

**AGREEMENT**

THIS AGREEMENT is made and entered into this 23rd day of April, 2019, by and between the COUNTY OF FRESNO, a political subdivision of the State of California ("COUNTY"), and KNN Public Finance, LLC, a California corporation, with its principal of business located at 1300 Clay Street, Suite 1000 Oakland, CA 94612 ("CONTRACTOR").

**Recitals**

WHEREAS, the COUNTY desires to retain an independent municipal advisor to perform municipal advisory services consistent with the terms of this Agreement, the COUNTY's Debt Management Policy, the COUNTY's Bond Disclosure Procedures, and any other applicable COUNTY policies and procedures; and

WHEREAS, the COUNTY also desires to develop and execute the most advantageous and cost-effective annual financing plan for the COUNTY that might include temporary borrowing (commonly known as a Tax Revenue Anticipation Note or "TRAN") annually, as needed, under Government Code §§ 53850 through 53858; and

WHEREAS, the CONSULTANT has represented to COUNTY that CONSULTANT's staff is specially trained, experienced, and competent to perform such special financial services and render such advice.

The parties therefore agree as follows:

1. OBLIGATIONS OF THE CONTRACTOR:

A. CONTRACTOR shall provide municipal advisory services to represent the interests of the COUNTY as requested by the COUNTY's Auditor-Controller/Treasurer-Tax Collector, Administrative Officer, or Debt Advisory Committee, and in connection with any TRAN financing. Those services are more particularly set forth in Exhibit A to this agreement, the "SCOPE OF SERVICES."

B. CONTRACTOR understands and acknowledges that time is of the essence under this Agreement, including every provision of this Agreement. CONTRACTOR shall perform all of its obligations under this Agreement, including, but not limited to pricing and selling any TRAN issuances and closing all such TRAN issuances by August 1<sup>st</sup> of each year that this Agreement is in effect. Any

1 deadlines for performance may only be extended upon the express written authorization of the  
2 COUNTY's Auditor-Controller/Treasurer-Tax Collector.

3 C. CONTRACTOR shall only undertake those services enumerated in this section of  
4 this Agreement, unless CONTRACTOR is expressly authorized by a written amendment to this  
5 Agreement that is executed by both parties, or by separate agreement.

6 D. CONTRACTOR shall keep records of which COUNTY official requested advisory  
7 services, the hours and description of activities carried out by each CONTRACTOR employee who  
8 provides the advisory services, the purpose of the advisory services, and all costs and out-of-pocket  
9 expenses applicable to the advisory services authorized. All requests for advisory services must be  
10 provided in writing via formal letter or electronic mail, prior to fulfilling the request.

11 E. CONTRACTOR shall perform its services under Agreement with that level of due  
12 care and skill ordinarily exercised by qualified professional municipal advisors in the field of  
13 CONTRACTOR's expertise acting under similar circumstances at the time such services are being  
14 provided. COUNTY is relying upon the special professional training, expertise, and experience that  
15 CONTRACTOR represents its staff has concerning the COUNTY's TRAN issuances. Such reliance by  
16 the COUNTY is material inducement to COUNTY's entering into this Agreement. CONTRACTOR  
17 understands and acknowledges that the COUNTY's acceptance of CONTRACTOR's work shall not  
18 operate as a waiver or release by COUNTY.

19 F. Pursuant to MSRB Rule G-42, "Duties of Non-Solicitor Municipal Advisors," and  
20 MSRB Rule G-10, "Investor and Municipal Advisory Client Education and Protection," municipal  
21 advisors, such as CONTRACTOR, are required to make certain written disclosures to clients, such as  
22 COUNTY, which include, among other things, material conflicts of interest, any legal or disciplinary  
23 events of the municipal advisor and its associated persons that are material to the client's evaluation of  
24 the municipal advisor or the integrity of its management or advisory personnel, and certain additional  
25 disclosures. CONTRACTOR has provided such disclosures, together with certain covenants,  
26 representations, and warranties, in Exhibit B to this Agreement, and acknowledges that its provision of  
27 those things and its compliance with the requirements of MSRB Rules G-42 and G-10 is a material  
28 inducement to the COUNTY to enter into this agreement.

