



**City of Denton**  
**Contract # 6228**

**Consulting Services - Financial**

## EXHIBIT 4

CONTRACT #6228  
CONSULTING SERVICES AGREEMENT  
FOR FINANCIAL ADVISORY, ARBITRAGE REBATE AND  
CONTINUING DISCLOSURE SERVICES

STATE OF TEXAS                   §

COUNTY OF DENTON           §

This agreement, made this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Denton, A Texas municipal corporation, with its principal office at 215 East McKinney Street, Denton, Denton County, Texas 76201, hereinafter called "CITY" and FirstSouthwest, a Division of Hilltop Securities Inc. and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., with an office at 777 Main Street, Suite 1200, Fort Worth, Texas 76102, hereinafter called "HilltopSecurities" or "CONSULTANT," and CONSULTANT's affiliate, First Southwest Asset Management, LLC, with its corporate office at 1201 Elm Street, Suite 3500, Dallas, Texas 75270, hereinafter called ("FSAM"), acting herein, by and through their duly authorized representatives.

WITNESSETH, that in consideration of the covenants and agreements herein contained, the parties hereto do mutually agree as follows:

### **ARTICLE I - EMPLOYMENT OF CONSULTANT**

The CITY hereby contracts with the CONSULTANT and FSAM, as independent contractors, and the CONSULTANT and FSAM hereby agree to perform the services herein in connection with the Projects as stated in the sections to follow, with diligence and in accordance with the highest professional standards customarily obtained for such services in the State of Texas. The professional services set out herein are in connection with the following described projects:

The Projects shall include, without limitation, the provision of financial advisory and continuing disclosure services to be performed by the Consultant and the provision of arbitrage rebate services to be performed by FSAM.

### **ARTICLE II - SCOPE OF SERVICES**

The CONSULTANT and FSAM shall perform the following services in a professional manner:

A. CONSULTANT shall perform all those services set forth in the Financial Advisory Agreement attached hereto as Exhibit A, which shall be attached to this Agreement and made a part hereof for all purposes as separate agreements.

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B. CONSULTANT shall perform all those services set forth in the Continuing Disclosure Services Agreement attached hereto as Exhibit B, which shall be attached to this Agreement and made a part hereof for all purposes as separate agreements.

C. FSAM shall perform all those services set forth in the Arbitrage Rebate Services Agreement attached hereto as Exhibit C, which shall be attached to this Agreement and made a part hereof for all purposes as separate agreements.

D. If there is any conflict between the terms of this Agreement and the attached attachments to this Agreement, the terms and conditions of this Agreement will control over the terms and conditions of the attached attachments.

### **ARTICLE III - ADDITIONAL SERVICES**

Additional services to be performed by the CONSULTANT and FSAM, if authorized by the CITY, which are not included in the above-described Scope of Services, are described as follows: (list all additional services that may be required for the project)

Not applicable.

### **ARTICLE IV - PERIOD OF SERVICE**

The initial term for the agreement specified herein, shall be for a five (5) year period commencing February 21, 2017 and ending February 20, 2022. This contract may be extended for emergency purposes for an additional six (6) month period, upon written mutual agreement of the parties.

This Agreement shall become effective upon execution of this Agreement by the CITY and the CONSULTANT and FSAM and upon issue of a notice to proceed by the CITY, and shall remain in force during the term of the respective agreements attached hereto and any required extensions approved by the CITY.

This Agreement may be sooner terminated in accordance with the provisions in Article XII and the respective agreements may be terminated pursuant to each such agreement's terms. Time is of the essence in this Agreement. The CONSULTANT and FSAM shall make all reasonable efforts to complete the services set forth herein as expeditiously as possible and to meet the schedule established by the CITY, acting through its City Manager or his designee.

### **ARTICLE V - COMPENSATION**

#### **A. COMPENSATION TERMS:**

1. "Subcontract Expense" is defined as expenses incurred by the CONSULTANT in employment of others in outside firms for services in the nature of financial advisory,

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arbitrage rebate and continuing disclosure.

2. "Direct Non-Labor Expense" is defined as that expense for any assignment incurred by the CONSULTANT for supplies, transportation, equipment, travel, communications, subsistence, and lodging away from home, and similar incidental expenses in connection with that assignment.

### B. BILLING AND PAYMENT:

For and in consideration of the professional services to be performed by the CONSULTANT and FSAM herein, the CITY agrees to pay, based on the terms of the agreements attached hereto.

Partial payments to the CONSULTANT and FSAM will be made on the basis of detailed monthly statements rendered to and approved by the CITY through its City Manager or his designee; however, under no circumstances shall any monthly statement for services exceed the value of the work performed at the time a statement is rendered. The CITY may withhold the final five (5%) percent of the contract amount, until completion of the Projects.

Nothing contained in this Article shall require the CITY to pay for any work which is unsatisfactory, as reasonably determined by the City Manager or his designee, or which is not submitted in compliance with the terms of this Agreement. The CITY shall not be required to make any payments to the CONSULTANT or FSAM when the CONSULTANT or FSAM, respectively, is in default under this Agreement.

It is specifically understood and agreed that the CONSULTANT and/or FSAM shall not be authorized to undertake any work pursuant to this Agreement which would require additional payments by the CITY for any charge, expense, or reimbursement above the maximum not to exceed fee as stated, without first having obtained written authorization from the CITY. The CONSULTANT and FSAM shall not proceed to perform the services listed in Article III "Additional Services," without obtaining prior written authorization from the CITY.

