



MUNICIPAL ADVISOR SERVICES AGREEMENT

THIS MUNICIPAL ADVISOR SERVICES AGREEMENT (the “Agreement”) is entered into as of, February __, 2021 (the “Effective Date”) between the Town of Coventry, Connecticut, (“Issuer”) and Munistat Services, Inc. (“Munistat”) (collectively referred to herein as the “Parties”).

RECITALS

WHEREAS, Munistat is a Municipal Advisory firm specializing in municipal finance and municipal government related matters; and

WHEREAS, the Issuer desires to engage Munistat to provide certain services relative to the issuance of the certain obligations as set forth in **Appendix A** (“Scope of Services”), and Munistat desires to provide services to the Issuer in connection with such Scope of Services.

AGREEMENT

NOW THEREFOR, the Parties agree as follows:

1. Municipal Advisory Services. The Parties hereto agree that Munistat shall provide those services set forth in the Scope of Services, and Munistat’s services as the Issuer’s Municipal Advisor shall be expressly limited to the services noted therein.
2. Term and Termination. This Agreement shall be effective as of the Effective Date and shall remain in effect until the last day of February 2022 (the “Original Termination Date”). Unless one of the Parties notifies the another in writing at least thirty (30) days in advance of the Original Termination Date that this Agreement will not be renewed, this Agreement will be automatically renewed on the Original Termination Date for one (1) year period and thereafter will be automatically renewed on each anniversary date of the Original Termination Date for successive one (1) year periods. In the event of a termination of this Agreement by the Issuer, Munistat reserves that right to assess fees for any prior work performed in accordance with the Fee Schedule set forth in **Appendix B**.
3. Agreement to Provide Information. The Issuer agrees to provide Munistat with factual, not misleading information as shall be required by Munistat in furtherance of the services set forth herein, including financial statements, budgets, and other relevant documents. The Issuer further agrees to not intentionally omit any material information relevant to Munistat’s provision of services. Munistat agrees to promptly amend or supplement this Agreement to reflect any material changes or additions to this Agreement, including material changes to the information provided.
4. Compensation. Munistat shall receive a fee for any services rendered to the Issuer pursuant to this Agreement in accordance with the fee schedule set forth in **Appendix B** attached hereto and incorporated herein by reference.

5. Required Regulatory Disclosures. Munistat is registered as a “Municipal Advisor” pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission (“SEC”) (Registration #867-00429) and the Municipal Securities Rulemaking Board (“MSRB”) (Registration #K0114). As part of this SEC registration Munistat 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 Munistat. Pursuant to MSRB Rule G-42, Munistat is required to disclose any legal or disciplinary event that is material to the Issuer’s evaluation of Munistat or the integrity of its management or advisory personnel. Munistat has determined that no such event exists. Copies of Munistat’s 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 “Munistat Services Inc.” or for our CIK number which is 0001608472.

The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.

6. Governing Law. This Agreement shall be governed by the laws of the State of Connecticut without regard to its choice of law principals. Any suit or legal proceeding brought pursuant to, touching upon, relating to, or otherwise arising out of this Agreement or performance hereunder will be brought solely in the County of New Haven, Connecticut.

7. Disclosure of Conflicts of Interest. The Issuer acknowledges that it has received those disclosures set forth and contained within **Appendix C** attached hereto and incorporated herein by reference. The Issuer further acknowledges that it has been given the opportunity to raise questions and discuss such disclosures with Munistat and that it fully appreciates the nature of such disclosures and any and all conflicts noted therein. The Issuer hereby waives such conflicts and authorizes Munistat to provide services pursuant to this Agreement. From time to time, Munistat may provide additional conflict of interest disclosures to the Issuer as noted in Appendix C. In this regard, Issuer hereby authorizes the Town Manager to acknowledge and/or waive any such additional conflict of interest disclosures of Munistat on behalf of the Issuer.

[Signature page follows]


SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective representatives as of the date first written above.

TOWN OF COVENTRY

MUNISTAT SERVICES, INC.

By: _____

By:  _____

Name: _____

Name: William N. Lindsay _____

Title: _____

Title: Managing Director _____

Date: _____

APPENDIX A

SCOPE OF SERVICES

GENERAL OBLIGATION BONDS AND NOTES:

- Meet with appropriate Issuer Officials to discuss a plan of finance and establish the timeline.
- Preparation of maturity schedules for bond issues which will be acceptable to the Issuer and to bond counsel, in accordance with state statutes. We will offer options regarding term and structure so that the Issuer may make a more informed decision regarding current as well as future budgetary impact.
- We will submit a list to the Issuer of the documents and information necessary to prepare the Official Statement. We then prepare the Official Statement, based on information provided by the Issuer and/or third parties, including Bond Counsel for certain language relating to legal matters. Munistat will make no representation, warranty or guarantee regarding the accuracy of completeness of the information in the Preliminary Official Statement or Official Statement, and its assistance in preparing these documents should not be construed as a representation that it has independently verified such information.
- We distribute Official Statements and Notices of Sale to the investment community through various information repositories and post the documents on either The Bond Buyer, IPREO, MuniOS, or a similar third party distribution platform.
- We will discuss the Issuer's credit strengths and weaknesses to determine a beneficial rating strategy. We will submit requested documents and information to the credit rating agencies and will assist in the preparation and review of a rating outline.
- Since the majority of bond and note issues are issued in book-entry-only form, we coordinate with the Issuer, bond counsel and The Depository Trust Company (DTC) to ensure that the procedure is accomplished smoothly and efficiently.
- For a negotiated sale, in the event the Issuer requires municipal bond insurance, we will assist in obtaining qualification and the analysis of premium costs and its impact on the financing rate.
- For a competitive bond or note sale, we will submit the required information to the CUSIP Service Bureau as required by MSRB rules. For a negotiated bond or note sale, it is typically the responsibility of the underwriter to apply for CUSIPs.
- For a competitive bond sale, we will ensure the publication of the Notice of Sale in accordance with the authorizing resolution or ordinance.