1           2.     OBLIGATIONS OF THE COUNTY

2           A.     COUNTY shall provide to CONTRACTOR all non-confidential financial  
3 information and data concerning the COUNTY which is reasonably requested by CONTRACTOR,  
4 including information on COUNTY funds to be pledged as security for the TRAN issuances and  
5 COUNTY tax levy collection, redemption, and distribution information (collectively, "Information").  
6 CONTRACTOR is not required to verify the accuracy or completeness of any Information provided by  
7 the COUNTY, but CONTRACTOR shall promptly bring to the COUNTY's attention any Information that  
8 CONTRACTOR knows to be untrue or incorrect in any material respect.

9           B.     COUNTY shall compensate CONTRACTOR pursuant to the covenants, terms  
10 and conditions of this Agreement only for performance by CONTRACTOR, to the reasonable  
11 satisfaction of the COUNTY, those tasks identified in section 1 of this Agreement that CONTRACTOR  
12 performs during the term of this Agreement.

13           C.     If the COUNTY's Auditor-Controller/Treasurer-Tax Collector, Administrative  
14 Officer, or Debt Advisory Committee requests CONTRACTOR to perform municipal advisory services  
15 under this Agreement, the request will specify a time schedule for the performance of CONTRACTOR's  
16 obligations in connection with that request.

17           3.     TERM

18           The term of this Agreement is a period of three years, beginning on January 14, 2019, through and  
19 including January 13, 2022. This Agreement may be extended for two additional consecutive 12-month  
20 periods upon written approval of both parties no later than 30 days before the first day of the next 12-month  
21 extension period. The Auditor-Controller/Treasurer-Tax Collector is authorized to execute that written  
22 approval on behalf of COUNTY.

23           4.     TERMINATION

24           A.     Non-Allocation of Funds - The terms of this Agreement, and the services to be  
25 provided under it, are contingent on the approval of funds by the appropriating government agency. If  
26 sufficient funds are not allocated, then the services provided may be modified, or this Agreement  
27 terminated, by the COUNTY at any time by giving the CONTRACTOR 30 days' advance written notice.

28           B.     Breach of Contract - The COUNTY may immediately suspend or terminate this

1 Agreement in whole or in part, where in the determination of the COUNTY there is:

- 2 1) An illegal or improper use of funds;
- 3 2) A failure to comply with any term of this Agreement;
- 4 3) A substantially incorrect or incomplete report submitted to the COUNTY;
- 5 4) Improperly performed service.

6 In no event does any payment by the COUNTY constitute a waiver by the COUNTY of any breach  
7 of this Agreement or any default that may then exist on the part of the CONTRACTOR. Neither does such  
8 payment impair or prejudice any remedy available to the COUNTY with respect to the breach or default.  
9 The COUNTY has the right to demand of the CONTRACTOR the repayment to the COUNTY of any funds  
10 disbursed to the CONTRACTOR under this Agreement, which in the judgment of the COUNTY were not  
11 expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund any  
12 such funds upon demand.

13 C. Without Cause - Under circumstances other than those set forth above, the  
14 COUNTY may terminate this Agreement by giving 30 days' advance written notice of an intention to  
15 terminate to CONTRACTOR.

16 5. COMPENSATION/INVOICING: COUNTY agrees to pay CONTRACTOR and  
17 CONTRACTOR agrees to receive compensation as follows:

18 For municipal advisory services, COUNTY agrees to pay CONTRACTOR hourly rates per person  
19 as follows:

20 Senior Managing Director	\$325.00
21 Director	\$305.00
22 Vice President	\$295.00
23 Assistant Vice President	\$275.00
24 Associate	\$245.00
25 Analyst	\$205.00

1 For municipal advisory services, COUNTY agrees to pay and CONTRACTOR agrees to accept  
2 payment for CONTRACTOR's reasonable and necessary out-of-pocket expenses incurred during the  
3 term of the Agreement, as follows:

4 A. Reasonable travel costs, including meals, transportation, accommodation, and  
5 airfare; and

6 B. All such reasonable and necessary out-of-pocket expenses incurred which are  
7 directly related to CONTRACTOR's performance of service.

