

C O N T R A C T

The COUNTY OF SAN BENITO ("COUNTY") and RAYMOND JAMES & ASSOCIATES, INC.
("CONTRACTOR") enter into this contract which shall be effective on the date stated in Paragraph 1.

1. Duration of Contract.

This contract shall commence on April 17, 2018, and end on April 17, 2019 or until the closing of the 2018 Solar Lease, whichever is earlier, unless sooner terminated as specified herein.

2. Scope of Services.

CONTRACTOR, for COUNTY's benefit shall perform the services specified on Attachment A to this contract. Attachment A is made a part of this contract.

3. Compensation for Services.

In consideration for CONTRACTOR's performance, COUNTY shall pay compensation to CONTRACTOR according to the terms specified in Attachment B. Attachment B is made a part of this contract.

4. General Terms and Conditions.

The rights and duties of the parties to this contract are governed by the general terms and conditions mutually agreed to and listed in Attachment C. Attachment C is made a part of this contract.

5. Insurance Limits.

CONTRACTOR shall maintain the following insurance policy limits of coverage consistent with the further insurance requirements specified in Attachment C.

- (a) Comprehensive general liability insurance: \$ 1,000,000.00
- (b) Professional liability insurance: \$ 1,000,000.00
- (c) Comprehensive motor vehicle liability insurance: \$ minimum required by CA State Law

6. Termination.

The number of days of advance written notice required for termination of this contract is thirty (30) days.

7. Specific Terms and Conditions (check one)

- ☐ [] There are no additional provisions to this contract.
- ☒ [x] The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment D. Attachment D is made a part of this contract.
- ☐ [] The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment E. Attachment E is made a part of this contract.

8. Information about Contract Administrators.

The following names, titles, addresses, and telephone numbers are the pertinent information for the respective contract administrators for the parties.

Contract Administrator for COUNTY:

Name: Ray Espinosa

Title: County Administrative Officer

Address: 481 4th Street

Hollister, California 95023

Telephone No.: (831)-636-4000

Fax No.: (831)-636-4010

Contract Administrator for CONTRACTOR:

Name: Robert Larkins

Title: Managing Director

Address: One Embarcadero Center, Suite 650

San Francisco, California 94111

Telephone No.: (415) 616-8025

Fax No.: (415) 616-8070

SIGNATURES

APPROVED BY COUNTY:

Name: Anthony Botelho
Chair, Board of Supervisors

Date: _____

APPROVED BY CONTRACTOR:

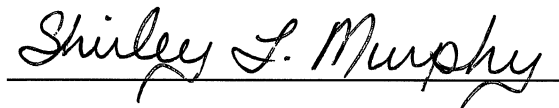


Name: Robert Larkins
Title: Managing Director

Date: April 12, 2018

APPROVED AS TO LEGAL FORM:

San Benito County Counsel's Office



By: Shirley L. Murphy, Deputy County Counsel

Date: April 12, 2018

ATTACHMENT A
Scope of Services

CONTRACTOR, for the COUNTY'S benefit, shall provide the following services:

CONTRACTOR shall serve as the placement agent for the proposed placement of the County's 2018 ENGIE Solar Project Private Placement Lease Equipment Financing (the "2018 Solar Lease") in the approximate principal amount of \$8,000,000.00 and shall provide services including but not limited to the following:

- 1) CONTRACTOR shall assist in the preparation of a Term Sheet or other applicable information and offering material (the "Term Sheet"), based on information provided by the COUNTY, as further described in Attachment D to this contract;
- 2) CONTRACTOR shall prepare and assist the COUNTY in distributing a Request for Proposals to potential lenders;
- 3) CONTRACTOR shall compile a summary of proposals received and make a recommendation with respect to the most cost-effective proposal, considering the terms and conditions contained in each proposal.

END OF ATTACHMENT A

ATTACHMENT B
Payment Schedule

B-1. BILLING

Charges for services rendered pursuant to the terms and conditions of this contract shall be invoiced on the following basis: (check one)

- ☐ One month in arrears.
- ☒ Upon the complete performance of the services specified in Attachment A.
- ☐ The basis specified in paragraph B-4.

B-2. PAYMENT

Payment shall be made by COUNTY to CONTRACTOR at the address specified in paragraph 8 of this contract, net thirty (30) days from the invoice date.