### C. ADDITIONAL SERVICES:

For additional services authorized in writing by the CITY in Article III, the CONSULTANT and/or FSAM shall be paid pursuant to the attached agreements. Payments for additional services shall be due and payable upon submission by the CONSULTANT and/or FSAM, and shall be in accordance with subsection B hereof. Statements shall not be submitted more frequently than monthly.

### D. PAYMENT:

If the CITY fails to make undisputed payments due the CONSULTANT and/or FSAM for services and expenses within thirty (30) days after receipt of the CONSULTANT's and/or

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FSAM's undisputed statement thereof, prompt payment act interest as set forth in Chapter 2251 of the Texas Government Code shall be paid on the amounts due the CONSULTANT and/or FSAM. In addition, the CONSULTANT and/or FSAM may, if payment is not received by the thirty-first day (31<sup>st</sup>) after receipt of the statement, after giving ten (10) days' written notice to the CITY, suspend services under this Agreement until the CONSULTANT and/or FSAM has been paid in full all amounts due for services, expenses, and charges, provided, however, nothing herein shall require the CITY to pay prompt payment act interest if the CITY has a bona fide dispute with the CONSULTANT and/or FSAM concerning the payment or if the CITY reasonably determines that the work is unsatisfactory, in accordance with this Article V, "Compensation."

### **ARTICLE VI - OBSERVATION AND REVIEW OF THE WORK**

The CONSULTANT and FSAM will exercise reasonable care and due diligence in discovering and promptly reporting to the CITY any defects or deficiencies in the work of the CONSULTANT or FSAM or any subcontractors or sub consultants.

### **ARTICLE VII - OWNERSHIP OF DOCUMENTS**

All documents prepared or furnished by the CONSULTANT and FSAM pursuant to this Agreement are instruments of service, and shall become the property of the CITY upon the termination of this Agreement. The CONSULTANT and FSAM are entitled to retain copies of all such documents. The documents prepared and furnished by the CONSULTANT and FSAM are intended only to be applicable to this Project, and CITY's use of these documents in other projects shall be at CITY's sole risk and expense. In the event the CITY uses any of the information or materials developed pursuant to this Agreement in another project or for other purposes than specified herein, CONSULTANT and FSAM are released from any and all liability relating to their use in that project.

### **ARTICLE VIII - INDEPENDENT CONTRACTOR**

CONSULTANT and FSAM shall provide services to CITY as independent contractors, not as employees of the CITY. CONSULTANT and FSAM shall not have or claim any right arising from employee status.

### **ARTICLE IX - INDEMNITY AGREEMENT**

The CITY and CONSULTANT and FSAM agree to cooperate in the defense claims, actions, suits, or proceedings of any kind brought by a third party which may result from or directly or indirectly arise from any breach of the CONSULTANT'S and FSAM's obligations under this agreement. In the event of any litigation or claim under this

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Agreement in which the CITY is joined as a party, CONSULTANT AND FSAM shall provide competent legal counsel to defend CITY, CONSULTANT AND FSAM against such claim, provided that CONSULTANT shall have the right to proceed with the competent legal counsel of its own choosing.

The CONSULTANT AND FSAM agrees to defend, indemnify, and hold harmless the CITY and all of its officers, agents, servants, and employees against any all such claims to the extent of coverage by CONSULTANT'S AND FSAM'S commercial liability policy. The CONSULTANT and FSAM agrees to pay all expenses, including, but not limited to attorney's fees, costs of court, reasonable expenses, and satisfy all judgments, which may be incurred or rendered against the CONSULTANT'S AND FSAM'S commercial liability insurance policy. Nothing herein constitutes a waiver of any rights or remedies the CITY may have to pursue under either law or equity, including, without limitations, a cause of action for specific performance or for damages, a loss to the CITY resulting from CONSULTANT'S AND FSAM'S negligent errors or omissions, or breach of contract, and all such rights and remedies are expressly reserved.

Nothing in this Agreement shall be construed to create a liability to any person who is not a party to this Agreement, and nothing herein shall waive any of the parties' defenses, both at law or equity, to any claim, cause of action, or litigation filed by anyone not party to this Agreement, including the defense of governmental immunity, which defenses are hereby expressly reserved.

#### ARTICLE X - INSURANCE

During the performance of the services under this Agreement, CONSULTANT and FSAM shall maintain the following insurance with an insurance company licensed to do business in the State of Texas by the State Insurance Commission or any successor agency that has a rating with Best Rate Carriers of at least an A or above:

- A. Comprehensive General Liability Insurance with bodily injury limits of not less than \$500,000 for each occurrence and not less than \$500,000 in the aggregate, and with property damage limits of not less than \$100,000 for each occurrence and not less than \$100,000 in the aggregate.
- B. Automobile Liability insurance with bodily injury limits of not less than \$500,000 for each person and not less than \$500,000 for each accident, and with property damage limits of not less than \$100,000 for each accident.
- C. Worker's Compensation insurance in accordance with statutory requirements, and Employers' Liability Insurance with limits of not less than \$100,000 for each accident.
- D. Professional Liability Insurance with limits of not less than \$1,000,000 annual aggregate.
- E. The CONSULTANT and FSAM shall furnish insurance certificates or insurance policies at the CITY's request to evidence such coverages. The insurance policies shall name the

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CITY as an additional insured on all such policies, and shall contain a provision that such insurance shall not be canceled or modified without thirty (30) days' prior written notice to CITY and CONSULTANT and FSAM. In such event, the CONSULTANT and FSAM shall, prior to the effective date of the change, or cancellation, serve substitute policies furnishing the same coverage.