8 For municipal advisory services fees for a TRAN issuance, COUNTY shall pay and CONTRACTOR  
9 shall receive payment at the hourly rates specified above, except that the maximum amount payable to  
10 CONTRACTOR as compensation for a TRAN issuance for the fiscal year 2019-20 is capped at Sixty-Five  
11 Thousand and No/100 Dollars (\$65,000.00). Additionally, for reasonable and necessary out-of-pocket  
12 expenses arising from the TRAN issuance, the amount payable to CONTRACTOR is capped at Three  
13 thousand and No/100 Dollars (\$3,000.00). Thus, the total, all-inclusive maximum amount payable to  
14 CONTRACTOR for municipal advisory services fees for, and reasonable and necessary out-of-pocket  
15 expenses arising from, a TRAN issuance is Sixty-Eight Thousand and No/100 Dollars (\$68,000) for the  
16 fiscal year 2019-20.

17 For fiscal years after fiscal year 2019-20, municipal advisory services fees for a TRAN issuance and  
18 reasonable and necessary out-of-pocket expenses arising from a TRAN issuance are the same as for fiscal  
19 year 2019-20, except that CONTRACTOR may request an increase of the cap for municipal advisory  
20 services fees for a TRAN issuance, an increase of the cap for the maximum reasonable and necessary out-  
21 of-pocket expenses arising from a TRAN issuance, an increase of the hourly rates listed above, or any  
22 combination of the three. All such requests must be made in writing no later than January 31 preceding the  
23 fiscal year for which the increase is requested. Each request to increase a cap may not exceed an increase  
24 of 3% over the amount payable under that cap in the prior fiscal year and each request to increase hourly  
25 rates may not exceed 3% over the then-current hourly rates. In any event, no such increase will be made  
26 without written approval of the request by the Auditor-Controller/Treasurer-Tax Collector.

27 CONTRACTOR understands and acknowledges that COUNTY will not pay for secretarial,  
28 clerical, word processing, or typist services, or for CONTRACTOR's office operating expenses, or for

1 any other expenses of CONTRACTOR, except for charges and expenses expressly identified in section  
2 1 of and Exhibit A to this Agreement.

3 In any case, the maximum amount of all compensation payable under this Agreement, including  
4 any approved increases as provided above, is Four Hundred Fifty Thousand and No/100 dollars  
5 (\$450,000.00) during the term of this Agreement. CONTRACTOR shall submit monthly invoices to the  
6 County of Fresno, Auditor-Controller/Treasurer-Tax Collector. All such invoices shall accurately reflect the  
7 tasks performed by COUNTY under this Agreement. In addition, all such invoices shall include the  
8 following data:

- 9 A. The name and title of each person performing each task,
- 10 B. The number of hours and hourly rate for each person performing each task,
- 11 C. All such reasonable and necessary out-of-pocket expenses incurred which are  
12 directly related to CONTRACTOR's performance of service for each task.

13 Upon receipt of a proper invoice and the satisfaction of all other conditions precedent to payment  
14 under this Agreement, the COUNTY Auditor-Controller/Treasurer-Tax Collector will issue payment to  
15 CONTRACTOR within 45 calendar days following that receipt.

16 6. INDEPENDENT CONTRACTOR: In performance of the work, duties and obligations  
17 assumed by CONTRACTOR under this Agreement, it is mutually understood and agreed that  
18 CONTRACTOR, including any and all of the CONTRACTOR'S officers, agents, and employees are at all  
19 times acting and performing as an independent contractor, and acting in an independent capacity and not  
20 as an officer, agent, servant, employee, joint venture, partner, or associate of the COUNTY. Furthermore,  
21 COUNTY has no right to control or supervise or direct the manner or method by which CONTRACTOR  
22 performs its work and function. However, COUNTY retains the right to administer this Agreement so as to  
23 verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions of this  
24 Agreement.

25 CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the rules and  
26 regulations, if any, of governmental authorities having jurisdiction over matters subject to this Agreement.

