

**ENGAGEMENT AGREEMENT FOR
MUNICIPAL ADVISORY SERVICES**

This Engagement Agreement for Municipal Advisory Services ("Agreement") is made this 24th day of June, 2022, by and between Jackson County, Missouri, by and through its County Legislature ("Legislature") and Stifel, Nicolaus & Co., Inc., located at 4801 Main Street, Ste. 530, Kansas City, MO 64112 ("Stifel").

WITNESSETH:

WHEREAS, Jackson County, Missouri (the "County") intends to finance from the proceeds of one or more tax-exempt financing transactions for the County the costs of acquiring real estate for, constructing, improving, furnishing, and equipping a new detention center and related facilities (the "Project"); and

WHEREAS, such related facilities may include, but shall not be limited to, streets and roads, parking lots, signals and signage, storm drainage features, maintenance facilities and equipment, and trucks, vans, and other motor vehicles; and

WHEREAS, pursuant to County Ordinance 5621, dated April 25, 2022, the County has awarded a contract for the design and construction of the Project to J.E. Dunn-Axiom, a joint venture (Design/Bullder) for a 1,244 bed Jackson County Detention Center Facility at a cost not to exceed \$256.5 million; and,

WHEREAS, by Resolution 20105, dated March 11, 2019, the Legislature did authorize a one-year term and supply contract, with two annual options to extend, with George K. Baum & Co. ("Baum") of Kansas City, MO, for the furnishing of municipal financial advising services ("the Contract"), which Contract was executed on September 11, 2019; and

WHEREAS, since the award of the Contract, substantially all of the assets of the Public Finance Division of Baum were acquired by Stifel, Nicolaus & Co., Inc., ("Stifel"), and as part of that transaction, Stifel was assigned and assumed all of Baum's rights and obligations under the Contract; and

WHEREAS, the Contract was renewed in September 2020, again renewed, in part, in September 2021, and terminated by its terms on March 31, 2022; and

WHEREAS, the Legislature deems it necessary and appropriate to continue independent financial analysis and advice regarding the terms and conditions of the proposed Agreement and the financing plan for the Project;

NOW THEREFORE the Legislature hereby engages, retains and continues the services of Stifel for this purpose under the following terms and conditions:

FILED

JUN 27 2022

MARY JO SPINO
COUNTY CLERK

1. **Scope of Work.** Stifel will perform the following services for the Legislature during the term of the Engagement:

- A. Advise the Legislature regarding the financial analysis and debt structuring recommendations for the Project and other related municipal market transactions ("Transactions");
- B. Advise the Legislature regarding any public or private financing plans or proposals made to the County by the Design/Bullder, or other third-parties related to the Project;
- C. Advise the Legislature regarding bond counsel or underwriters' counsel's preparation of any preliminary and final official statements, offering memoranda, or term sheets for Transactions consistent with all federal and state requirements;
- D. Coordinate with consultants, accountants, bond counsel, other attorneys and staff in connection with Transactions;
- E. Advise the Legislature regarding financing time schedules, distribution of documents, preliminary and final official statement printing, wire-transfers of funds, deliveries of bonds and bonds closings;
- F. Advise the Legislature on the matter of bond rating(s) for any proposed issue and assist, if requested, in the preparation of credit information for submission and presentation to the rating agency(ies);
- G. Advise the Legislature regarding the County's credit strategy, communications with the credit rating agencies, if any, and assist in preparation of materials related to communications with the credit rating agencies related to agency surveillance, as applicable;
- H. Attend County Legislative meetings and other County meetings, as requested, with reasonable advance notice;
- I. Provide such other services as are mutually agreed upon in writing by the Legislature and Stifel, including ongoing monitoring of refinancing as well as other future market opportunities.

2. **County Legislature Obligations.** The Legislature agrees that its staff and consultants will cooperate with Stifel and make available any data in the possession of the County necessary to perform Stifel's financial advisory services described above in the Scope of Work and the regulatory obligations as described in Exhibit A attached.

3. **Regulatory Disclosures.** Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Securities and Exchange Commission's adopted rule commonly known as the "Municipal Advisor Rule" (SEC Rule 15Ba1-1 to 15Ba1-8) ("the Rule") applies to this Engagement. Stifel will be serving as a municipal advisor to the Legislature under the Rule, and this Resolution documents the municipal advisory relationship between Stifel and the Legislature. MSRB Rule G-42 requires that a municipal advisor provide its client with certain written disclosures. The disclosures are set out in the attached Exhibit A.