### **ARTICLE XI - ARBITRATION AND ALTERNATE DISPUTE RESOLUTION**

The parties may agree to settle any disputes under this Agreement by submitting the dispute to mediation. No mediation arising out of or relating to this Agreement may proceed without the agreement of both parties to submit the dispute to mediation. The location for the mediation shall be the City of Denton, Denton County, Texas unless a different location is agreed

### **ARTICLE XII - TERMINATION OF AGREEMENT**

A. Notwithstanding any other provision of this Agreement, either party may terminate by giving thirty (30) days' advance written notice to the other party.

B. This Agreement may be terminated in whole or in part in the event of either party substantially failing to fulfill its obligations under this Agreement. No such termination will be affected unless the other party is given (1) written notice (delivered by certified mail, return receipt requested) of intent to terminate and setting forth the reasons specifying the non-performance, and not less than thirty (30) calendar days to cure the failure; and (2) an opportunity for consultation with the terminating party prior to termination.

C. If the Agreement is terminated prior to completion of the services to be provided hereunder, CONSULTANT and/or FSAM shall immediately cease all services and shall render a final bill for services to the CITY within thirty (30) days after the date of termination. The CITY shall pay CONSULTANT and FSAM for all services properly rendered and satisfactorily performed and for reimbursable expenses to termination incurred prior to the date of termination, in accordance with Article V "Compensation." Should the CITY subsequently contract with a new consultant for the continuation of services on the Project, CONSULTANT and/or FSAM shall cooperate in providing information. The CONSULTANT and FSAM shall turn over all documents prepared or furnished by CONSULTANT and FSAM pursuant to this Agreement to the CITY on or before the date of termination, but may maintain copies of such documents for its use.

### **ARTICLE XIII - RESPONSIBILITY FOR CLAIMS AND LIABILITIES**

Approval by the CITY shall not constitute, nor be deemed a release of the responsibility and liability of the CONSULTANT or FSAM, its employees, associates, agents, subcontractors, and sub consultants for the accuracy and competency of their designs or other work; nor shall such approval be deemed to be an assumption of such responsibility by the CITY for any defect in

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the design or other work prepared by the CONSULTANT or FSAM its employees, subcontractors, agents, and consultants. CONSULTANT and FSAM retain, design responsibility and liability at all times during this Agreement and after completion of this Agreement.

### **ARTICLE XIV – NOTICES**

All notices, communications, and reports required or permitted under this Agreement shall be personally delivered or mailed to the respective parties by depositing same in the United States mail to the address shown below, certified mail, return receipt requested, unless otherwise specified herein. Mailed notices shall be deemed communicated as of three (3) days' mailing:

To CONSULTANT:

FirstSouthwest, a Division of Hilltop  
Securities Inc.  
David Medanich, Vice Chairman  
777 Main Street, Suite 1200  
Fort Worth, Texas 76102

To CITY:

City of Denton  
Charles Springer, Chief Financial Officer  
215 East McKinney  
Denton, Texas 76201

To FSAM

First Southwest Asset Management, LLC  
William Johnson, Managing Director  
1201 Elm Street, Suite 3500  
Dallas, Texas 75270

All notices shall be deemed effective upon receipt by the party to whom such notice is given, or within three (3) days' mailing.

### **ARTICLE XV - SEVERABILITY**

If any provision of this Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, it shall be considered severable from the remainder of this Agreement and shall not cause the remainder to be invalid or unenforceable. In such event, the parties shall reform this Agreement to replace such stricken provision with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.

### **ARTICLE XVI - COMPLIANCE WITH LAWS**

The CONSULTANT and FSAM shall comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the work covered hereunder as they may now read or hereinafter be amended.

### **ARTICLE XVII – ETHICAL REQUIREMENTS**

The Consultant covenants and agrees that its officers, employees, and agents will have no interest, including personal financial interest, and will acquire no interest, either directly or indirectly, which will conflict in any manner with the performance of the services called for



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under this agreement. No officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or services, except on behalf of the City or in compliance with the provisions of the City of Denton's Personnel Policies and Procedures Manual. Any violation of this provision shall render this Agreement voidable at the discretion of the City.

### **ARTICLE XVIII - DISCRIMINATION PROHIBITED**

In performing the services required hereunder, the CONSULTANT and FSAM shall not discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or physical handicap.

### **ARTICLE XIX - PERSONNEL**

A. The CONSULTANT and FSAM represent that they have or will secure, at their own expense, all personnel required to perform all the services required under this Agreement. Such personnel shall not be employees or officers of, or have any contractual relations with the CITY. CONSULTANT and FSAM shall inform the CITY of any conflict of interest or potential conflict of interest that may arise during the term of this Agreement.

B. All services required hereunder will be performed by the CONSULTANT and/or FSAM. All personnel engaged in work shall be qualified, and shall be authorized and permitted under state and local laws to perform such services.

