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WEBB COUNTY, TEXAS

BY all DEPUTY

Tijerina Galvan Lawrence LLC
8000 W. Interstate 10, Suite 610
San Antonio, TX 78230-3887

(210) 366-8033 (phone)
(817) 935-0888 (phone)

Webb County
1110 Washington Street
Laredo, Texas 78040

Re: Financial Advisory Services Agreement

Ladies and Gentlemen:

1. **Retention of Financial Advisor.** Tijerina Galvan Lawrence LLC (referred to as the “Financial Advisor” or “FA”) appreciates the opportunity to serve as financial advisor to Webb County (the “Client” or “you”) in connection with the issuance or execution of obligations in the form of municipal securities or loan(s) (the “Obligations”). Upon your acceptance, this engagement letter (the “Agreement”) will serve as our mutual agreement with respect to the terms and conditions of our service to you as your independent financial advisor and agent, effective on the date this Agreement is executed by the Client (the “Effective Date”).
2. **Scope of Services.** FA is engaged by the Client as its financial advisor to provide the services set forth below (the “Scope of Services”) regarding the Obligations:
 - (a) Analyze the financing and structuring alternatives available to the Client if and as requested by the Client, taking into account its borrowing capacity, future financing needs, policy considerations, and such other factors as FA deems appropriate to consider.
 - (b) Advise Client in connection with the issuance or incurrence of Obligations, consistent with the goals and needs of the Client, that may include: (1) the type of Obligations, e.g. current interest, capital appreciation, deferred income, etc.; (2) the date of closing; (3) principal amount; (4) interest structure, e.g., fixed rate, variable rate, tax-exempt, taxable, short-term notes, etc.; (5) interest payment dates; (6) a schedule of maturities; (7) early redemption options; (8) security provisions; (9) method of sale, e.g., public sale, direct loan by a bank or other lender, etc.; (10) investment of Obligation proceeds deposited to an escrow or similar fund and available for the refunding and/or defeasance of other outstanding debt of the Client via application for state and local government obligations (SLGS), or competitively bid open market securities or guaranteed investment contracts; and (10) other matters requested by the Client that FA considers appropriate and to best serve the Client’s interests.
 - (c) Advise Client regarding current interest rates and other general market information and economic data which might reasonably be expected to influence interest rates, sale or bidding conditions or timing of an Obligation sale or closing.
 - (d) Coordinate and work with the financing team selected by Client, including the establishment of a schedule of events (as may be modified from time to time). If requested, FA will recommend qualified paying agents, escrow agents and verification agents, as the particular transaction may require, each of whom will be retained and compensated by Client. In a negotiated offering and at Client’s request, FA will assist in the selection and engagement of one or more underwriters.

- (e) For each Obligation transaction, work with bond and other legal counsel retained by Client, including the review of legal proceedings and documents, including bond election documents.
- (f) If applicable, assist in Client's preparation of a preliminary official statement and final official statement or equivalent document as the particular transaction may require (such as a private placement memorandum).
- (g) Advise and assist Client with respect to obtaining credit rating requests for any proposed Obligations.
- (h) Advise and assist Client with respect to obtaining municipal bond insurance or other credit enhancement for any proposed Obligations.
- (i) Attend meetings of governing bodies and committees of the Client, Client's staff, and Client's legal and other representatives as requested.
- (j) Provide Client and paying agent(s) a schedule of annual debt service requirements for the Obligations.
- (k) Client acknowledges that advice and recommendations involve except as otherwise stated professional judgment on the part of FA and that the results cannot be, and are not, guaranteed. Further:
 - i. Unless otherwise provided herein, FA is not responsible for and is not guaranteeing any of the information included in any preliminary or final official statement, or for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about FA provided by FA for inclusion in such documents.
 - ii. The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any issue or in connection with any opinion or certificate rendered by counsel or any other person at closing, and does not include review or advice on any feasibility study.
 - iii. The Scope of Services does not include providing advice or services with respect to investment advisory services, brokerage services or derivative products, except as described in section 2(b) above with respect to refunding bond escrow funds.
 - iv. If Client designates FA as its independent registered municipal advisor ("IRMA") within the meaning of 17 CFR Part 240, Sections 15Ba1-1 through 15Ba1-8 and 15Bc4-1 (collectively, the "Municipal Advisor Rule" or "MA Rule") of the Securities and Exchange Commission (the "SEC") with respect to the activities and aspects described in the Scope of Services, Client agrees to disclose to FA the existence of any such IRMA designations. Any reference to FA, its personnel and its role as IRMA in the written representation of the Client contemplated under the MA Rule is subject to prior approval by FA. FA is not responsible for verifying that it is independent (within the meaning of the MA Rule as interpreted by the SEC) from any party.

