of the date executed by the Issuer as set forth on the signature page hereof.

**WITNESSETH:**

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, Issuer desires to retain an independent financial advisor; and

WHEREAS, the Issuer desires to obtain the professional services of FSC to advise the Issuer regarding the issuance and sale of certain evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective; and

WHEREAS, FSC is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by Issuer during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and FSC, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

**SECTION I  
DESCRIPTION OF SERVICES**

Upon the request of an authorized representative of the Issuer, FSC agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay to FSC the compensation as provided in Section V hereof.

- A. Financial Planning. At the direction of Issuer, FSC shall:
  - 1. Survey and Analysis. Conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service any Debt Instruments contemplated. This

survey will include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration.

2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.

3. Recommendations for Debt Instruments. On the basis of the information developed by the survey described above, and other information and experience available, submit to the Issuer recommendations regarding the Debt Instruments under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Debt Instruments to be sold on terms which are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.

4. Market Information. Advise the Issuer of our interpretation of current bond market conditions, other related forthcoming bond issues and general information, with economic data, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a favorable time.

5. Elections. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, FSC will assist in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to a firm of municipal bond attorneys ("Bond Counsel") retained by the Issuer.

B. Debt Management and Financial Implementation. At the direction of Issuer, FSC shall:

1. Method of Sale. Evaluate the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

a. If the Debt Instruments are to be sold by an advertised competitive sale, FSC will:

(1) Supervise the sale of the Debt Instruments, reserving the right, alone or in conjunction with others, to submit a bid for any Debt Instruments issued under this Agreement which the Issuer advertises for competitive bids; however, in keeping with the provisions of Rule G-23 of the Municipal Securities Rulemaking Board, FSC will request and obtain written consent to bid prior to submitting a bid, in any instance wherein FSC elects to bid, for any installment of such Debt Instruments;

(2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids;

(3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and

(4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.

b. If the Debt Instruments are to be sold by negotiated sale, FSC will:

(1) Recommend for Issuer's final approval and acceptance one or more investment banking firms as managers of an underwriting syndicate for the purpose of negotiating the purchase of the Debt Instruments.

(2) Cooperate with and assist any selected managing underwriter and their counsel in connection with their efforts to prepare any Official Statement or Offering Memorandum. FSC will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters agreement and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriters, but shall not be or become an obligation of FSC, except to the extent specifically provided

otherwise in this Agreement or assumed in writing by FSC.

(3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any such, and provide a cost comparison, for both expenses and interest which are suggested by the underwriters, to the then current market.

(4) Advise the Issuer as to the fairness of the price offered by the underwriters.

2. Offering Documents. Coordinate the preparation of the notice of sale and bidding instructions, official statement, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, FSC shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute by mail or, where appropriate, by electronic delivery, sets of the same to prospective purchasers of the Debt Instruments. Also, FSC shall provide copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.

3. Credit Ratings. Make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, FSC will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be finally approved or directed by the Issuer.

4. Trustee, Paying Agent, Registrar. Upon request, counsel with the Issuer in the selection of a Trustee and/or Paying Agent/Registrar for the Debt Instruments, and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.

5. Financial Publications. When appropriate, advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.

6. Consultants. After consulting with and receiving directions from the Issuer, arrange for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Debt Instruments.

7. Auditors. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required, make arrangements for such services.
8. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested at all times when FSC may be of assistance or service and the subject of financing is to be discussed.
9. Printing. To the extent authorized by the Issuer, coordinate all work incident to printing of the offering documents and the Debt Instruments.
10. Bond Counsel. Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments.
11. Changes in Laws. Provide to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which FSC becomes aware in the ordinary course of its business, it being understood that FSC does not and may not act as an attorney for, or provide legal advice or services to, the Issuer.
12. Delivery of Debt Instruments. As soon as a bid for the Debt Instruments is accepted by the Issuer, coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible and assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.
13. Debt Service Schedule; Authorizing Resolution. After the closing of the sale and delivery of the Debt Instruments, deliver to the Issuer a schedule of annual debt service requirements for the Debt Instruments and, in coordination with Bond Counsel, assure that the paying agent/registrars and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

## **SECTION II OTHER AVAILABLE SERVICES**

In addition to the services set forth and described in Section I herein above, FSC agrees to make available to Issuer the following services, when so requested by the Issuer and subject to the agreement by Issuer and FSC regarding the compensation, if any, to be paid for such services, it being understood and agreed that the services set forth in this Section II shall require further agreement as to the compensation to be

received by FSC for such services:

1. Investment of Funds. From time to time, as an incident to the other services provided hereunder as financial advisor, FSC may purchase such investments as may be directed and authorized by Issuer to be purchased, it being understood that FSC will be compensated in the normal and customary manner for each such transaction. In any instance wherein FSC may become entitled to receive fees or other compensation in any form from a third party with respect to these investment activities on behalf of Issuer, we will disclose to Issuer the nature and, to the extent such is known, the amount of any such compensation so that Issuer may consider the information in making its investment decision. It is understood and agreed that FSC is a duly licensed broker/dealer and is affiliated with First Southwest Asset Management, Inc. ("FSAMI"), a duly registered investment advisor. Issuer may, from time to time, utilize the broker/dealer services of FSC and/or the investment advisory services of FSAMI with respect to matters which do not involve or affect the financial advisory services referenced in this Agreement. The terms and conditions of the engagement of FSC and/or FSAMI to provide such services shall be determined by mutual agreement at the time such services are requested.
2. Exercising Calls and Refunding. Provide advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.
3. Capital Improvements Programs. Provide advice and assistance in the development of any capital improvements programs of the Issuer.
4. Long-Range Planning. Provide advice and assistance in the development of other long-range financing plans of the Issuer.
5. Post-Sale Services. Subsequent to the sale and delivery of Debt Instruments, review the transaction and transaction documentation with legal counsel for the Issuer, Bond Counsel, auditors and other experts and consultants retained by the Issuer and assist in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters.

### SECTION III TERM OF AGREEMENT

This Agreement shall become effective as of the date executed by the Issuer as set forth on the signature page hereof and, unless terminated by either party pursuant to Section IV of this Agreement, shall remain in effect thereafter for a period of five (5) years from such date. Unless FSC or Issuer shall notify the other party

in writing at least thirty (30) days in advance of the applicable anniversary date that this Agreement will not be renewed, this Agreement will be automatically renewed on the fifth anniversary of the date hereof for an additional one (1) year period and thereafter will be automatically renewed on each anniversary date for successive one (1) year periods.

#### **SECTION IV TERMINATION**

This Agreement may be terminated with or without cause by the Issuer or FSC 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. In the event of such termination, it is understood and agreed that only the amounts due FSC for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

#### **SECTION V COMPENSATION AND EXPENSE REIMBURSEMENT**

The fees due to FSC for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt Instruments during the term of this Agreement shall be calculated in accordance with the schedule set forth on Appendix A attached hereto. Unless specifically provided otherwise on Appendix A or in a separate written agreement between Issuer and FSC, such fees, together with any other fees as may have been mutually agreed upon and all expenses for which FSC is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.

#### **SECTION VI MISCELLANEOUS**

1. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Rhode Island.
2. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and FSC, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.
3. Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications

concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

**FIRST SOUTHWEST COMPANY**

By:   
Maureen E. Gurchigian, Managing Director

**RHODE ISLAND TURNPIKE AND  
BRIDGE AUTHORITY**

By:   
Title: Chairman  
Dated as of: July 1, 2012

**APPENDIX A**

*The RITBA fee schedule for the Fiscal Years ending June 30, 2013 and 2014 are as follows:*

<b>Assignment</b>	<b>Compensation</b>
General Financial Advisory Services	To be determined annually depending upon activity and scope of services
Activities related to Traffic and Revenue Study RFP, or similar RFP	Flat Fee of \$25,000 plus out of pocket expenses for up to 150 billing hours. Amounts in excess to be billed at an hourly rate of \$225.00/hour. May be paid at closing of bond issue.
Financial Advisory Services related to a New Money Bond Issue	\$1.00 per \$1,000 for the first \$50,000,000 issued, plus \$0.75 per \$1,000 par amount of Bonds thereafter
Financial Advisory Services related to the refunding or restructuring of an Existing Bond Issue	\$1.00 per \$1,000 for the first \$50,000,000 issued, plus \$0.90 per \$1,000 par amount of Bonds thereafter
Services related to investment of bond proceeds	To be determined based upon scope of services and in accordance with IRS regulations

*For the term of this Agreement, the bond issue fees due FirstSouthwest will not exceed those contained in our customary fee schedule as listed below.*

<i>\$9,000</i>	<i>for the first</i>	<i>\$ 1,000,000</i>	<i>of bonds issued</i>
<i>plus \$ 4.00 per \$1,000</i>	<i>for the next</i>	<i>\$ 4,000,000</i>	<i>of bonds issued</i>
<i>plus \$ 2.00 per \$1,000</i>	<i>for the next</i>	<i>\$ 5,000,000</i>	<i>of bonds issued</i>
<i>plus \$ 1.00 per \$1,000</i>	<i>for the next</i>	<i>\$ 40,000,000</i>	<i>of bonds issued</i>
<i>plus \$ .75 per \$1,000</i>	<i>thereafter</i>		

*The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or state government agency or for the issuance of revenue bonds or refunding bonds, reflecting the additional services required.*

In addition, Related Services, such as Swap Advisory Services, to be provided on a per project basis at such fee as may be agreed upon in advance by the Issuer and FirstSouthwest.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specific direction of the Issuer.

*The payment of charges for financial advisory services described in Section I of the foregoing Agreement shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered. The payment of charges for services described in Section II of the foregoing Agreement shall be due and payable in accordance with the mutual agreement therefor between FirstSouthwest and Issuer.*

The Issuer shall be responsible for the following expenses, if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by FirstSouthwest as reimbursable expenses:

Bond counsel  
Bond printing  
Bond ratings  
Computer structuring  
Credit enhancement  
CPA fees for refunding  
Official statement preparation and printing  
Paying agent/registrar/trustee  
Travel expenses  
Underwriter and underwriters counsel  
Miscellaneous, including copy, delivery, and phone charges

*The payment of reimbursable expenses that FirstSouthwest has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by FirstSouthwest.*