C. In those instances deemed necessary by the CITY, the CONSULTANT and/or FSAM and/or their employees shall be required to submit to background checks.

### **ARTICLE XX - ASSIGNABILITY**

The CONSULTANT or FSAM shall not assign any of its scope of work under in this Agreement, and shall not transfer any of its scope of work under this Agreement (whether by assignment, novation, or otherwise) without the prior written consent of the CITY. Should the CONSULTANT or FSAM assign any part of the monies due under this Agreement, CONSULTANT or FSAM is required to provide written notice of the same to CITY. Any assignment of monies due under this Agreement shall not change any of the terms or conditions of this Agreement to include but not limited to the terms and conditions for payment under this Agreement.

### **ARTICLE XXI - MODIFICATION**

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith, and no evidence of any waiver or modification shall be offered or received in evidence in any proceeding arising between the parties hereto out of or affecting this Agreement, or the rights or

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obligations of the parties hereunder, and unless such waiver or modification is in writing and duly executed; and the parties further agree that the provisions of this section will not be waived unless as set forth herein.

### ARTICLE XXII – VENUE

This Agreement shall be governed by the laws of the State of Texas, venue and jurisdiction of any suit or cause of action arising under this agreement shall lie exclusively in a court of competent jurisdiction sitting in Denton County, Texas.

### ARTICLE XXIII - RIGHT TO AUDIT

The CITY shall have the right to audit and make copies of the books, records and computations pertaining to this agreement. The CONSULTANT and FSAM shall retain such books, records, documents and other evidence pertaining to this Agreement during the contract period and five ( 5 ) years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within 10 business days of written request. Further, the CONSULTANT and FSAM shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to this agreement, and to allow the CITY similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the CITY unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the CONSULTANT and/or FSAM, which must be payable within five business days of receipt of an invoice. Failure to comply with the provisions of this section shall be a material breach of this contract and shall constitute, in the CITY'S sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

### ARTICLE XXIV - MISCELLANEOUS

A. The following exhibits are attached to and made a part of this Agreement: Exhibit A, Financial Advisory Agreement; Exhibit B, Continuing Disclosure Services Agreement, Exhibit C, Arbitrage Rebate Services Agreement, and Exhibit D, Municipal Advisor Disclosure Statement.

B. For the purpose of this Agreement, the key persons who will perform most of the work hereunder shall be David Medanich and William Johnson. However, nothing herein shall limit CONSULTANT and FSAM from using other qualified and competent members of its firm to perform the services required herein. CONSULTANT and FSAM understand that CITY is to be informed of the removal or loss of any of the key persons working under this Agreement.

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CONSULTANT and FSAM also agree to provide the CITY with notice of the name(s) of who it intends to replace the key person. CITY shall have a right to reject any replacement key person(s) and CONSULTANT and FSAM agree to name a replacement key person(s) acceptable to the CITY.

C. CONSULTANT and FSAM shall commence, carry on, and complete any and all projects with all applicable dispatch, in a sound, economical, and efficient manner and in accordance with the provisions hereof. In accomplishing the projects, CONSULTANT and FSAM shall take such steps as are appropriate to ensure that the work involved is properly performed.

D. The CITY shall assist the CONSULTANT and FSAM by placing at the CONSULTANT's and FSAM's disposal all available information pertinent to the Projects, including previous reports, any other data relative to the Projects, and arranging for the access thereto, and make all provisions for the CONSULTANT and FSAM to enter in or upon public and private property as required for the CONSULTANT and FSAM to perform services under this Agreement.

E. The captions of this Agreement are for informational purposes only, and shall not in any way affect the substantive terms or conditions of this Agreement.

### **ARTICLE XXV - ENTIRE AGREEMENT**

This Agreement, consisting of thirty-nine (39) pages and four (4) exhibits, constitutes the complete and final expression of the agreement of the parties, and is intended as a complete and exclusive statement of the terms of their agreements, and supersedes all prior contemporaneous offers, promises, representations, negotiations, discussions, communications, and agreements which may have been made in connection with the subject matter hereof.

### **ARTICLE XXVI – REQUIRED DISCLOSURES**

CONSULTANT is providing its Municipal Advisor Disclosure Statement (the “Disclosure Statement”), current as of the date of this Agreement, setting forth disclosures by CONSULTANT of material conflicts of interest, if any, and of any legal or disciplinary events required to be disclosed pursuant to Municipal Securities Rulemaking Board Rule G-42. The Disclosure Statement, attached hereto as Exhibit D, also describes how CONSULTANT addresses or intends to manage or mitigate any disclosed conflicts of interest, as well as the specific type of information regarding, and the date of the last material change, if any, to the legal and disciplinary events required to be disclosed on Forms MA and MA-I filed by CONSULTANT with the Securities and Exchange Commission.

