

## MUNICIPAL ADVISOR SERVICES AGREEMENT

THIS AGREEMENT entered into as of the date hereinafter written by and between KIDWELL & COMPANY INC., a Tennessee corporation authorized to do business in Tennessee and Georgia, with offices located in Nashville, Tennessee (hereinafter referred to as the "Company"), and the CITY OF CROSSVILLE, TENNESSEE, a State of Tennessee public body (hereinafter referred to as the "Client").

Whereas, the Client desires to employ a municipal advisor for the purposes of providing municipal advisory services in connection with the general business activities of the Client; and

Whereas, the Company has demonstrated experience in providing municipal advisory services and has experience in successfully executing services in association with the type of advisory services contemplated herein; and

Whereas, Company municipal advisory services may include, but not be limited to, managerial, operational, financial, credit, transactional, or other activities to benefit the overall success of the Client in providing services to its customers;

Whereas, the Client acknowledges that the Company has, and will, devote considerable amounts of time and energy in pursuit of Company Duties for the Client.

NOW, THEREFORE, in consideration of the fees to be paid by the Client to the Company and the mutual covenants herein contained, the parties agree as follows:


- (a) **Company Duties:** Company agrees to use its best efforts to provide municipal advisor services for the Client for the purposes, or purposes, set forth herein. Company duties shall include, but not be limited to, the following:
  - 1) providing management advisory services to assist governance, management, and staff to implement strategic managerial, operational, financial, credit, transactional, or other related initiatives to promote the value of the business enterprise and capability to efficiently serve customers or stakeholders;
  - 2) developing approaches and methodologies (the "Processes") to implement and conduct due diligence;
  - 3) conducting analysis of facts and circumstances resulting from discovery in due diligence processes;
  - 4) researching, evaluating, and promoting initiatives to enhance the condition and value of the business enterprise;
  - 5) assisting in the structure and implementation of initiatives designed to strengthen the underlying credit position of the Client;
  - 6) assisting in the development and implementation of policies and plans to provide for the more efficient operations and to comply existing rules and regulations; and
  - 7) providing transaction management services to structure, market, procure, or deploy capital through debt and investment funding mechanisms and to manage associated competitive processes;
- (b) **COMPENSATION:** Client agrees it shall pay to Company:
  - 1) A fee equal to one percent (1.00%) of the amount of municipal securities which Company provides MA Services leading to the closing of transactions valued, acquired, or divested by the City to private or public entities, or funded by lenders, banks, broker dealers, bank dealers, or any other providers of credit or debt funding. In the event Company provides MA Services for quotes that do not lead to Company funding of transactions no fee will be assessed by Company. The fee shall not be inclusive of other costs of debt issuance. City agrees that Company shall review any and all financial or funding transactions contemplated by City.
  - 2) Payment of the fees shall be due and payable upon (i) the closing of financial transactions; or (ii) at such time as it has become apparent to the Company that the City has abandoned its efforts to close transactions, in the absence of the mutual consent of Company, after the bond resolution for such transactions has been approved by the governing body of the City.
- (c) **TERM & EXCLUSIVITY:** The term of this Agreement shall commence upon the execution hereof and the Company shall have the exclusive right to perform the services contemplated by this Agreement for a period of 36 months from the date hereof. Notwithstanding the foregoing, the Client shall have the right to terminate this Agreement at any time for cause if the Company engages in illegal activities or activities deemed to damage the good standing of the Client. The Company shall have the right to withdraw from its representation of Client or terminate this Agreement upon provision of written notice of termination to the Client ninety (90) days prior to the effective date of termination, subject to any fiduciary duty or duty of care which may require us to continue to represent the client until an appropriate replacement is identified. If written termination of this Agreement is not tendered by either party 180 days prior to the end of its term the Agreement will automatically renew as per the original terms of this Agreement.

