

Municipal Advisory Agreement

William Logan
Director of Finance
City of Avon, Ohio

This letter will set forth the terms of the Municipal Advisory Agreement (the “Agreement”) pursuant to which MAS Financial Advisory Services LLC (“MAS FAS”) , Matthew A. Stuczynski, a representative of Provident Municipal Advisors LLC (“Provident”), will serve as the Municipal Advisor to the City of Avon (also referred to herein as “the City” or “the Issuer”). This Agreement is made and entered into this ___th day of _____, 2015, between the City and MAS Financial Advisory Services LLC, Matthew A. Stuczynski as President.

Nature of Engagement – Municipal Advisory Services

1. MAS Financial Advisory Services LLC will provide the following applicable services as outlined in this Agreement to the City of Avon, Ohio;
 - a) MAS Financial Advisory Services LLC will be available to consult with and give advice to the City and its staff in the overall development of capital planning, budgeting and potential financing plans.
 - b) MAS Financial Advisory Services LLC will review various financing alternatives available to the City and make what it believes to be the most suitable recommendation and cost-effective method for the financing based on the facts disclosed.
 - c) MAS Financial Advisory Services LLC will consult with and advise the City in developing a timetable and schedule for appropriate date of sale for any and all sale of Bonds or Notes, giving particular consideration to the calendar of offerings, in order to minimize the conflict with or competition from offerings of similar Ohio securities.
 - d) MAS Financial Advisory Services LLC will prepare a financial plan with elements that include, but are not limited to: maturity schedules, call features, interest payment dates, debt service requirements, financing costs, investment of bond proceeds, contingencies, delivery, and other associated costs.
 - e) MAS Financial Advisory Services LLC will assist in the preparation of a strategy to assess the benefit of obtaining a long term bond rating or short term note rating from one or more rating agency (e.g., Moody’s Investors Service, Standard and Poor’s, Fitch Ratings).

MAS Financial Advisory Services LLC
(A Representative of Provident Municipal Advisor LLC)

- f) MAS Financial Advisory Services LLC will be available to assist, consult with and give advice to the City's designated consultants, Bond counsel, other governmental representatives and agencies, and be available to participate, at all public hearings.
- g) MAS Financial Advisory Services LLC will review the appropriateness of obtaining credit enhancement, and if necessary obtain bids for such and negotiate with providers of such on behalf of the City.
- h) MAS Financial Advisory Services LLC as necessary will compile an Official Statement of quality in content and appearance that will be in compliance with GFOA disclosure guidelines.
- i) MAS Financial Advisory Services LLC when necessary, will assist with the development of an Official Statement.
- j) MAS Financial Advisory Services LLC in the situation when the City proceeds with a competitive bid, will be present when bids are taken and will make a formal recommendation regarding the interest rates and will be prepared to advise on the acceptability of the bids submitted.
- k) MAS Financial Advisory Services LLC will assist in making arrangements for the printing and delivery of the proposed Bonds, and also prepare the final schedules of principal and interest payments computed at the actual interest rate(s).
- l) MAS Financial Advisory Services LLC will work with Finance Director and Economic Development Director evaluating economic development incentives including requests for tax abatement, tax credits and /or City credit enhancement.
- m) MAS Financial Advisory Services LLC will assist with the development of a City Economic Development Incentive Policy, along with the integration of the Incentive Policy into a City Debt Policy.
- n) MAS Financial Advisory Services LLC will advise the City on the merits and risk of lending aid via City credit enhancement to development projects and explore alternative incentive financing.
- o) MAS Financial Advisory Services LLC will assist the City with Special Projects as requested. The current proposed Special Project is the research and analysis of TIF parcels currently enacted and on file with the City of Avon, Ohio Department of Taxation and Lorain County. The assignment is to prepare a summary document recording the TIF District, parcel number, base value and annual updates to value based upon Lorain County's property tax record. This project is anticipated to take 30-60 minutes per tax record to research, record and compile data in a permanent interactive database.

MAS Financial Advisory Services LLC
(A Representative of Provident Municipal Advisor LLC)