3. Scope of Services for Loans with Bank or Governmental Agency/Authority.

- (a) As requested, analyze the risks and benefits of a loan with a bank or governmental agency/authority loan versus the issuance of municipal securities via the public debt markets.
- (b) Provide advice with respect to the structure of the loan, including: (1) the debt repayment structure, e.g., current interest, capital appreciation and maturity dates; (2) loan amount; (3) interest structure, e.g., fixed or adjustable rate, etc.; (4), payment dates and early redemption dates, if applicable; (5) security provisions; and (6) the investment of loan proceeds deposited to an escrow or similar fund and available for the

refunding and/or defeasance of other outstanding debt of the Client via application for state and local government obligations (SLGs), or competitively bid open market securities or guaranteed investment contracts; and (7) other matters that FA considers appropriate to best serve the Client's needs.

- (c) Provide a list of : (1) lenders who are or may be active in the market for tax exempt (or taxable) municipal loans; (2) participate in the drafting for your review and approval appropriate request for proposals or qualifications for lenders to submit bids to provide a loan; and (3) facilitate the distribution of requests for qualifications or proposals.
 - (d) Analyze and negotiate with prospective lenders, advise Client with respect to the alternatives that satisfy its financial objectives, and assist Client with the selection of a lender; provided, however, that FA shall not, under any circumstances, be entitled to receive any fee (other than its Financial Advisor fee hereunder) for placement or other services from either the Client, a lender or any other person in connection with any direct loan transaction.
4. **Amendment to Scope of Services.** The Scope of Services may be modified only by written amendment or supplement to the Scope of Services described herein.
5. **FA's Regulatory Duties When Serving the Client under MSRB Rule G-42.** FA must make a reasonable inquiry as to the facts that are relevant to the Client's determination whether to proceed with a course of action, or that form the basis for any advice provided by FA to the Client. Municipal Securities Rulemaking Board ("MSRB") Rule G-42 also requires that FA undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. FA is also required to use reasonable diligence to know the essential facts concerning the Client and concerning the authority of each person acting on the Client's behalf. If the review of a recommendation of another party is requested by the Client and is within the Scope of Services of this Agreement, FA must determine based on information obtained through reasonable diligence, whether the proposed securities transaction or financial product is or is not suitable for the Client. To the extent FA's services involve advising Client with respect to a bank loan or a loan with a governmental agency or authority, certain rules and regulations of the Securities and Exchange Commission and MSRB may not apply to the activities of FA.

Client agrees to assist FA in carrying out these regulatory duties, including providing to FA accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, Client agrees to notify FA if Client requests that FA review any recommendation of a third party.

6. **Term of this Engagement.** The term of this Agreement begins on the Effective Date and continues in full force and effect until such time as the Client and FA amend or replace it, or until 30 days following the receipt by either such party hereto of a written notice of termination. This Agreement may be terminated with or without cause by either party upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination.
7. **Compensation.** The fees due to FA hereunder shall be as set forth in **Appendix A** hereto. In addition, FA shall be entitled to reimbursement in accordance with Appendix A of expenses incurred in connection with any services provided hereunder as set forth in such appendix.

