

PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF COLUMBIA
AND
STIFEL, NICOLAUS & COMPANY, INCORPORATED

THIS AGREEMENT (hereinafter "Agreement") between the City of Columbia, Missouri, a municipal corporation (hereinafter "City") and Stifel Nicolaus & Company, Incorporated, with an address of 501 N. Broadway, St. Louis, MO 63102 (hereinafter "Stifel") is entered into on the date of the last signatory noted below (the "Effective Date").

WITNESSETH:

WHEREAS, the City of Columbia desires to engage the Stifel to render certain professional services as outlined in the Scope of Work in Exhibit A; and

WHEREAS, Stifel represents and warrants that Stifel is equipped, competent, and able to provide all of the professional services necessary or appropriate in accordance with this Agreement.

NOW, THEREFORE, the Parties hereto, for good and sufficient consideration, the receipt of which is hereby acknowledged, intending to be legally bound, do hereby agree as follows.

1. **Services.** City agrees to engage the services of Stifel as municipal advisor and Stifel agrees to perform the services outlined in Exhibit A. If Stifel agrees, City may add to the Stifel services or delete therefrom activities of a similar nature, provided that the total cost of such work does not exceed the total cost allowance as specified herein. Stifel shall undertake such changed activities or prepare written reports only upon the direction of the City. All such directives and changes shall be in written form and prepared and approved by the City Manager and shall be accepted and countersigned by Stifel.

2. **Subcontracts.** Stifel represents that Stifel will secure at Stifel's own expense, all personnel required to perform the services called for under this Agreement by Stifel. None of the work or services covered by this Agreement shall be subcontracted or assigned without the written approval of the City.

3. **Term.** The services of Stifel shall commence as soon as practicable after the execution of this Agreement, unless otherwise directed in writing, and shall be undertaken and completed in such sequence as to assure their expeditious completion in the light of the purposes of the Agreement, but in any event, all of the services required hereunder shall be completed by December 31, 2017 unless the Parties agree otherwise, in writing.

4. **Payment.** The City agrees to pay Stifel on an hourly basis at the rates set forth in Exhibit B attached hereto in a total amount not to exceed the sum of Fifteen Thousand Dollars (\$15,000), which shall constitute complete compensation for all services and payment of expenses to be rendered under this Agreement. Stifel shall submit a monthly invoice to City setting forth the amounts due and payable for services rendered and City shall make payment, or notify Stifel of any dispute relating to amounts due, within 30 days following the submission of such invoice. It is expressly understood that in no event will the total amount to be paid to Stifel under the terms of this Agreement or any amendment thereto exceed the sum set forth in this paragraph unless otherwise agreed to in writing between the parties in advance of the provision of such services.

5. **Termination.** City shall have the right at any time by written notice to Stifel to terminate and cancel this Agreement, without cause, for the convenience of City. In such event, Stifel shall immediately stop work and City shall not be liable to Stifel except for payment for actual work performed prior to such notice in an amount proportionate to the completed contract price and for the actual costs of preparations made by Stifel for the performance of the cancelled portions of the contract, including a reasonable allowance of profit applicable to the actual work performed. Anticipatory profits and consequential damages shall not be recoverable by Stifel. Should the City terminate this Agreement, Stifel shall refund any advance payment made and amount due to the City within thirty (30) days of the termination date. Stifel shall have the right to terminate this Agreement on five (5) business days' written notice to City.

6. **Notices.** Any notice, demand, request, or communication required or authorized by the Agreement shall be delivered either by hand, facsimile, overnight courier or mailed by certified mail, return receipt requested, with postage prepaid, to:

If to City:
City of Columbia
ATTN: City Manager
P.O. Box 6015
Columbia, MO 65205-6015

If to Stifel:
Stifel Nicolaus & Company
ATTN: Laura M. Radcliff
501 N. Broadway
St. Louis, MO 63102

The designation and titles of the person to be notified or the address of such person may be changed at any time by written notice. Any such notice, demand, request, or communication shall be deemed delivered on receipt if delivered by hand and on deposit by the sending party if delivered by courier or U.S. mail.

7. **Compliance with Laws.** Stifel shall comply with all applicable federal, state and local laws, ordinances, rules and regulations.

8. **Governing Law and Venue.** This Agreement shall be governed, interpreted, and enforced in accordance with the laws of the State of Missouri and/or the laws of the United States, as applicable. The venue for all litigation arising out of, or relating to this Agreement, shall be in Boone County, Missouri or the United States

Western District of Missouri. The Parties hereto irrevocably agree to submit to the exclusive jurisdiction of such court. The Parties agree to waive any defense of forum non conveniens.

9. **Employment of Unauthorized Aliens Prohibited.** Stifel agrees to comply with Missouri Revised Statute Section 285.530 in that Stifel shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the state of Missouri. As a condition for the award of this Agreement the Stifel shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Stifel shall also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. Stifel shall require any subcontractor to affirmatively state in its contract with Stifel that the subcontractor shall not knowingly employ, hire for employment or continue to employ an unauthorized alien to perform work within the state of Missouri. Stifel shall also require any subcontractor to provide Stifel with a sworn affidavit under the penalty of perjury attesting to the fact that the subcontractor's employees are lawfully present in the United States.