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IN WITNESS HEREOF, the City of Denton, Texas has caused this Agreement to be executed by its duly authorized City Manager, and CONSULTANT has executed this Agreement through its duly authorized undersigned officer on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF DENTON, TEXAS

\_\_\_\_\_  
HOWARD MARTIN, CITY MANAGER

ATTEST:  
JENNIFER WALTERS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
ANITA BURGESS, CITY ATTORNEY

BY: \_\_\_\_\_

CONSULTANT

BY: Hill A. Feinberg  
HILL A. FEINBERG  
CHAIRMAN AND CEO

FSAM

BY: Hill A. Feinberg  
HILL A. FEINBERG  
CHAIRMAN AND CEO

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### **Exhibit A**

#### **FINANCIAL ADVISORY AGREEMENT**

This Financial Advisory Agreement (the "Agreement") is made and entered into by and between the City of Denton, Texas ("Issuer") and FirstSouthwest, a Division of Hilltop Securities Inc. ("FSW") effective as of the date executed by the Issuer as set forth on the signature page hereof.

#### **WITNESSETH:**

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, Issuer desires to retain an independent financial advisor; and

WHEREAS, the Issuer desires to obtain the professional services of FSW to advise the Issuer regarding the issuance and sale of certain evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective; and

WHEREAS, FSW is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by Issuer during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and FSW, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

#### **SECTION I - DESCRIPTION OF SERVICES**

Upon the request of an authorized representative of the Issuer, FSW agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay to FSW the compensation as provided in Section V hereof.

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- A. Financial Planning. At the direction of Issuer, FSW shall:
1. Survey and Analysis. Conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service any Debt Instruments contemplated. This survey will include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration.
  2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.
  3. Recommendations for Debt Instruments. On the basis of the information developed by the survey described above, and other information and experience available, submit to the Issuer recommendations regarding the Debt Instruments under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Debt Instruments to be sold on terms which are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.
  4. Market Information. Advise the Issuer of our interpretation of current bond market conditions, other related forthcoming bond issues and general information, with economic data, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a favorable time.
  5. Elections. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, FSW will assist in coordinating the assembly of such

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data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to a firm of municipal bond attorneys ("Bond Counsel") retained by the Issuer.

B. Debt Management and Financial Implementation. At the direction of Issuer, FSW shall:

1. Method of Sale. Evaluate the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

a. If the Debt Instruments are to be sold by an advertised competitive sale, FSW will:

(1) Supervise the sale of the Debt Instruments;

(2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids;

(3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and

(4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.

b. If the Debt Instruments are to be sold by negotiated sale, FSW will:

(1) Recommend for Issuer's final approval and acceptance one or more investment banking firms as managers of an underwriting syndicate for the purpose of negotiating the purchase of the Debt Instruments.

(2) Cooperate with and assist any selected managing underwriter and their counsel in connection with their efforts to prepare any Official Statement or Offering Memorandum. FSW will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriter's agreement and

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other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriters, but shall not be or become an obligation of FSW, except to the extent specifically provided otherwise in this Agreement or assumed in writing by FSW.

(3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any such, and provide a cost comparison, for both expenses and interest which are suggested by the underwriters, to the then current market.

(4) Advise the Issuer as to the fairness of the price offered by the underwriters.

2. Offering Documents. Coordinate the preparation of the notice of sale and bidding instructions, official statement, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, FSW shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute by mail or, where appropriate, by electronic delivery, sets of the same to prospective purchasers of the Debt Instruments. Also, FSW shall provide copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.

3. Credit Ratings. Make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, FSW will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be finally approved or directed by the Issuer.

4. Trustee, Paying Agent, Registrar. Upon request, counsel with the Issuer in the selection of a Trustee and/or Paying Agent/Registrar for the Debt Instruments, and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.

5. Financial Publications. When appropriate, advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.



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6. Consultants. After consulting with and receiving directions from the Issuer, arrange for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Debt Instruments.
7. Auditors. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required, make arrangements for such services.
8. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested at all times when FSW may be of assistance or service and the subject of financing is to be discussed.
9. Printing. To the extent authorized by the Issuer, coordinate all work incident to printing of the offering documents and the Debt Instruments.
10. Bond Counsel. Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments.
11. Changes in Laws. Provide to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which FSW becomes aware in the ordinary course of its business, it being understood that FSW does not and may not act as an Attorney for, or provide legal advice or services to, the Issuer.
12. Delivery of Debt Instruments. As soon as a bid for the Debt Instruments is accepted by the Issuer, coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible and assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.
13. Debt Service Schedule: Authorizing Resolution. After the closing of the sale and delivery of the Debt Instruments, deliver to the Issuer a schedule of annual debt service requirements for the Debt Instruments and, in coordination with Bond Counsel, assure that the paying agent/registrar and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

## **EXHIBIT 4**

### **SECTION II - TERM OF AGREEMENT**

This Agreement shall become effective as of the date executed by the Issuer as set forth on the signature page hereof and, unless terminated by either party pursuant to Section IV of this Agreement, shall remain in effect thereafter for a period of five (5) years from such date.

### **SECTION III - TERMINATION**

This Agreement may be terminated with or without cause by the Issuer or FSW 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. In the event of such termination, it is understood and agreed that only the amounts due FSW for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

### **SECTION IV - COMPENSATION AND EXPENSE REIMBURSEMENT**

The fees due to FSW for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt Instruments during the term of this Agreement shall be calculated in accordance with the schedule set forth on Appendix A attached hereto. Unless specifically provided otherwise on Appendix A or in a separate written agreement between Issuer and FSW, such fees, together with any other fees as may have been mutually agreed upon and all expenses for which FSW is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.