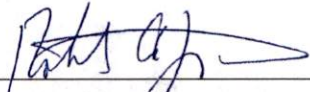
8. **Required Disclosures.** In accordance with the following legal requirements, please note that:
- (a) MSRB Rule G-10: (i) FA is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB), (ii) the website address for the MSRB is <http://www.msrb.org>, and (iii) a municipal advisory client brochure available to the Client is posted on the MSRB website that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority.
 - (b) MSRB Rule G-42: FA is not aware of any material conflicts of interest that may exist in providing the services described herein except with respect to its fees for services referred to under "Compensation" insofar as they relate to the closing of any financing transaction, the payment and amount of which may be contingent upon the size and/or closing thereof; provided, however, that in accordance with FA's fiduciary duty to Client, **FA covenants and agrees to not recommend a financing size or the closing of a financing unless, in FA's informed opinion after reasonable due diligence and investigation, it is in the Client's best interest, without regard to the FA's financial or other interests; provided further that Client agrees it is in its best interest to pay financing-related fees contingent upon the closing of a financing and out of the proceeds of a closed financing instead of paying financing-related fees even if no closing occurs which would require Client to use other available funds;** and
 - (c) Chapter 2271 of the Texas Government Code: FA hereby verifies and confirms that it does not boycott Israel and will not boycott Israel during the term of this Agreement.
 - (d) Chapter 2270 of the Texas Government Code: FA verifies and affirms that it is not a foreign terrorist organization as identified on the list prepared and maintained by the Texas Comptroller of Public Accounts. If FA has misrepresented its inclusion on the Comptroller's list such omission or misrepresentation will void this Agreement.
9. **Official Statement.** Client acknowledges that it is responsible for the contents of each preliminary official statement, final official statement or any other document related to the issuance or execution of the Obligations as contemplated herein ("Offering Documents"). Client will take all reasonable steps to ensure that the governing body has reviewed and approved the contents of the Offering Documents.
10. **Choice of Law.** This Agreement shall be construed and given effect in accordance with the laws of the State of Texas. Exclusive venue for any action arising out of this agreement is in Webb County, Texas.
11. **Binding Effect; Assignment.** This Agreement shall be binding upon and inure to the benefit of Client and FA, their respective successors and permitted assigns; provided, however, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party
12. **Entire Agreement.** This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. This Agreement may not be amended, supplemented or modified except by means of a written instrument executed by both parties.
13. **Severability.** If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions because it conflicts with any provisions of any constitution, statute, regulation, rule or public policy, or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.
14. **No Third Party Beneficiary.** This Agreement is made solely for the benefit of the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to

confer on any person, other than the parties hereto and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

15. **Authority.** The undersigned representatives of the Client and FA each represent and warrant that they each have full legal authority to execute this Agreement on behalf of the Client and FA, as applicable.
16. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but which taken together, shall constitute one and the same instrument.
17. **Fiduciary Duty** FA agrees that this Agreement create a fiduciary duty on FA's part for the Client's benefit.
18. **Insurance.** The financial integrity of Financial Advisor is of interest to Webb County, therefore, subject to the right of Financial Advisor to maintain reasonable insurance deductibles in such amounts as are approved by the County. FA shall obtain and maintain in full force and effect for the entire duration of this agreement, and any extension hereof, at FA's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and rated A- (VII) or better by A.M. Best Company (Best's Key Insurance Company Rating Guide, current edition and/or as amended) and/or otherwise acceptable to Webb County/Webb County Risk Manager, the following types insurances and amounts:
 - (a) **Commercial General Liability Insurance.** FA shall maintain Commercial General Liability for the duration of this Agreement written on an occurrence form with policy limits of not less than One Million Dollars (\$1,000,000.00) each occurrence, Two Million Dollars (\$2,000,000.00) general aggregate for bodily injury and property damage, which coverage shall include products/completed aggregate and name Webb County as an additional insured.
 - (b) **Workers Compensation & Employers Liability Insurance.** FA shall procure and shall maintain during the life of this Agreement Workers' Compensation Insurance at required statutory limits as provided by applicable State law for his/her employees to be engaged under this Contract. FA shall provide adequate employee liability insurance for the protection of such of his/her employees in the following amounts: \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each occurrence /\$1,000,000 by disease aggregate.
 - (c) **Commercial Automobile Liability Insurance.** FA shall maintain Automobile Liability Insurance covering hired or any other vehicles owned, and non-owned vehicles used, by FA at a minimum of not less than One Million Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage each accident.
 - (e) **Professional Liability Insurance.** FA shall maintain Professional Liability Insurance ("Errors and Omissions" Insurance) for the duration of the Agreement at a minimum amount of not less than One Million (\$1,000,000.00)

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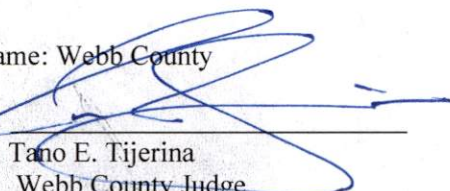
Tijerina Galvan Lawrence LLC

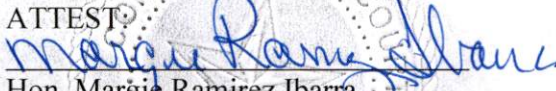
Signature: 
Robert A. Tijerina
CEO/Managing Director

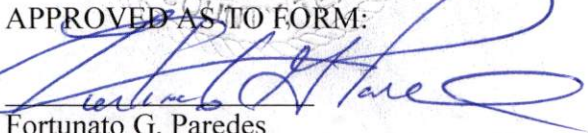
August 15, 2023
Date

ACCEPTED BY THE UNDERSIGNED CLIENT AND EFFECTIVE as of the 14th day of August, 2023

Client Name: Webb County

By (sig): 
Print: Tano E. Tijerina
Title: Webb County Judge

ATTEST:

Hon. Margie Ramirez Ibarra
Webb County Clerk

APPROVED AS TO FORM:

Fortunato G. Paredes
Assistant General Counsel
Webb County Civil Legal Division

*The General Counsel, Civil Legal Division's Office, may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval and should seek review and approval of their own respective attorney(s).