27 Because of its status as an independent contractor, CONTRACTOR has absolutely no right to  
28 employment rights and benefits available to COUNTY employees. CONTRACTOR is solely liable and

1 responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In  
2 addition, CONTRACTOR is solely responsible for and shall save COUNTY harmless from all matters  
3 relating to payment of CONTRACTOR'S employees, including compliance with Social Security withholding  
4 and all other regulations governing such matters. It is acknowledged that during the term of this Agreement,  
5 CONTRACTOR may be providing services to others unrelated to the COUNTY or to this Agreement.

6 7. MODIFICATION: This agreement may not be modified, and no waiver is effective, except  
7 by another written agreement that is signed by both parties.

8 8. NON-ASSIGNMENT: Neither party may assign, transfer or sub-contract this Agreement  
9 nor its rights or duties under this Agreement without the prior written consent of the other party.

10 9. HOLD HARMLESS: CONTRACTOR agrees to indemnify, save, hold harmless, and at  
11 COUNTY'S request, defend the COUNTY, its officers, agents, and employees from any and all costs and  
12 expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or  
13 resulting to COUNTY in connection with the performance, or failure to perform, by CONTRACTOR, its  
14 officers, agents, or employees under this Agreement, and from any and all costs and expenses (including  
15 attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to any person, firm,  
16 or corporation who may be injured or damaged by the performance, or failure to perform, of  
17 CONTRACTOR, its officers, agents, or employees under this Agreement.

18 10. INSURANCE

19 Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any third  
20 parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the following insurance  
21 policies throughout the term of the Agreement:

22 A. Commercial General Liability

23 Commercial General Liability Insurance with limits of not less than Two Million Dollars  
24 (\$2,000,000.00) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000.00). This  
25 policy must be issued on a per occurrence basis.

26 B. Automobile Liability

27 Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars  
28 (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage must include any auto

1 used in connection with this Agreement.

2 C. Professional Liability

3 Professional Liability Insurance with limits of not less than Two Million Dollars (\$2,000,000.00) per  
4 occurrence, Two Million Dollars (\$2,000,000.00) annual aggregate.

5 D. Worker's Compensation

6 Worker's Compensation insurance as required by the California Labor Code.

7 Additional Requirements Relating to Insurance

8 CONTRACTOR shall obtain endorsements to the Commercial General Liability insurance naming  
9 the County of Fresno, its officers, agents, and employees, individually and collectively, as additional  
10 insured, but only insofar as the operations under this Agreement are concerned. Such coverage for  
11 additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained  
12 by COUNTY, its officers, agents and employees shall be excess only and not contributing with insurance  
13 provided under CONTRACTOR's policies herein. This insurance shall not be cancelled or changed without  
14 a minimum of 30 days' advance written notice given to COUNTY.

15 CONTRACTOR hereby waives its right to recover from COUNTY, its officers, agents, and  
16 employees any amounts paid by the policy of worker's compensation insurance required by this  
17 Agreement. CONTRACTOR is solely responsible to obtain any endorsement to such policy that may be  
18 necessary to accomplish such waiver of subrogation, but CONTRACTOR's waiver of subrogation under  
19 this paragraph is effective whether or not CONTRACTOR obtains such an endorsement.

20 Within 30 days from the date CONTRACTOR signs and executes this Agreement, CONTRACTOR  
21 shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as  
22 required herein, to the County of Fresno, Attn: Mark Wilsdon at 2220 Tulare St, 16<sup>th</sup> Floor, Fresno, CA  
23 93721 stating that such insurance coverage have been obtained and are in full force; that the County of  
24 Fresno, its officers, agents and employees will not be responsible for any premiums on the policies; that for  
25 the worker's compensation insurance CONTRACTOR has waived its right to recover from the COUNTY, its  
26 officers, agents, and employees any amounts paid under the insurance policy and that waiver does not  
27 invalidate the insurance policy; that the Commercial General Liability insurance names the County of  
28 Fresno, its officers, agents and employees, individually and collectively, as additional insured, but only



1 insofar as the operations under this Agreement are concerned; that the coverage for additional insured  
2 shall apply as primary insurance and any other insurance, or self-insurance, maintained by COUNTY, its  
3 officers, agents and employees, shall be excess only and not contributing with insurance provided under  
4 CONTRACTOR's policies herein; and that this insurance shall not be cancelled or changed without a  
5 minimum of 30 days' advance, written notice given to COUNTY.