10. **No Third-Party Beneficiary.** No provision of the Agreement is intended to nor shall it in any way inure to the benefit of any person, so as to constitute any such person a third-party beneficiary under the Agreement.

11. **No Assignment.** This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Neither Party shall assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party.

12. **No Waiver of Immunities.** In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitutions or laws.

15. **Audit.** Stifel shall maintain financial records according to generally accepted accounting standards. City has the right, at its sole expense and during normal working hours, to examine the records of Stifel to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement.

16. **Regulatory Disclosures.**

a. The City is aware of 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"). Stifel will be serving as a municipal advisor to the City under the Rule and this Agreement documents the municipal advisor relationship between Stifel and the City.

b. MSRB Rule G-42 requires that a municipal advisor provide its client with certain written disclosures. Such disclosures are set forth in Exhibit C attached hereto.

17. **Contract Documents.** This Agreement includes the following exhibits, which are incorporated herein by reference:

Exhibit	Description
A	Scope of Work
B	Hourly Fee Schedule
C	MSRB Rule G-42 Disclosures

In the event of a conflict between the terms of an exhibit and the terms of this Agreement, the terms of this Agreement control.

18. **Miscellaneous.** Tony St. Romaine has the right to direct Stifel's performance under this Agreement.

19. **Entire Agreement.** This Agreement contains the entire agreement of the parties. No modification, amendment, or waiver of any of the provisions of this agreement shall be effective unless in writing specifically referring hereto, and signed by both parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year herein stated.

STIFEL NICOLAUS & COMPANY, INCORPORATED

By: Laura M. Radcliff
Name: Laura M. Radcliff
Title: Managing Director
Date: August 7, 2017

ATTEST:

Albra L. Davis
Secretary or witness

THE CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager
Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

City Counselor

CERTIFICATION: I hereby certify that the above expenditure is within the purpose of the appropriation to which it is charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

Michele Nix, Director of Finance

EXHIBIT A

SCOPE OF WORK

Stifel agrees to perform the following services for the City with respect to the Proposed Broadway Tower II TIF Project (the "Municipal Advisor Services"):

1. Attend, as appropriate, meetings with the City, staff members, TIF Commission and other team members relating to the development.
2. Comment on the Projects in the context of the City's TIF and debt policies.
3. Review the City's and Stifel's projected-related cash flow projections.
4. Provide financial analyses based on revenue projections and existing terms of the Notes which indicate TIF capacity analysis under various scenarios and assumptions.
5. Assist in the issuance of TIF Notes, if any.
6. Arrange and attend to any Trustee, registration and handling functions pertaining to the Notes as necessary and appropriate.
7. Attend to any post-closing activities and inquiries regarding matters of concern of the Note issue.

EXHIBIT B

HOURLY FEE SCHEDULE

Stifel's minimum fee for this engagement is \$7,500 and maximum fee for this engagement is \$15,000. Stifel will invoice the City upon completion of the engagement, as described in the Scope of Work attached as Exhibit A.

Stifel's hourly fee schedule is as follows:

Managing Director:	\$350. per hour
Director:	\$250 per hour
Analyst/Associate:	\$150 per hour

Such hourly charges will accrue against the \$7,500 minimum and will be applied for all hours worked resulting in fees of between \$7,500 and \$15,000.

Staff assigned:

Laura Radcliff, Managing Director
Paul Luhmann, Managing Director

Martin Ghafoori, Director

Nicholas VonRaab, Analyst
Trevor McDonagh, Analyst

EXHIBIT C

MSRB RULE G-42 DISCLOSURES

EXHIBIT C

City of Columbia, MO Financial Advisory Services Engagements Proposed Broadway Tower II TIF Notes

MSRB Rule G-42 Disclosures

As municipal advisor to the City of Columbia, Missouri (“you”), Stifel Nicolaus (“Stifel” or “we”) is subject to the rules of the Municipal Securities Rulemaking Board (MSRB), including MSRB Rule G-42, which took effect on June 23, 2016. We do not believe that Rule G-42 has substantively changed our obligations to you. The rule does, however, direct 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 a recommendation 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 “material” conflicts of interest, including any conflicts associated with contingent fee arrangements. As described in our engagement letter, the payment of our fee will be contingent on the closing of the bond issue(s) noted above and, in some cases, the amount of compensation will be based on a percentage of the principal amount of the respective bond issues. 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 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-1 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: <http://www.adviserinfo.sec.gov/IAPD/Firm/793>. 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 our view, none of the legal and disciplinary event disclosures described in our Form MA or our Form MA-Is is material to our ability to serve as your municipal advisor.

Evaluation of Recommendations/Suitability

As provided in our engagement letter, 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,

STIFEL

- 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.