- (d) **ROLE AS ADVISOR:** Client agrees that Company while performing transaction management and execution services shall be its advisor for the purpose of obtaining the financing(s) contemplated herein and Company shall manage competitive processes in the development of recommendations pertaining to the selection of all transaction participants. In its capacity to provide advisor other Company duties, Company shall provide those services at the request of Client as set forth in Exhibit A attached hereto and incorporated herein by reference ("Services"). Company's engagement shall hereby be expressly limited to the Services unless otherwise agreed to by the parties in writing.
- (e) **CONFLICTS OF INTEREST:** The fees to be paid by the Client to Kidwell & Company are [partially] contingent on the successful closing of the transaction. Although this form of compensation may be customary, it presents a conflict because Kidwell & Company may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the Client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, Kidwell & Company may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Kidwell & Company manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entities such as the Client which require it to put the interests of the Client ahead of its own.
- (f) **LEGAL OR DISCIPLINARY EVENTS:** Kidwell & Company is registered as a "municipal advisor" pursuant to Section I 5B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). As part of this registration Kidwell & Company is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Kidwell & Company. Pursuant to MSRB Rule G-42, Kidwell & Company is required to disclose any legal or disciplinary event that is material to the Client's evaluation of Kidwell & Company or the integrity of its management or advisory personnel. Kidwell & Company has determined that no such event exists. Copies of Kidwell & Company filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Kidwell & Co. or for our CIK number which is 0001609529.
- (g) **AGREEMENT TO PROVIDE INFORMATION:** The Client agrees to provide Company with factual information as shall be deemed necessary by Company for the performance of Services, which shall include the provision of accurate financial statements, budgets, and other relevant documents. Such information shall be accurate in all material respects and shall not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the information not misleading. The accuracy of such information shall be conclusively relied upon by Company and Company shall be under no obligation to conduct an independent review of any information or documentation provided to it by the Client. Company agrees to keep and protect such information and data confidential to the extent specifically requested by Client and to the extent permitted by applicable law.
- (h) **FEASIBILITY STUDY RELIANCE:** In the event that Client obtains a feasibility study relative to any project or prospective financing and desires to utilize such study in connection with any such project or financing, Client shall provide such study to Company. Client acknowledges and agrees that to the extent that Services shall be provided based upon any such feasibility study or related to the contents of any such feasibility study that Company shall not provide any Services relative to the validity or accuracy of any such study and shall be authorized by Client to conclusively rely upon the contents and conclusions of any such feasibility as well as any assumptions upon which any such feasibility study was based.

- (i) **FIDUCIARY DUTY:** Company shall provide municipal advisory services for the Client in compliance with all applicable laws, rules and regulations.
- j) **INDEMNIFICATION OF CLIENT:** The Company hereby agrees to indemnify the Client and hold it harmless against any loss, liability, assessment, or expense incurred or assessed which arises out of the Company's provision of Services, except to the extent that such liability results from the Client's own bad faith, willful misconduct, gross negligence or breach of the terms of this Agreement.
- (k) **INDEMNIFICATION OF COMPANY:** The Client hereby agrees to indemnify the Company and hold it harmless against any loss, liability, assessment, or expense incurred or assessed which arises out of or is in connection with information or documents produced by the Client and relied upon by the Company or purchasers of the securities, or which arises out of or is in connection with the Client's intentional omission of material information to the extent that such omission is relied upon by the Company or purchasers of the securities, except to the extent that such liability results from Company's own bad faith, willful misconduct, gross negligence or breach of the terms of this Agreement.
- (l) **ASSIGNABILITY:** Client provides that this Agreement takes precedence over any existing agreement(s) with any firm providing Company Duties. In the event the Client shall acquire, merge, consolidate, or align business interests with any other provider of [[water, sewer, electric, natural gas, or other provider of essential/enterprise services ("Essential/Enterprise Services") incorporating the Service Area]] the Client shall cause for any other agreement entered into by another entity with another firm providing Company Duties to be terminated and the full force and measure of this Agreement shall be effected in whole in application and under existing terms to the surviving entity or association.
- (m) **ENTIRE UNDERSTANDING:** This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understands relating to the subject matter hereof. No representation, promise, inducement, or statement of intention has been made by either party which is not embodied in this Agreement, and neither party shall be bound or be liable for alleged representation, promise, inducement or statement of intention not embodied herein.
- (n) **CONSTRUCTION:** This agreement shall be construed and enforced in accordance to the laws of the State of Tennessee.
- (o) **ATTORNEY'S FEES:** In the event of litigation arising out of this Agreement, the prevailing party shall be entitled to recover, in addition to the relief granted, all costs incurred including a reasonable attorney's fee.
- (p) **EXCLUSIVE FORUM:** The parties agree that the courts of the general jurisdiction of Cumberland County, State of Tennessee, and the appropriate appellate courts shall have exclusive jurisdiction for the resolution of any and all disputes arising under or relating to this Agreement.
- (q) **MATERIAL CHANGES OR ADDITIONS:** Kidwell & Company agrees to promptly amend or supplement this Agreement to reflect any material changes or additions to this Agreement including any updates to our disclosures regarding conflicts of interest.

IN WITNESS WHEREOF, the parties have executed this contract, this 10<sup>th</sup> day of November 2021.