B-3. COMPENSATION

COUNTY shall pay to CONTRACTOR: (check one)

- ☐ a total lump sum payment of \$_____, or
- ☒ a total sum not to exceed \$17,500.00, inclusive of all expenses_____

for services rendered pursuant to the terms and conditions of this contract and pursuant to any special compensation terms specified in this attachment, Attachment B.

B-4. SPECIAL COMPENSATION TERMS: (check one)

- ☐ There are no additional terms of compensation.
- ☒ The following specific terms of compensation shall apply: (Specify)

The compensation specified in paragraph B-3 shall be due and payable to CONTRACTOR only upon execution and delivery of the 2018 Solar Lease described in Attachment A to this contract.

END OF ATTACHMENT B.

ATTACHMENT C

General Terms and Conditions

C-1. INDEMNIFICATION.

CONTRACTOR and COUNTY each agree to indemnify, defend and save harmless the other party and the other party's officers and employees, from and against any and all claims and losses whatsoever arising out of, or in any way related to, the indemnifying party's performance under this contract, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorneys' fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers and employees.

C-2. GENERAL INSURANCE REQUIREMENTS.

Without limiting CONTRACTOR's duty to indemnify COUNTY, CONTRACTOR shall comply with the insurance coverage requirements set forth in the contract and in this attachment. Those insurance policies mandated by Paragraph C-3 shall satisfy the following requirements:

- (a) Each policy shall be issued by a company authorized by law to transact business in the State of California.
- (b) Each policy shall provide that COUNTY shall be given notice in writing at least thirty (30) days in advance of any change, cancellation, or nonrenewal thereof.
- (c) The comprehensive motor vehicle and comprehensive general liability policies shall each provide an endorsement naming the County of San Benito and its officers, agents and employees as additional insureds.
- (d) The required coverage shall be maintained in effect throughout the term of this contract.

CONTRACTOR shall require all subcontractors performing work under this contract to obtain substantially the identical insurance coverage required of CONTRACTOR pursuant to this agreement.

C-3. INSURANCE COVERAGE REQUIREMENTS.

If required by paragraph 5 of the contract, CONTRACTOR shall maintain the following insurance policies in full force and effect during the term of this contract:

- (a) Comprehensive general liability insurance. CONTRACTOR shall maintain comprehensive general liability insurance, covering all of CONTRACTOR's operations with a combined single limit of not less than the amount set out in paragraph 5 of this contract.
- (b) Professional liability insurance. CONTRACTOR shall maintain professional liability insurance with liability limits of not less than the amount set out in paragraph 5 of this contract.

- (c) Comprehensive motor vehicle liability insurance. CONTRACTOR shall maintain comprehensive motor vehicle insurance covering all motor vehicles (including owned, non-owned and hired) used in providing services under this contract, with a combined single limit of not less than the amount set out in Paragraph 5 of this contract.
- (d) Workers' compensation insurance. CONTRACTOR shall maintain a workers' compensation plan covering all of its employees as required by California Labor Code Section 3700, either through workers' compensation insurance issued by an insurance company or through a plan of self-insurance certified by the State Director of Industrial Relations. If CONTRACTOR elects to be self-insured, the certificate of insurance otherwise required by this contract shall be replaced with a consent to self-insure issued by the State Director of Industrial Relations.

C-4. CERTIFICATE OF INSURANCE.

Prior to the commencement of performance of services by CONTRACTOR and prior to any obligations of COUNTY, CONTRACTOR shall file certificates of insurance with COUNTY, showing that CONTRACTOR has in effect the insurance required by this contract. CONTRACTOR shall file a new or amended certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file. In lieu of providing proof of insurance, CONTRACTOR may provide proof of self-insurance meeting requirements equivalent to those imposed herein. CONTRACTOR warrants that CONTRACTOR's self-insurance provides substantially the same protection to COUNTY as the insurance required herein. CONTRACTOR further agrees to notify COUNTY in the event any change in self-insurance occurs that would alter the obligations undertaken in this contract within thirty (30) days of such change.

C-5. RECORDS TO BE MAINTAINED.

CONTRACTOR shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. CONTRACTOR shall contractually require that all of CONTRACTOR's subcontractors performing work called for under this contract also keep and maintain such records. All such records, whether kept by CONTRACTOR or any subcontractor, shall be made available to COUNTY or its authorized representative, or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by COUNTY, its authorized representative, or officials of the State of California.