6 If CONTRACTOR fails to keep in effect at all times insurance coverage required by this Agreement,  
7 the COUNTY may, in addition to other remedies it may have, suspend or terminate this Agreement upon  
8 the occurrence of that failure.

9 All policies must be issued by admitted insurers licensed to do business in the State of California,  
10 and such insurance must be purchased from companies possessing a current A.M. Best, Inc. rating of A  
11 FSC VII or better.

12 11. AUDITS AND INSPECTIONS: The CONTRACTOR shall at any time during business  
13 hours, and as often as the COUNTY may deem necessary, make available to the COUNTY for examination  
14 all of its records and data with respect to the matters covered by this Agreement. The CONTRACTOR  
15 shall, upon request by the COUNTY, permit the COUNTY to audit and inspect all of such records and data  
16 necessary to ensure CONTRACTOR'S compliance with the terms of this Agreement.

17 If this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR is subject to the  
18 examination and audit of the Auditor General for a period of three (3) years after final payment under  
19 contract (Government Code Section 8546.7).

20 12. NOTICES: The persons and their addresses having authority to give and receive notices  
21 under this Agreement include the following:

22 COUNTY

23 COUNTY OF FRESNO  
24 Auditor-Controller/Treasurer-Tax  
Collector  
PO Box 1247  
Fresno, CA 93715-1247

CONTRACTOR

KNN Public Finance  
1300 Clay Street, Suite 1000  
Oakland, CA 94612

25 All notices between the COUNTY and CONTRACTOR provided for or permitted under this  
26 Agreement must be in writing and delivered either by personal service, by first-class United States mail, by  
27 an overnight commercial courier service, by PDF attached to electronic mail, or by telephonic facsimile  
28

transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three COUNTY business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one COUNTY business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by PDF attached to electronic mail or telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of COUNTY business hours, then such delivery shall be deemed to be effective at the next beginning of a COUNTY business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this Agreement, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

13. VENUE AND GOVERNING LAW: Venue for any action arising out of or related to this Agreement shall only be in Fresno County, California.

The rights and obligations of the parties and all interpretation and performance of this Agreement shall be governed in all respects by the laws of the State of California.

14. DISCLOSURE OF SELF-DEALING TRANSACTIONS

Members of the CONTRACTOR's Board of Directors shall disclose any self-dealing transactions that they are a party to while CONTRACTOR is providing goods or performing services under this agreement. A self-dealing transaction shall mean a transaction to which the CONTRACTOR is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a Self-Dealing Transaction Disclosure Form, attached hereto as Exhibit C and incorporated herein by reference, and submitting it to the COUNTY prior to commencing with the self-dealing transaction or immediately thereafter.

15. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes all previous

1 Agreement negotiations, proposals, commitments, writings, advertisements, publications, and  
2 understanding of any nature whatsoever unless expressly included in this Agreement. In the event of any  
3 inconsistency in interpreting the documents which constitute this Agreement, the inconsistency shall be  
4 resolved by giving precedence in the following order of priority: (1) the text of this Agreement (excluding  
5 Exhibit A), (2) Exhibit A.

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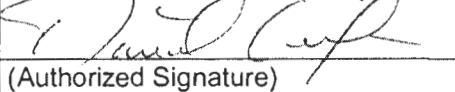
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12 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first  
13 hereinabove written.