**KIDWELL & COMPANY INC.**

  
BY: Larry Wayne Kidwell  
TITLE: President  
DATE: November 10, 2021

**CITY OF CROSSVILLE, TN**

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BY: James Mayberry  
TITLE: Mayor  
DATE: November 10, 2021

## EXHIBIT A

1. **MANAGEMENT ADVISORY SERVICES.** Company will provide customized and proprietary approaches and methodologies ("Processes") to provide for sufficient basis of fact data from which to draw conclusions to provide strategic recommendations and advice to assist the efforts of governance, management, and staff to implement managerial, operational, financial, credit, transactional, or other related initiatives to promote the value of Client business enterprise and capability to more efficiently, and effectively, serve rate payers and stakeholders.
2. **DUE DILIGENCE PROCESSES.** Company will develop Processes for approval by Client to conduct comprehensive operational, financial, credit, transactional, or strategic initiatives due diligence designed produce the discovery of fact data necessary and fundamental to ability to operate the business enterprise in an efficient, competitive, and transparent manners so as to provide the highest levels of customer service at the lowest possible cost.
3. **RESEARCH AND ANALYSIS.** Company will analyze and evaluate fact data derived through due diligence processes to include: historical and proforma financial statement analysis; comparative benchmarking and ratio analysis of Client and other same service providers; market and economic analysis; demographic and geographic analysis; operational and financial analysis; capital formation and deployment analysis; debt structure and credit management analysis; enterprise structural and organizational analysis; acquisition and divestiture analysis; comparative peer group and industry position analysis; risk and audit management analysis; enterprise valuation analysis; feasibility and rate study analysis; public strategies analysis; and such other services as Client may from time to time desire to be performed by an Certified Independent Public Municipal Advisor ("CIPMA®).
4. **POLICY AND PLAN DEVELOPMENT.** Company will work with governance, management, and staff to develop at a minimum stated capital improvement policies and plan; retained earnings policies and plan; comprehensive debt management policies and plan; stated investment policies and plan; and post-issuance compliance policies and plan. Company will assist governance, management, and staff to implement such policies so as to provide opportunity to maximize strength of operating, financial, and credit strength and position. All policies developed for the Authority shall incorporate best practices standards of the Government Finance Officers Association ("GFOA").
5. **CREDIT RATING SERVICES.** Company shall use its best efforts in obtaining the highest possible underlying and securities ratings for Client. Company will analyze the over-all credit conditions of the Client including the probable impact of any potential financing plan on the credit rating of the Client. Company will assist Client official(s) prepare for the rating interview with rating agency personnel, which may occur at the office(s) of the rating agency(ies). Company will meet or engage in discussions with municipal rating agencies to review the Client's economic and financial condition and financing plans. Company will distribute all documents and information to the rating agency(ies) as shall be deemed necessary for the procurement of a rating.
6. **ECONOMIC DEVELOPMENT SERVICES.** Company shall work with governance and staff to prepare a comprehensive finance policy subject to due diligence that ensures policy represents the goals, objectives, priorities, and risk tolerance standards of issuer clients. The policy addresses issues related to borrower credit strength; economic impact targets; credit underwriting; application review and consideration; policy waivers and exceptions; compliance; credit standing of borrowers; and equity requirements, among other considerations. Upon adoption of finance policy, the firm assists to update any existing bond financing information or prepare new program information which reflects all significant components of adopted policy. Upon the adoption of finance policy the firm works with issuers/borrowers to update or create program information and applications; application submittal process; develop transaction schedules, coordinate pre-closing and closing activities; bond restructuring or refunding initiatives; if requested provide ongoing surveillance to monitor borrower compliance with program finance policy; and if requested serve as a resource to potential borrowers to keep issuer governance and staff up to date with respect to federal or state public finance and economic development issues.
7. **TRANSACTION MANAGEMENT.** Company will assist to structure, market, and procure debt and investment funding alternatives from prospective investors, lenders, underwriter's, purchasers, or other financial markets providers and to manage associated competitive processes and selection of transaction participants. Company will develop plans of finance and refinance that include recommendations with respect to the structure, terms, timing, method of sale, interest rate modes, redemption provisions, utilization of credit enhancement, effectuation of plans and policies, evaluation of feasibility, and other such matters as are incident to the issuance of municipal securities, or other financial products, which are suitable. Company will structure all transaction subject to the approval of the Client and designed to produce the lowest possible total principal and interest requirements for Client. Company shall prepare all necessary bidding documents and offering materials with reliance upon the information and documentation provided by the Client. Company, will obtain Client approval to proceed with transaction pricing, work with transaction participants to coordinate the award of bonds, or execution of bond purchase agreements, assist with the development of closing documents, coordinate the pre-closing and closing activities, and funding of debt or investment transactions.
8. **OFFICIAL STATEMENT.** Company will work with Disclosure Counsel in the development of the Preliminary and Final Official Statement (collectively the "Official Statement") to be used in conjunction with the sale of Securities. In order to assist the Authority in fulfilling its disclosure obligations, Company will assist disclosure counsel to prepare the Official Statement in a form consistent with the Government Finance Officers Association's disclosure Guidelines. In preparing the Official Statement, Company will assist disclosure counsel to collect, research, develop and compile data for use therein, and may rely upon documents and information provided by the Authority for the provision of the services referenced herein.