C-6. RETENTION OF RECORDS.

CONTRACTOR shall maintain and preserve all records related to this contract for a period of three years from the close of the fiscal year in which final payment under this contract is made. CONTRACTOR shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the three-year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to insure the maintenance of the records beyond the initial three year period shall arise only if the COUNTY notifies CONTRACTOR of the commencement of an audit prior to the expiration of the three year period.

C-7. TITLE TO DOCUMENTS; COPYRIGHT.

All reports and other materials collected or produced by the CONTRACTOR or any subcontractor of CONTRACTOR shall, after completion and acceptance of the contract, become the property of COUNTY, and shall not be subject to any copyright claimed by the CONTRACTOR, subcontractor, or their agents or employees. CONTRACTOR may retain copies of all such materials exclusively for administrative purposes. Any use of completed or uncompleted documents for other projects by CONTRACTOR, any subcontractor, or any of their agents or employees, without the prior written consent of COUNTY is prohibited.

C-8. INDEPENDENT CONTRACTOR.

CONTRACTOR and its officers and employees, in the performance of this contract, are independent contractors in relation to COUNTY and not officers or employees of COUNTY. Nothing in this contract shall create any of the rights, powers, privileges or immunities of any officer or employee of COUNTY. CONTRACTOR shall be solely liable for all applicable taxes or benefits, including, but not limited to, federal and state income taxes, Social Security taxes, or ERISA retirement benefits, which taxes or benefits arise out of the performance of this contract. CONTRACTOR further represents to COUNTY that CONTRACTOR has no expectation of receiving any benefits incidental to employment.

C-9. CONFLICT OF INTEREST.

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. CONTRACTOR further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be used or employed. CONTRACTOR certifies that no one who has or will have any financial interest under this contract is an officer or employee of COUNTY.

C-10. COMPLIANCE WITH APPLICABLE LAWS.

CONTRACTOR shall comply with all applicable federal, state and local laws now, or hereafter, in force, and with any applicable regulations, in performing the work and providing the services specified in this contract. This obligation includes, without limitation, the acquisition, and maintenance of any permits, licenses, or other entitlements necessary to perform the duties imposed expressly or impliedly under this contract.

C-11. NONDISCRIMINATION.

CONTRACTOR shall not discriminate in the employment of persons necessary to perform this contract on any legally impermissible basis, including on the basis of the race, color, national origin, ancestry, religion, age, sex, or disability of such person.

C-12. BANKRUPTCY.

CONTRACTOR shall immediately notify COUNTY in the event that CONTRACTOR ceases conducting business in the normal manner, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of, or becomes subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors.

C-13. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION OF DUTIES.

Except as specifically authorized herein, no rights under this contract may be assigned and no duties under this contract may be delegated by CONTRACTOR without the prior written consent of COUNTY, and any attempted assignment or delegation without such consent shall be void.

C-14. NEGOTIATED CONTRACT.

This contract has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code Section 1654.

C-15. SEVERABILITY.

Should any provision herein be found or deemed to be invalid, this contract shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect. To this end, the provisions of this contract are declared to be severable.

C-16. ENTIRE CONTRACT.

This contract is the entire agreement of the parties. There are no understandings or agreements pertaining to this contract except as are expressly stated in writing in this contract or in any document attached hereto or incorporated herein by reference.

C-17. TIME IS OF THE ESSENCE.

Time is of the essence in the performance of this contract.

C-18. TERMINATION.

Either party may terminate this contract, with or without cause, at any time. In order to terminate this contract, the terminating party shall give advance written notice to the other party. The termination shall be effective no earlier than the expiration of the number of days specified in paragraph 6 of this contract. The termination notice shall be made as specified in paragraph C-19, below. In the event of termination, COUNTY shall pay CONTRACTOR for all work satisfactorily performed prior to the effective date of the termination.

C-19. NOTICES.

Notices to the parties in connection with the administration of this contract shall be given to the parties' contract administrator personally, by regular mail, or by facsimile transmission as more particularly specified in this paragraph. Notices will be deemed given on:

- (a) The day the notice is personally delivered to the contract administrator or the office of the party's contract administrator; or
- (b) Five days after the date the notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, with first-class postage fully prepaid; or
- (c) On the day that the notice is transmitted by facsimile to a party's facsimile number specified in paragraph 8 of this contract, provided that an original of

such notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, on the same day as the facsimile transmission is made.