4. **Compensation.** Stifel's fee for analysis and consulting work under this Engagement will be computed at the following hourly rates and will be paid by the County within thirty (30) days of receipt of an invoice from Stifel, in a total amount not to exceed \$25,000.00 under this engagement:

Hourly rate for: Managing Director	\$250.00
Hourly rate for: Director	\$150.00
Hourly rate for: Vice President	\$100.00
Hourly rate for: Associate/Analyst	\$75.00
Hourly rate for: Administrative	\$25.00

5. **Term.** The Engagement will commence upon its execution and will continue until September 11, 2022. This Engagement may be terminated at any time by the Legislature, upon 10 business days' prior written notice to such effect to Stifel, or by Stifel upon 10 business days' prior written notice to such effect to the County. In the event the Legislature terminates this Engagement as outlined herein, the County shall compensate Stifel for the professional fees incurred prior to termination.

6. **Authority.** The following officers have the authority to direct Stifel's performance of its scope of work under the Engagement: the Chairman and Vice Chairman of the Jackson County Legislature.

IN WITNESS WHEREOF, this Agreement has been executed this 24th day of June, 2022.

APPROVED AS TO FORM:

JACKSON COUNTY, MISSOURI

By: [Signature]
Bryan O. Covinsky
County Counselor

By: [Signature]
Bob Crutsinger
Director of Finance and Purchasing

ATTEST:

STIFEL, NICOLAUS & CO. INC.

By: [Signature]
Mary Jo Spino
Clerk of the County Legislature

By: [Signature]
Director

REVENUE CERTIFICATE

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriation to which this contract is chargeable, and a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made, each sufficient to meet the obligation of \$25,000.00, which is hereby authorized.

6-23-2022
Date

[Signature]
Director of Finance and Purchasing
Account No.:

CT 140422005 MR

EXHIBIT A

Jackson County, Missouri Legislature

Financial Advisory Engagement

MSRB Rule G-42 Disclosures

As municipal advisor to the Jackson County Legislature ("you", "your"), Stifel Nicolaus ("Stifel" or "we") is subject to the rules of the Municipal Securities Rulemaking Board (MSRB), including MSRB Rule G-42. The rule directs us to make certain disclosures to you. Please review the following disclosures and contact your Stifel municipal advisor if you have any questions.

Our Duties as Your Municipal Advisor

Rule G-42 describes our basic duties to you. Most importantly, we owe you a fiduciary duty, the principal element of which is a duty of loyalty. Under the duty of loyalty, we are required to deal honestly and in the utmost good faith with you and to act in your best interests without regard to our financial or other interests. We may not serve as your municipal advisor if we believe that we have any conflicts of interest that we cannot manage or mitigate so that we can act in your best interests.

Rule G-42 also provides that we owe you a duty of care. As part of that duty, we must possess the degree of knowledge and expertise needed to provide you with informed advice. Also, under that duty, when we make recommendations to you or help you to evaluate the recommendations of others, we may need to ask questions to make sure that we have all the relevant facts.

Disclosure of Conflicts

Rule G-42 requires us to disclose to you any known material, actual or potential conflicts of interest that could reasonably be expected to impair our ability to provide you with advice, including any conflicts associated with contingent fee arrangements. As described in your Resolution approving and authorizing the Engagement, the payment of our fee will be contingent on the closing of the bond issue described in your Resolution and the amount of compensation will be based on the proceeds generated from the bond issue. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since we may have an incentive to recommend a transaction to you that is unnecessary or to recommend that the size of the bond issue be larger than is necessary. We mitigate that conflict of interest by tying compensation to total proceeds generated. We would, of course, be willing to discuss an alternative fee arrangement, if that is your preference.

Stifel has not identified any additional potential or actual material conflicts that require disclosure.

Legal and Disciplinary Event Disclosures

Each firm that is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) is required to file Form MA with the SEC and update that form periodically and as events change. The firm is also required to file a Form MA-I for each of its employees who is engaged in municipal advisory activities. Stifel's most recent Form MA and the Form MA-I for each current Stifel municipal advisor employee may be found on the SEC's EDGAR website using the following hyperlink:

<http://www.sec.gov/cgi-bin/browse-edgar?CIK=0000094403&owner=exclude&action=getcompany&Find=Search>.