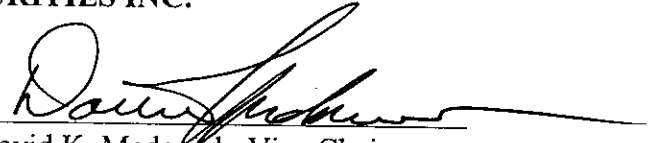
### **SECTION V - MISCELLANEOUS**

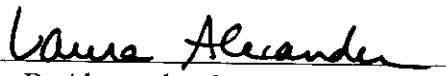
1. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.
2. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and FSW, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.
3. Entire Agreement. This instrument contains the entire agreement between the parties relating

**EXHIBIT 4**

to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

**FIRSTSOUTHWEST, A DIVISION OF HILLTOP  
SECURITIES INC.**

BY:   
David K. Medanich, Vice Chairman

BY:   
Laura B. Alexander, Managing Director

**CITY OF DENTON, TEXAS**

BY: \_\_\_\_\_

TITLE: CITY MANAGER

DATE: \_\_\_\_\_

ATTEST:  
JENNIFER WALTERS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
ANITA BURGESS, CITY ATTORNEY

BY: \_\_\_\_\_

## EXHIBIT 4

### APPENDIX A

The fees due FSW will not exceed those contained in the fee schedule as listed below.

**Base Fee- Any Issue                      \$25,000**  
**Plus \$1.00 per 1,000 up to and including \$25,000,000**  
**Plus \$0.75 per \$1,000 over \$25,000,000**

The charges for ancillary services, including official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specific direction of the Issuer.

*The payment of charges for financial advisory services described in Section I of the foregoing Agreement shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered.*

The Issuer shall be responsible for the following expenses, if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by FSW as reimbursable expenses:

Bond counsel  
Bond printing  
Bond ratings  
Credit enhancement  
CPA fees for refunding  
Official statement printing  
Paying agent/registrar/trustee  
Travel expenses  
Underwriter and underwriters counsel  
Miscellaneous, including copy, delivery, and phone charges

*The payment of reimbursable expenses that FSW has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by FSW.*

## **EXHIBIT 4**

### **Exhibit B**

#### **AGREEMENT FOR CONTINUING DISCLOSURE SERVICES BY AND BETWEEN**

**CITY OF DENTON, TEXAS  
{HEREINAFTER REFERRED TO AS THE "ISSUER"}**

**AND  
FSC CONTINUING DISCLOSURE SERVICES,  
A DIVISION OF HILLTOP SECURITIES INC.**

In connection with the sale and delivery of certain bonds, notes, certificates, or other municipal obligations (the "Bonds"), the Issuer has made certain undertakings to disclose to the investing public, on a periodic and continuing basis, certain information, as more fully set forth in such undertakings and as contemplated by the provisions of Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule").

The Issuer has agreed to engage FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. ("Continuing Disclosure Services"), to assist it with these continuing disclosure obligations, for the consideration and on the terms and conditions set forth herein, including the preparation and submission of annual reports (the "Annual Reports") and the reporting of certain specified events (the "Events"), which are set forth in the Issuer's undertakings, the Rule and in Subsection 2c. below.

This agreement (the "Agreement") between the Issuer and the Continuing Disclosure Services shall become effective as of the date of its acceptance as provided for below.

The parties agree as follows:

1. This Agreement shall apply to all issues of Bonds delivered subsequent to the effective date of the continuing disclosure requirements as specified in the Rule, to the extent that any particular issue does not qualify for exceptions to the continuing disclosure requirements of the Rule.
2. Continuing Disclosure Services agrees to perform the following in connection with providing services relating to the Issuer's continuing disclosure obligations:
  - a. Assist the Issuer in compiling data determined or selected by the Issuer to be disclosed;
  - b. Assist the Issuer in identifying other information to be considered by Issuer for continuing disclosure reporting purposes;

## EXHIBIT 4

- c. Assist the Issuer in preparing the presentation of such information, to include Annual Reports containing financial information and operating data of the type provided in the final official statement of applicable issues, and notices concerning the occurrence of the specified Events and other items listed below:
    - 1) Principal and interest payment delinquencies
    - 2) Non-payment related defaults
    - 3) Unscheduled draws on debt service reserves reflecting financial difficulties
    - 4) Unscheduled draws on credit enhancements reflecting financial difficulties
    - 5) Substitution of credit or liquidity providers, or their failure to perform
    - 6) Adverse tax opinions or events affecting the tax-exempt status of the security
    - 7) Modifications to rights of security holders
    - 8) Bond calls
    - 9) Defeasances
    - 10) Release, substitution, or sale of property securing repayment of the securities
    - 11) Rating changes
    - 12) The issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities of the Issuer
    - 13) Tender offers
    - 14) Bankruptcy, insolvency, receivership or similar proceeding
    - 15) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated person or their termination
    - 16) Appointment of a successor or additional trustee or the change of the name of a trustee
    - 17) Noncompliance with the Rule
  - d. Assist the Issuer in distributing or filing, in the Issuer's name, the above mentioned Annual Reports, notices and audited annual financial statements to the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA"), appropriate State Information Depository ("SID"), rating agencies, and other entities, as required by the Issuer's continuing disclosure obligations.
  - e. Provide to the Issuer confirmation of distribution or dissemination of reports and notices.
3. Issuer acknowledges and agrees to the following:
- a. Continuing Disclosure Services will be compensated for the performance of services with respect to assisting the Issuer with preparation and submission of