C-20. RESPONSIBILITY OF CONTRACT ADMINISTRATORS.

All matters concerning this contract which are within the responsibility of the parties shall be under the direction of, or shall be submitted to, the respective contract administrators or to the party's employee specified, in writing, by the contract administrator. A party may, in its sole discretion, change its designation of its contract administrator and shall promptly give written notice to the other party of any such change.

C-21. MATERIALITY.

The parties consider each and every term, covenant, and provision of this contract to be material and reasonable.

C-22. WAIVER.

Waiver by either party of a breach of any covenant of this contract will not be construed to be a continuing waiver of any subsequent breach. COUNTY's receipt of consideration with knowledge of CONTRACTOR's violation of a covenant does not waive its right to enforce any covenant of this contract. The parties shall not waive any provisions of this contract unless the waiver is in writing and signed by all parties.

C-23. AUTHORITY AND CAPACITY.

CONTRACTOR and CONTRACTOR's signatory each warrant and represent that each has full authority and capacity to enter into this contract.

C-24. BINDING ON SUCCESSORS.

All of the conditions, covenants and terms herein contained shall apply to, and bind, the heirs, successors, executors, administrators and assigns of CONTRACTOR. CONTRACTOR and all of CONTRACTOR's heirs, successors, executors, administrators, and assigns shall be jointly and severally liable under this contract.

C-25. CUMULATION OF REMEDIES.

All of the various rights, options, elections, powers and remedies of the parties shall be construed as cumulative, and no one of them exclusive of any other or of any other legal or equitable remedy which a party might otherwise have in the event of a breach or default of any condition, covenant or term by the other party. The exercise of any single right, option, election, power or remedy shall not, in any way, impair any other right, option, election, power or remedy until all duties and obligations imposed shall have been fully performed.

C-26. INDEPENDENT ADVICE.

Each party hereby represents and warrants that in executing this contract it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with

respect to the matters set forth in this contract and the rights and duties arising out of this contract, or that such party willingly foregoes any such consultation.

C-27. NO RELIANCE ON REPRESENTATIONS.

Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true. The parties expressly assume the risk of the facts turning out to be different and agree that this contract shall be effective in all respects and shall not be subject to rescission by reason of any such difference in facts.

C-28. REDUCTION OF CONSIDERATION.

CONTRACTOR agrees that COUNTY shall have the right to deduct from any payments specified in Attachment B any amount owed to COUNTY by CONTRACTOR as a result of any obligation arising prior to the execution of this contract. For purposes of this paragraph, obligations arising prior to the execution of this contract may include, without limitation, any property tax, secured or unsecured, which tax is in arrears. If COUNTY exercises the right to reduce the consideration specified in Attachment B, COUNTY shall give CONTRACTOR notice of the amount of any offset and the reason for the deduction.

C-29. COUNTERPARTS.

This contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original. The counterparts shall together constitute one contract.

END OF ATTACHMENT C.

ATTACHMENT D
Specific Terms and Conditions

The rights and duties of the parties to this CONTRACT are additionally governed by the following specific, additional terms and conditions:

D-1. COUNTY'S OBLIGATIONS:

- A. The COUNTY understands that the consummation of the transaction will be based upon, among other things, the truth, accuracy and completeness of the information included in the Term Sheet or otherwise provided to CONTRACTOR. The COUNTY agrees that, to the best of its ability, all such information will be true, correct and complete, and that it will update such information during the course of the placement, as appropriate, and that all projections provided to CONTRACTOR will have been prepared in good faith and based upon reasonable assumptions. The COUNTY acknowledges and agrees that CONTRACTOR will rely upon such information and projections without independent verification. Responsibility for the contents of the Term Sheet as it relates to the COUNTY shall be solely that of the COUNTY and any issuer of the 2018 Solar Lease.
- B. The COUNTY will be responsible for all fees, costs, and expenses payable to third parties including by way of example but not limitation, the COUNTY'S and/or issuer's counsel, any other attorneys, bond counsel, auditors, feasibility consultants, financial advisors, printers, rating agencies and bond trustee.