2. The City will:
 - a) Make available to the MAS Financial Advisory Services LLC in connection with its performance of services hereunder, at reasonable times as requested by the MAS Financial Advisory Services LLC any information and material pertaining to the City's financing programs as may be appropriate to enable MAS Financial Advisory Services LLC to perform its services hereunder.
 - b) Pay costs related to bond counsel, underwriting, printing and distribution costs associated with an official statement, Ohio Municipal Advisory Council fees, printing of the Bonds, rating agency fees, bond insurance fees, bond registrar/paying agent fees and publication costs for any notices for the Bonds.
3. **Compensation.** **Retainer:** The City agrees to pay MAS Financial Advisory Services a retainer fee of \$12,000 per contract year. There is no reimbursement for out-of-pocket expenses. **Debt Issuance:** Upon delivery of Bond Anticipation Notes (BANs) or Bonds, the City will pay MAS Financial Advisory Services a fee of \$1.75 per 1,000 of proceeds for BANs and \$3.50 per 1,000 of total bond proceeds (par and premium). A minimum fee of \$15,000 is requested per bond issue. For special projects, as an example Item (1.o) above, MAS FAS requests a fee of \$50.00/hour.
4. **Term; Termination of Engagement.** The City and MAS agree that the services contemplated under this Agreement shall commence on June 1, 2015 and extend a period of 12 months from that date through May 31, 2016. It is contemplated by the parties that this Agreement shall renew itself each year on June 1st. This Agreement may be terminated by the CITY or MAS Financial Advisory Services LLC at any time, with or without cause, upon 10 days written notice to the other party. Notwithstanding the expiration or earlier termination of this Agreement, excepting termination by MAS Financial Advisory Services LLC, MAS Financial Advisory Services LLC shall be entitled to receive, and City shall pay, MAS Financial Advisory Services LLC's full fees earned as described in Section 3 hereof, except that the retainer fee shall be prorated to the date of termination.
5. **Regulatory Disclosures.** PROVIDENT is a registered municipal advisor with the Municipal Securities Rulemaking Board (MSRB) and the Securities and Exchange Commission (SEC). PROVIDENT is not subject to any legal or disciplinary event that would be material to the city of Avon's evaluation of PROVIDENT'S integrity or management of its personnel or that has been disclosed by PROVIDENT in its most recent form MA or form MA-I. Information requirements concerning PROVIDENT's registration with the SEC and its forms MA and MA-I can be found at the SEC web site <https://www.sec.gov/edgar/searchedgar/companysearch.html> referencing file number 867-00921.

MAS Financial Advisory Services LLC
(A Representative of Provident Municipal Advisor LLC)

6. **Confidentiality and Use of Information.** The City acknowledges that all opinions and advice (written or oral) given by MAS Financial Advisory Services LLC to City in connection with MAS Financial Advisory Services LLC's engagement hereunder are intended solely for the benefit and use of City and are confidential. MAS Financial Advisory Services LLC recognizes that its relationship with the City is a fiduciary relationship and that the City places its utmost confidence and trust in the advice and recommendations provided to it by MAS Financial Advisory Services LLC. The City agrees that MAS Financial Advisory Services LLC, in performing the services (and in preparing the information memorandum and any presentations) contemplated by this Agreement (i) will use and rely primarily upon information supplied by the City and upon information available from generally recognized public sources without having independently verified the same, (ii) does not assume responsibility for the accuracy or completeness of such information. The City also agrees that it shall be solely responsible for the accuracy and completeness of all descriptive material prepared during this engagement concerning the City and any proposed financing. MAS Financial Advisory Services LLC acknowledges that it is fully bonded or insured against any loss sustained by the City resulting from any acts of misfeasance or nonfeasance by the company or any of its members or employees.

7. **Miscellaneous.** No fee payable to any other financial advisor or finder by the City or any other person or entity in connection with the subject matter hereof shall reduce or otherwise affect any fee payable to MAS Financial Advisory Services LLC hereunder. This Agreement is being executed by MAS Financial Advisory Services LLC in the State of Ohio, and it is understood that MAS Financial Advisory Services LLC will perform its services hereunder in that State. Accordingly, this Agreement and its validity, interpretation, performance and enforcement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Ohio without giving effect to principles of conflicts of laws. This Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and supersedes and cancels any prior communications, understandings, and agreements between the parties hereto. This Agreement cannot be modified or changed, nor can any of its provisions be waived, except by written agreement signed by both parties. This Agreement may not be assigned by either party without the consent of the other party.

8. **Scope of Duties.** The City hereby acknowledges and agrees that (i) it is a sophisticated business enterprise that has retained MAS Financial Advisory Services LLC for the limited purposes set forth in this Agreement and that the rights and obligations of the parties hereto are contractual in nature; and (ii) MAS Financial Advisory Services LLC has not made any warranties or guarantees of any nature as to the economic, financial or other results which may be obtained or experienced by the City as a result of MAS Financial Advisory Services LLC's engagement hereunder.

MAS Financial Advisory Services LLC
(A Representative of Provident Municipal Advisor LLC)

I am delighted to have this opportunity to be of service to you in this important matter, and look forward to a successful partnership.

Sincerely,

Matthew A. Stuczynski
MAS Financial Advisory Services LLC
(A representative of Provident Municipal Advisor LLC)

Agreed to and accepted this ___th day of _____, 2015

William Logan
Director of Finance
City of Avon, Ohio

Bryan K. Jensen
Mayor
City of Avon, Ohio