14  
15 **CONTRACTOR**

16   
(Authorized Signature)

17 David Le Her, Sr. Managing Director  
18 Print Name & Title

19 1300 Clay Street, Suite 1000

20 Oakland CA 94612

21 Mailing Address

**COUNTY OF FRESNO**

  
Nathan Magsig, Chairman of the Board of  
Supervisors of the County of Fresno

**ATTEST:**

Bernice E. Seidel  
Clerk of the Board of Supervisors  
County of Fresno, State of California

22  
23  
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26 By:

Susan Bishop  
Deputy

1 FOR ACCOUNTING USE ONLY:

2 Fund: 0001

3 Subclass: 10000

4 ORG: 2540 / 0410

5 Account: 7295

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Exhibit A  
COUNTY OF FRESNO  
SCOPE OF SERVICES

CONTRACTOR shall provide municipal advisory services including, but not limited to:

1. Evaluate prospective underwriters for COUNTY financings.
2. Perform risk analysis of various financing strategies and debt structures, which may include formulating sensitivity and break-even analyses.
3. Validate proposed financing structures, which may include developing complex cash flow models.
4. Monitor and analyze refunding opportunities for COUNTY's outstanding debt obligations.
5. Create and continually update debt capacity analysis.
6. Prepare and assist in presenting relevant data and information to rating agencies and debt insurers.
7. Evaluate the cost-effectiveness of proposed financings, including analysis of alternative market or alternative structural scenarios.
8. Provide any additional information or advice requested by COUNTY related to COUNTY operations and issuance of debt in either written or oral presentation.
9. Provide technical assistance to COUNTY and respond to COUNTY requests to review documents such as debt management policies and continuing disclosure documents.
10. Make presentations of information, analysis, and evaluations to COUNTY staff, to COUNTY's Debt Advisory Committee, and to COUNTY's Board of Supervisors, as requested by COUNTY's Auditor-Controller/Treasurer-Tax Collector, Administrative Officer, or Debt Advisory Committee.
11. Participate in COUNTY's Financing Team under the COUNTY's Debt Management Policy.
12. Participate in COUNTY's bond disclosure process as required by COUNTY's Bond Disclosure Procedures.

If during the term of this Agreement the COUNTY undertakes a TRAN financing, the CONTRACTOR shall also provide municipal advisory services including, but not limited to:

1. Participate in the selection of underwriters, paying agent, trustee, and other contractors related to debt issuance (collectively, "Advisory Members"), excluding bond counsel and disclosure counsel.

2. Develop and maintain financing schedule and distribution list.
3. Prepare text and supervise the distribution of the Preliminary Official Statement and Notice of Sale.
4. Prepare and circulate financial data and reports as necessary, including a financing schedule and any related updates. Review documents provided by any Advisory Members providing services for the financing.
5. Analyze the structure of the financing, including analysis regarding the note maturity, the use of a trustee or paying agent and the amount of authorized denominations.
6. Review and monitor tax-exempt market supply and demand variables along with market trend conditions in connection with the financing to make recommendations regarding the timing of the pricing and method of sale.
7. Develop or assist in the development of credit presentations to rating agencies and investors.
8. Communicate with institutional investors and underwriters to encourage competitive bidding at the note sale.
9. Participate as part of COUNTY's Financing Team (whose members are as defined within the County of Fresno Debt Management Policy) in administration and pricing of the financing under the method of sale selected by COUNTY, including oversight of the Underwriter in the case of a negotiated sales.
10. Confirm the Underwriter's calculation of bids, once submitted to COUNTY.
11. Conduct pre-marketing initiatives to potential investors for competitive sales of notes.
12. Negotiate terms of note sale with underwriter.
13. Evaluate bids, including validation of the true interest cost calculation and recommend the award of notes for competitive sales.
14. Draft closing memorandum and coordinate among all parties of the Financing Team and its Advisory Members to arrange for the delivery of the issuance.
15. Coordinate the closing of the Financing.

## **EXHIBIT B**

### **Disclosures Pursuant to MSRB Rules G-42 and G-10**

Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42, "Duties of Non-Solicitor Municipal Advisors," municipal advisors, such as KNN Public Finance, LLC ("KNN"), are required to make certain written disclosures to clients, such as the COUNTY, which include, among other things, material conflicts of interest and any legal or disciplinary events of the municipal advisor and its associated persons that are material to the client's evaluation of the municipal advisor or the integrity of its management or advisory personnel. KNN provides these disclosures, together with certain covenants, representations, and warranties as provided below, in compliance with MSRB Rules G-42 and G-10 and acknowledges that its provision of these things and its compliance with the requirements of those rules is a material inducement to the COUNTY to enter into this agreement.