D-2. EXCLUSIVE AGREEMENT: The COUNTY grants CONTRACTOR the sole and exclusive right and authority to perform the services described herein and agrees that it will not initiate or participate in any discussions relating to the financing with any person other than CONTRACTOR.

D-3. NO UNAUTHORIZED DISSEMINATION: No opinion or advice of CONTRACTOR shall be reproduced, disseminated, quoted or referred to at any time without CONTRACTOR'S prior written consent. Upon completion of the financing, CONTRACTOR will be entitled to advertise the transaction in publications and at times selected by CONTRACTOR at CONTRACTOR'S own expense.

D-4. DISCLOSURE OF POTENTIAL BUSINESS RELATIONSHIPS WITH OTHER PARTICIPANTS: CONTRACTOR or its affiliates may have trading and other business relationships with other participants in the proposed transaction, including with potential purchasers/assignees of

the 2018 Solar Lease. These relationships include, but may not be limited to, trading lines, frequent purchases and sales of securities and other engagements through which CONTRACTOR may have, among other things, an economic interest. In addition, the primary role of a placement agent is to arrange for the placement of securities in an arm's-length commercial transaction between the issuer and the purchaser/assignee and CONTRACTOR has financial and other interests that differ from those of the issuer. Notwithstanding the foregoing, **CONTRACTOR will not receive any compensation with respect to the 2018 Solar Lease other than as disclosed above or otherwise disclosed to the COUNTY.** CONTRACTOR is involved in a wide range of activities from which conflicting interests or duties may arise. Information which is held elsewhere within CONTRACTOR'S organization, but of which none of CONTRACTOR'S personnel involved in the proposed transaction actually has knowledge, will not for any purpose be taken into account in determining CONTRACTOR'S responsibilities to the COUNTY.

D-5. NO GUARANTEE: The COUNTY acknowledges and agrees that this contract does not constitute a guarantee by CONTRACTOR to arrange the placement of the 2018 Solar Lease. It is understood that CONTRACTOR'S obligations under this contract are to use reasonable efforts throughout the term of this contract to perform the services described herein. The COUNTY acknowledges and agrees that CONTRACTOR is being retained to act solely as Placement Agent for the 2018 Solar Lease, and not as an agent, advisor or fiduciary to the COUNTY, and that this contract is not intended to confer rights or benefits on any officer, employee, member, affiliate, or creditor of the COUNTY or any other person or entity or to provide the COUNTY or any other person with any assurances that the transaction will be consummated. CONTRACTOR shall act as an independent contractor under this contract, and not in any other capacity, including as a fiduciary. The COUNTY acknowledges and agrees that:

- A. the transaction contemplated by this contract is an arm's length, commercial transaction between the COUNTY and CONTRACTOR in which CONTRACTOR is acting solely as an agent and is not acting as a municipal advisor, financial advisor or fiduciary to the COUNTY;
- B. the CONTRACTOR has not assumed any advisory or fiduciary responsibility to the COUNTY with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether CONTRACTOR has provided other services or is currently providing other services to the COUNTY on other matters);

- C. the only obligations CONTRACTOR has to the COUNTY with respect to the transaction contemplated hereby expressly are set forth in this contract; and
 - D. the COUNTY has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.
- D-6. **INDEMNIFICATION:** The parties' indemnification obligations shall survive any termination of this contract.
- D-7. **GOVERNING LAW; VENUE:** This contract shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflict of laws. This Agreement is made and entered into in San Benito County, California. To the extent permitted by law, any action brought by either party with respect to this Agreement shall be brought in a court of competent jurisdiction within said County.
- D-8. **ARBITRATION:** The parties agree that in the event of any dispute arising out of this contract, the dispute shall be resolved by final and binding arbitration before a neutral and mutually selected arbitrator with the American Arbitration Association and pursuant to the rules of the American Arbitration Association (available at www.adr.org). TO THE FULLEST EXTENT ALLOWABLE UNDER THE LAW, EACH PARTY HERETO WAIVES ITS RIGHT TO A JURY TRIAL IN RESOLVING SUCH DISPUTE. The arbitration shall be conducted in San Benito County, California. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties agree that they shall bear their own costs and attorneys' fees in any such proceeding.
- D-9. **AMENDMENTS:** No waiver, amendment or other modification of this contract shall be effective unless in writing and signed by each party hereto.

END OF ATTACHMENT D.