

SAMCO CAPITAL MARKETS, INC.

8700 CROWNHILL BOULEVARD, SUITE 601

SAN ANTONIO, TEXAS 78209

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May 28, 2015

The Honorable Mayor and
Members of the City Council
City of Seguin
Post Office Box 591
Seguin, Texas 78155

Dear Members of the City Council:

In regard to serving as the financial advisor and consultant to the City of Seguin (the "City"), we submit the following proposal or agreement for your approval and acceptance:

1. **Term**. This agreement will be for a period of three (3) years, commencing September 1, 2015. The agreement may be terminated at any time by either of us by giving thirty (30) days written notice to the other party.

2. **Duties**. The duties and responsibilities to be performed under this agreement include consulting and advising the City in the development and implementation of a plan of financing to meet the capital borrowing needs of the City and as to other financial matters incident and related thereto.

3. **Compensation**. For each plan of financing developed and implemented hereunder, the compensation for services rendered shall be based on the fee schedule attached. Adjustments can be made depending on the complexity of the financing and the services rendered, but any adjustments must be approved by the City. Upon the development of a plan of financing and prior to its implementation, the amount of compensation to be paid with regard to such financing will be quoted to the appropriate official of the City for approval. It is agreed such compensation shall be paid only from the proceeds of sale of such financing unless another and separate arrangement acceptable to both parties hereto is approved in writing.

4. **Assignment**. Because of the personal nature of the services to be rendered, this agreement shall be and is deemed to be entered into with Duane L. Westerman and/or Allen R. Westerman notwithstanding their association with any financial company, group, or association and such agreement during the initial term thereof. Any extension thereof shall be automatically assigned to and transferred with such named persons and inure to their benefit in all respects and with whomsoever such persons shall associate.

5. **Termination.** Upon termination of the agreement, an extension may be requested and approved, or the agreement shall be automatically terminated, except as to any work in progress which shall proceed to completion. We shall be entitled to recover actual expenses previously authorized by you and incurred in reasonable amount to that time.

Respectfully submitted,

SAMCO Capital Markets, Inc.



Duane L. Westerman
Senior Managing Director

Allen R. Westerman
Managing Director

Accepted and approved by the City Council of the City of Seguin on the ____ day of _____, 2015.

City Manager
City of Seguin

ATTEST:

City Secretary
City of Seguin

PROPOSED FEE SCHEDULE

In consideration for services rendered by SAMCO Capital Markets, Inc., the City agrees that our fee for each issue of obligations will be as follows:

<u>If the Amount of Bonds Issues is</u>		<u>The Fee Is</u>					
<u>More Than</u>	<u>And Not More Than</u>						
\$ -0-	\$ 500,000	\$ 10,000	plus	\$11.25	per \$1,000	for all over	\$ 250,000
500,000	1,000,000	12,813	pus	11.00	per \$1,000	for all over	500,000
1,000,000	1,500,000	18,313	plus	10.50	per \$1,000	for all over	1,000,000
1,500,000	2,500,000	23,563	plus	9.00	per \$1,000	for all over	1,500,000
2,500,000	5,000,000	32,563	pus	8.50	per \$1,000	for all over	2,500,000
5,000,000	10,000,000	53,813	plus	8.00	per \$1,000	for all over	5,000,000
10,000,000	20,000,000	93,813	plus	6.00	per \$1,000	for all over	10,000,000
20,000,000	No limit	153,813	plus	2.00	per \$1,000	for all over	20,000,000

When bonds are issued in multiple installments, the fee for each installment shall be the next amount as compiled from the above schedule.

With regard to fees for debt instruments involving escrow agreements or a revenue pledge, it is understood and agreed that our fee will be the fee schedule set out above plus 10%. It is also understood and agreed that we will charge, in addition to the Financial Advisory fee, a computer fee to be negotiated on a case by case basis. On Grant/Loan Programs, the fee set forth above will be used to compute a fee based on the total project cost, plus out-of-pocket expenses as set forth below:

For each issue of obligations, SAMCO Capital Markets, Inc. will bill the City, at closing, a net amount that will include a fee calculated on the above schedule as well as costs and expenses, where applicable, incurred on behalf of the City for the Bond Attorneys (provided the City has requested that we serve as its Agent in the payment of Bond Counsel fee), preparation, printing, and distribution of the Notice of Sale, Official Statement, Uniform Bid Form or Private Placement Memorandum, independent consultants, information meetings, if any, presentations to rating agencies, rating fees and travel expenses, if any, printing of the obligations, and all appropriate costs and expenses associated with the closing and delivery of the obligations.