#### **Conflicts of Interest**

Other Municipal Advisor Relationships. KNN serves other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the COUNTY. For example, KNN serves as municipal advisor to other municipal advisory clients and, in such cases, depending on the client, owes either a fiduciary duty or a duty of care to such other clients just as it does to the COUNTY under this agreement. Other clients of KNN, including the City of Fresno, Kerman Unified School District, and State Center Community College District, might, from time to time and depending on the specific circumstances, have interests competing with the COUNTY's interests. In serving its various clients, KNN could potentially face a conflict of interest arising from these competing client interests. KNN fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients, including the COUNTY.

Compensation. KNN represents that in connection with the issuance of municipal securities, KNN may receive compensation from an issuer or obligated person (as those terms are defined for purposes of MSRB Rule G-42) for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, KNN hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding KNN's ability to provide unbiased advice to enter into such transaction. KNN represents and warrants to the COUNTY that this conflict of interest will not impair KNN's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the COUNTY.

If KNN becomes aware of any additional potential or actual conflict of interest after this disclosure, KNN shall promptly disclose detailed information regarding that potential or actual conflict of interest in writing to the COUNTY.

#### **Legal or Disciplinary Events**

KNN has never been subject to any legal, disciplinary or regulatory actions, nor was it ever subject to any legal, disciplinary or regulatory actions previously, when it was a division of Zions First National Bank or Zions Public Finance, Inc.

A regulatory action disclosure has been made on Form MA-I for one of KNN's municipal advisory personnel relating to a 1998 U.S. Securities and Exchange Commission ("SEC") order that was filed while the municipal advisor was employed with a prior firm (not KNN). The details

of which are available in Item 9; C(1), C(2), C(4), C(5) and the corresponding regulatory action  
DRP section on Form MA and Item 6C; (1), (2), (4), (5) and the corresponding regulatory action  
DRP section on Form MA-I. Issuers may electronically access KNN's most recent Form MA  
and each most recent Form MA-I filed with the Commission at the following website:  
[www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

The SEC permits certain items of information required on Form MA and Form MA-I to be  
provided by reference to such required information already filed on a regulatory system (e.g.,  
FINRA CRD). The above noted regulatory action has been referenced on both Form MA and  
MA-I due to the information already filed on FINRA's CRD system and is publicly accessible  
through BrokerCheck at <http://brokercheck.finra.org>. For purposes of accessing such  
BrokerCheck information, the Municipal Advisor's CRD number is 4457537.

There has been no change to any legal or disciplinary event that has been disclosed on KNN's  
original SEC registration Form MA filed on February 8, 2016, or Form MA-I's filed on January  
22, 2016.

#### **Additional Disclosures - MSRB Rule G-10**

Pursuant to MSRB Rule G-10, "Investor and Municipal Advisory Client Education and  
Protection," municipal advisors, such as KNN, are required to provide certain written information  
to their municipal entity and obligated person clients which include the following:

- a) KNN Public Finance, LLC is currently registered as a municipal advisor with the U.S.  
Securities and Exchange Commission and the MSRB.
- b) Within the MSRB website at [www.msrb.org](http://www.msrb.org), County of Fresno may obtain the Municipal  
Advisory client brochure that is posted on the MSRB website. The brochure describes  
the protections that may be provided by the MSRB Rules along with how to file a  
complaint with financial regulatory authorities.



## EXHIBIT C

### SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a corporation's board of directors of the Consultant, must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

*"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"*

The definition above will be utilized for purposes of completing this disclosure form.

#### INSTRUCTIONS

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
  - a. The name of the agency/company with which the corporation has the transaction; and
  - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

<b>(1) Company Board Member Information:</b>			
<b>Name:</b>		<b>Date:</b>	
<b>Job Title:</b>			
<b>(2) Company/Agency Name and Address:</b>			
<b>(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):</b>			
<b>(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):</b>			
<b>(5) Authorized Signature</b>			
<b>Signature:</b>		<b>Date:</b>	