Item 9 of Form MA requires each municipal advisor firm to disclose any criminal, regulatory violations, or self-regulatory violations and certain civil litigation. Because we are a broker-dealer firm, Form MA permits us to cross-reference to our Form BD, which is available on the website of the Financial Industry Regulatory Authority (FINRA), and our Form ADV, which is available on the SEC website. For your convenience, you may access our Form BD by using the following hyperlink: <http://brokercheck.finra.org/Firm/Summary/793>. You may access our Form ADV by using the following hyperlink: <https://www.adviserinfo.sec.gov/IAPD/IAPDSearch.aspx> and entering Firm 793 in the search field. Item 6 of each Form MA-I requires comparable disclosure about a municipal advisor individual, as well as customer complaint, arbitration, investigation, termination, financial, and judgment/lien disclosure. When an individual has a disciplinary history, Form MA-1 permits us to cross-reference to that individual's Form U-4. The disciplinary history on an individual's Form U-4 is accessible entering the individual's name in FINRA's "Broker-Check" service, using the following hyperlink: <http://brokercheck.finra.org/>.

In May 2020, Stifel, Nicolaus & Company, Incorporated (the Firm) entered into a Letter of Acceptance, Waiver and Consent (AWC) with the Financial Industry Regulatory Authority (FINRA) whereby the Firm without admitting or denying any specific findings, consented to findings that, from January 2012 through December 2016, the Firm failed to establish, maintain and enforce written supervisory procedures (WSPS) that were reasonably designed to achieve compliance with FINRA's suitability rule as it pertains to early rollovers of unit investment trusts (UITs). As a result the Firm violated NASD Rule 3010, FINRA Rule 3110, and FINRA Rule 2010. Additionally, the Firm consented to a further violation of FINRA Rule 2010 in connection with the sending of "switch letters" to customers containing inaccurate information about the costs they incurred as a result of the early UIT rollovers. The Firm agreed to pay a fine of \$1.75 million and restitution in the amount of \$1,891,188.13, plus interest. The FINRA staff did not require any remedial undertakings by the Firm in the AWC. The Firm has implemented various enhancements to its supervision and compliance oversight of early rollovers of UITs which it believes addresses the alleged deficiencies identified by FINRA. Those enhancements include implementation of a switch alert notification for early rollovers, a risk-based approach of compliance oversight for early rollover activity and a periodic "look-back" by the compliance department of early rollover activity by selected financial advisors.

None of the activities addressed in the AWC were municipal advisory services provided to our municipal entity or obligated person clients. We do not believe that any of the legal or disciplinary event disclosures described in our Form MA is material to our ability to serve as your municipal advisor.

Evaluation of Recommendations/Suitability

As provided in your Resolution approving and authorizing the Engagement, we will assist you in evaluating recommendations, whether made by Stifel or, upon your written request, by third-parties, such as underwriters. We will provide you with our evaluation of the material risks, potential benefits, structure, and other characteristics of the transaction or product. We will discuss with you why we think a recommendation we make is suitable for you. In the case of recommendations made by an underwriter or other third-party that you request in writing that we review, we will discuss with you why we think the recommended transaction or product is or is not suitable for you. We will also inform you of any other reasonably feasible alternatives considered.

In order for us to evaluate whether we think a recommendation is suitable for you, we are required to consider the following factors and we may need information from you about those factors, much as if you were opening a brokerage account:

- financial situation and needs,
- objectives,
- tax status,
- risk tolerance,
- liquidity needs,
- experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended,
- financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction were reasonably expected to be outstanding, and
- any other material information known by the municipal advisor about the client and the municipal securities transaction or municipal financial product, after reasonable inquiry.

Additional Information

We also wish to inform you that Stifel is registered as a municipal advisor with both the SEC and the MSRB. Information about the duties of a municipal advisor, as well as the procedures for filing a complaint, may be found on the MSRB's website by clicking on the following link: <http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx?la=en>. The general website for the MSRB is www.msrb.org. If you have any questions, please contact your municipal advisor.