APPENDIX A –
COMPENSATION

In consideration for the services rendered by TGL for each issue of debt instruments, the fee will be based on gross bond proceeds of the Obligation(s) and will be as follows on any given transaction or issue for the duration of the service period per the terms of a final agreement:

| | | | | | |
|------|----------|-----|---------|------------|--------------|
| Base | \$20,000 | | | | |
| Plus | \$2.50 | Per | \$1,000 | Up to | \$10,000,000 |
| Plus | \$2.00 | Per | \$1,000 | For next | \$10,000,000 |
| Plus | \$1.25 | Per | \$1,000 | For next | \$10,000,000 |
| Plus | \$0.85 | Per | \$1,000 | Thereafter | |

*For example, for a \$30,000,000 bond issue, the total financial advisory fee would be the \$20,000 base fee plus \$25,000 for first \$10,000,000 plus \$20,000 for next \$10,000,000 and \$12,500 for final \$10,000,000 ($\$20,000 + \$10,000,000/\$1,000 * \$2.50 + \$10,000,000/\$1,000 * \$2.00 + \$10,000,000/\$1,000 * \1.25), or \$77,500.*

Refunding Issues - Fees for Refunding Issues shall be the amount shown. There will **not** be an additional charge for Refunding Issues

Official Statement Preparation Fee, if prepared by the FA, is part of the proposed fee structure shown above. There will **not** be an additional charge for Official Statement preparation.

TGL will **not** charge an additional computer structuring fee for additional analytical services. TGL believes that these services are a part of our responsibility as the County's advisor and fiduciary and should be included in our fee.

Fees for Revenue Bonds or any bonds and /or debt instruments sold and delivered to the Texas Water Development Board, U.S. Department of Housing and Urban Development or any similar state or federal agency, the fee for such issue shall be the amount shown plus a 20% additional charge.

Fees for International Toll Bridge Revenue Bonds, the fee for such issue shall be the amount shown plus a 35% additional charge.

Special Purpose District or Tax Increment Reinvestment Zone (TIRZ)

In consideration for the services rendered by TGL to the Issuer including, but not limited to Special Purpose Districts, Tax Increment Reinvestment Zone (TIRZ) or some other entity that may be created under the terms and conditions of the attached Agreement, it is understood and agreed that the fee payable to TGL, for special projects directed by the Issuer should be as follows:

| | |
|------|--|
| Base | \$20,000 |
| Plus | 2% of the gross amount of gross bond proceeds generated from any financing |

PLEASE NOTE THAT THE FA FEES DESCRIBED ABOVE ARE CONTINGENT UPON CLOSING A TRANSACTION, i.e. if there is no closing, the fees described above are not payable by Client.

For any services the financing team performs not listed in scope of services, TGL proposes the following hourly fee structure.

| Title | Hourly Rate |
|--------------------------|-------------|
| Managing Director | \$350 |
| Director | \$300 |
| Senior Analyst/Analyst | \$250 |
| Administrative Assistant | \$150 |

The Client shall be responsible for the following expenses, whether they are charged to the Client directly as expenses or charged to the Client by the FA as reimbursable expenses:

- Bond counsel
- Bond printing
- Bond ratings
- Credit enhancement
- CPA fees for refunding or Additional Bonds Test
- Official Statement Printing
- Paying agent/registrar/trustee/escrow agent
- Travel and meal expenses
- Underwriter and underwriter's counsel
- Other miscellaneous out-of-pocket expenses including copy, delivery, and phone charges incurred by the FA in connection with Client's financings, not to exceed \$5,000

TGL will bill the Issuer at Closing for each issue of Obligations a net amount which will include a fee calculated on the above schedule as well as costs and expenses incurred on behalf of the County.

Annual Fee:

Continuing Disclosure Requirements

An annual fee for the preparation and filing of continuing disclosure documents, including the annual Texas Debt Transparency filing and along with ongoing monitoring and filing of any additional notices as needed, will be billed for a fee of \$5,000 per report per year.

The annual fee applies to Clients that have or incur outstanding debt subject to MSRB Rule 15c2-12. A separate report will be required for each separate credit, i.e. General Obligation Debt is a separate report from International Toll Bridge Debt.