- For competitive bond or note sales, we will coordinate the bid opening process and verify the calculations of the winning bid. For negotiated bond or note sales, we will assist the Issuer in the selection of an underwriter or underwriters, including solicitation and evaluation of proposals in accordance with the Issuer's purchasing requirements; coordinate the pricing negotiations by participating on pricing calls, providing market comparisons and spreads to benchmark scales.
- We coordinate the financial details of the closing with the Issuer, bond counsel, the underwriter, and the bond insurance company (if applicable).
- We coordinate the preparation of the Final Official Statement with the underwriter, bond counsel and, where applicable, the bond insurance company.
- We prepare the final Debt Service Schedules (and, where applicable, the apportionments of such overall Debt Service Schedules into the appropriate funds), and distribute copies of such schedules to the issuer, to the fiscal agent (or DTC) and bond counsel.
- Assist in the evaluation of refunding opportunities on outstanding bond issued based on changes in interest rates.
- Assist the Issuer in securing Paying Agent services for bonds and note issuances.
- In accordance with SEC Rule 15c2-12 and any Continuing Disclosure Agreements executed by the Issuer in connection with the public sale of certain bonds and notes, the Issuer may be obligated to file on-going audited financial information and annual financial and operating data with the Electronic Municipal Market Access System ("EMMA"). When requested, we are available to help the Issuer to ensure compliance with its annual Continuing Disclosure obligations.

APPENDIX B

FEES AND EXPENSES

General Obligation Bond and Bond Anticipation Note Issuances

General Obligation Bond Sales (excludes out-of-pocket expenses)

Public Offerings

New Money Bonds (Competitive Sale)	\$20,000
Refunding Bonds (Competitive or Negotiated Sale)	\$25,000

Direct Placements

New Money or Refunding Bonds	\$10,000
------------------------------	----------

General Obligation Bond Anticipation Note Sales (excludes out-of-pocket expenses)

Public Offerings

Full Disclosure, Rated Sale	\$7,500
Full Disclosure, Non-rated Sale	\$5,000
Limited Disclosure, Non-rated Sale	\$3,500

Direct Placements

Bond Anticipation Notes	\$3,500
-------------------------	---------

Combined General Obligation Bond and Bond Anticipation Note Sales

(excludes out-of-pocket expenses)

Public Offerings

Combined General Obligation Bonds and Notes	\$22,000
---	----------

Reasonable out-of-pocket expenses, such as mileage, copying, delivery and printing, incurred by Munistat in connection with its engagement as municipal advisor may be charged to the Issuer for reimbursement. Other normal issuance costs, such as underwriting fees, bond counsel fees, paying agent/trustee fees, rating agency fees, publication of Notices of Sale and fees for posting and printing of Official Statements will be billed directly to the Issuer by the respective parties.

Non-Debt Issuance Related Services

Capital Improvement Program

(Pro Forma Debt/Tax Impact, Plan of Finance, attend public meetings)	\$3,000
Credit Rating Surveillance	\$2,500
Long-Range Capital Planning (Pro Forma Debt/Tax Impact)	\$1,500
Hourly rate (Special projects)	\$200/hour
Mileage	IRS Standard Mileage Rate for applicable calendar year

APPENDIX C

DISCLOSURE OF CONFLICTS OF INTEREST

FIXED FEE

Under a fixed fee form of compensation, the municipal advisor is paid a fixed amount established at the outset of the transaction. The amount is usually based upon an analysis by the client and the advisor of, among other things, the expected duration and complexity of the transaction and the agreed-upon scope of work that the advisor will perform. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the advisor may suffer a loss. Thus, the advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. There may be additional conflicts of interest if the municipal advisor's fee is contingent upon the successful completion of a financing, as described below.

HOURLY FEE

Under an hourly fee form of compensation, the municipal advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (*e.g.*, a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described below.

CONTINGENT COMPENSATION

The fees to be paid by the Issuer to Munistat Services, Inc. are contingent on the successful closing of the transaction. Although this form of compensation may be customary, it presents a conflict because Munistat Services, Inc. may have an incentive to recommend unnecessary financings to the Issuer. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, Munistat Services, Inc. may have an incentive to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Munistat Services, Inc. manages and mitigates these conflicts primarily by adherence to the fiduciary duty which it owes to municipal entities which require it to put the interests of the Issuer ahead of its own.

OTHER MATERIAL CONFLICTS OF INTEREST

Munistat Services, Inc. has determined, after exercising reasonable diligence, that it has no other known material conflicts of interest that would impair its ability to provide advice to the Issuer in accordance with its fiduciary duty to municipal entity clients. To the extent any such material conflicts of interest arise after the date of this Agreement, Munistat Services, Inc. will provide information with respect to such conflicts in the form of a written amendment or supplement to this Agreement.