## EXHIBIT 4

continuing disclosure reports in accordance with the schedule as set forth below:

\$3,500 per year, per debt type, for assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, and Material Event Notice Filings;

- b. Issuer will provide to Continuing Disclosure Services, and Continuing Disclosure Services shall be entitled to rely upon, all information regarding the issuance of the Bonds, including the final official statement and the Issuer's commitment or undertaking regarding continuing disclosure as contained in the resolution authorizing issuance of the Bonds or separate contract or agreement; annual financial information and operating data of the type provided in the final official statement; information concerning the occurrence of an Event or noncompliance with the Rule; and any other information necessary to prepare continuing disclosure reports.
- c. Issuer will provide to Continuing Disclosure Services, and Continuing Disclosure Services shall be entitled to rely upon, annual written confirmation of all outstanding Bond issues for which the issuer has a continuing disclosure obligation.
- d. Issuer will provide to Continuing Disclosure Services all information required for preparation of each Annual Report, including financial information and operating data of the type provided in the final official statement and other information deemed necessary by Issuer, no later than 45 days prior to the date on which each Annual Report is due.
- e. Issuer will provide full and complete copies of the audited annual financial statement no later than ten (10) days prior to the date on which it is due.
- f. Issuer will notify Continuing Disclosure Services immediately upon the occurrence or immediately upon the Issuer's knowledge of the occurrence of each Event or noncompliance with the Rule, and the Issuer will immediately provide all information necessary for preparation of the notice of occurrence of each such Event or noncompliance with the Rule.
- g. Issuer shall have the sole responsibility for determining the disclosure to be made in all cases. The Issuer shall review and provide approval of the content and form of all continuing disclosure reports and notices, with the exception of the following, which will be filed automatically on the Issuer's behalf, unless the Issuer has notified Continuing Disclosure Services otherwise in writing: bond calls, defeasances, and rating changes. In the event of a disagreement between the Issuer and Continuing Disclosure Services regarding the disclosure to be made, either the Issuer or Continuing Disclosure Services may, but neither is obligated to, terminate this Agreement by written notice to the other party.
- h. A separate Annual Report will be prepared and distributed for each type of

## EXHIBIT 4

security pledge in effect for outstanding financing issues or Bonds of the Issuer.

- i. Issuer will inform Continuing Disclosure Services of the retirement of any Bonds included under the scope of this Agreement within 30 days of such retirement.
4. In the event that Continuing Disclosure Services and the Issuer determine that advice of counsel is appropriate with respect to any question concerning disclosure, then (i) the Issuer may consult with its counsel, or (ii) the Issuer may authorize Continuing Disclosure Services to seek legal advice from independent counsel regarding the disclosure. The Issuer agrees that it shall be responsible for the fees and expenses of its own counsel. The Issuer agrees to reimburse Continuing Disclosure Services the fees and expenses of independent counsel, if paid by Continuing Disclosure Services, for advice rendered pursuant to authorization by the Issuer.
5. The Issuer agrees to hold harmless and to indemnify Continuing Disclosure Services and its employees, affiliates, officers, directors, and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever, including attorneys' fees and expenses ("Losses and Expenses") that Continuing Disclosure Services may incur by reason of or in connection with the distribution of information in the disclosure reports in accordance with this Agreement, except to the extent such Losses and Expenses result directly from Continuing Disclosure Services' willful misconduct or gross negligence in the distribution of such information.

In the event that such Losses and Expenses are attributable to the concurrent negligence or other fault of both the Issuer and Continuing Disclosure Services, each party shall bear proportionate responsibility for the degree of negligence or other fault attributable to each. Notwithstanding the foregoing, Continuing Disclosure Services, shall not be obligated to contribute any amount hereunder that exceeds the amount of fees previously received by Continuing Disclosure Services pursuant to this Agreement.

6. The fees and expenses due to Continuing Disclosure Services in providing Continuing Disclosure Services shall be calculated in accordance with Section 3a of this Agreement. The fees will be invoiced each year during the term of the Agreement, unless terminated earlier, and fees will be payable within 30 days of receipt of invoice, except that the fees for the first years' service will be invoiced and be payable upon acceptance of this Agreement.

In addition, the Issuer agrees to reimburse Continuing Disclosure Services for the following expenses: (i) legal fees and expenses of counsel incurred by Continuing Disclosure Services pursuant to the terms of Section 4 above, and (ii) other out-of-pocket expenses reasonably incurred by Continuing Disclosure Services in performing its obligations hereunder. The Issuer shall remit payment for expenses to Continuing Disclosure Services within 30 days of receipt of invoice.

7. **Bonds Issued Subsequent to Agreement:** The provisions of this Agreement will



## EXHIBIT 4

include additional municipal bonds and financings (including financing lease obligations) issued during the stated term of this Agreement, if such bonds are subject to the continuing disclosure requirements. In this connection, the Issuer agrees that the Issuer will notify Continuing Disclosure Services of any municipal bonds and financing (including financing lease obligations) issued by the Issuer during any fiscal year of the Issuer during the term of this Agreement, and will provide Continuing Disclosure Services with such information as shall be necessary in order for Continuing Disclosure Services to perform the services contracted for hereunder.

8. **Effective Dates of Agreement:** This Agreement shall become effective as of the date of acceptance by the Issuer as set out below and remain in effect thereafter for a period of five (5) years from the date of acceptance. This agreement may be terminated with or without cause by the Issuer or Continuing Disclosure Services upon thirty (30) days' written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to Continuing Disclosure Services for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated prior to its stated term, all records provided to Continuing Disclosure Services by the Issuer shall be returned to the Issuer as soon as practicable. In addition, the parties hereto agree that upon termination of this Agreement Continuing Disclosure Services shall have no continuing obligation to the Issuer regarding any service contemplated herein. Notwithstanding the foregoing, all indemnification, hold harmless and/or contribution obligations, pursuant to Section 5 of this Agreement, shall survive any termination, regardless of whether the termination occurs as a result of the expiration of the term hereof or the Agreement is terminated sooner by either the Issuer or Continuing Disclosure Services under this Section 8, pursuant to Subsection 3.g., or otherwise.

### **Provision of Notices**

Provision of information, delivery of certification and notices of Events and noncompliance with the Rule, unless directed otherwise in writing, shall be sent to:

City of Denton, Texas  
215 East McKinney  
Denton, TX 76201  
Charles Springer, Chief Financial Officer  
Phone: (940) 349-8224  
Fax: (940) 349-7206  
Email: [charles.springer@cityofdenton.com](mailto:charles.springer@cityofdenton.com)

FSC Continuing Disclosure Services,  
a Division of Hilltop Securities Inc.  
1201 Elm Street, Suite 3500  
Dallas, Texas 75270  
Attention: Tanya Calvit  
Director for Continuing Disclosure

## EXHIBIT 4

Phone: (214) 953-4037

Fax: (214) 953-4050

Email: tanya.calvit@hilltopsecurities.com

### Acceptance of Agreement

9. This Agreement is submitted in duplicate originals. When accepted by the Issuer, it will constitute the entire Agreement between the Issuer and Continuing Disclosure Services for the purposes and the consideration specified above.

Acceptance will be indicated on all copies and returned to Continuing Disclosure Services. An executed original will be returned for your files.

Respectfully submitted,  
FSC Continuing Disclosure Services, a Division of  
Hilltop Securities Inc.

By: Hill A. Feinberg  
Hill A. Feinberg, Chairman and CEO

By: Tanya Calvit  
Tanya Calvit, Director

### ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by the City of Denton, Texas on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

By: \_\_\_\_\_

Howard Martin

Title: City Manager

## EXHIBIT 4

### Exhibit C

**AGREEMENT FOR  
ARBITRAGE REBATE COMPLIANCE SERVICES  
BETWEEN  
CITY OF DENTON, TEXAS  
(Hereinafter Referred to as the "Issuer")  
AND  
FIRST SOUTHWEST ASSET MANAGEMENT, LLC  
(Hereinafter Referred to as "First Southwest")**

It is understood and agreed that the Issuer, in connection with the sale and delivery of certain bonds, notes, certificates, or other tax-exempt obligations (the "*Obligations*"), will have the need to determine to what extent, if any, it will be required to rebate certain investment earnings (the amount of such rebate being referred to herein as the "*Arbitrage Amount*") from the proceeds of the Obligations to the United States of America pursuant to the provisions of Section 148(f)(2) of the Internal Revenue Code of 1986, as amended (the "*Code*"). For purposes of this Agreement, the term "Arbitrage Amount" includes payments made under the election to pay penalty in lieu of rebate for a qualified construction issue under Section 148(f)(4) of the Code.

We are pleased to submit the following proposal for consideration; and if the proposal is accepted by the Issuer, it shall become the agreement (the "*Agreement*") between the Issuer and First Southwest effective at the date of its acceptance as provided for herein below.

1. This Agreement shall apply to all issues of tax-exempt Obligations delivered subsequent to the effective date of the rebate requirements under the Code, except for (i) issues which qualify for exceptions to the rebate requirements in accordance with Section 148 of the Code and related Treasury regulations, or (ii) issues excluded by the Issuer in writing in accordance with the further provisions hereof, (iii) new issues effected in a fashion whereby First Southwest is unaware of the existence of such issue, (iv) issues in which, for reasons outside the control of First Southwest, First Southwest is unable to procure the necessary information required to perform such services.

#### **Covenants of First Southwest**

2. We agree to provide our professional services in determining the Arbitrage Amount with regard to the Obligations. The Issuer will assume and pay the fee of First Southwest as such fee is set out in Appendix A attached hereto. First Southwest shall not be responsible for any extraordinary expenses incurred on behalf of Issuer in connection with providing such professional services, including any costs incident to litigation, mandamus action, test case or other similar legal actions.
3. We agree to perform the following duties in connection with providing arbitrage rebate compliance services:
  - a. To cooperate fully with the Issuer in reviewing the schedule of investments made by the Issuer with (i) proceeds from the Obligations, and (ii) proceeds of other funds of the Issuer which, under Treasury Regulations Section 1.148, or any successor regulations

## EXHIBIT 4

thereto, are subject to the rebate requirements of the Code;

- b. To perform, or cause to be performed, consistent with the Code and the regulations promulgated thereunder, calculations to determine the Arbitrage Amount under Section 148(f)(2) of the Code; and
- c. To provide a report to the Issuer specifying the Arbitrage Amount based upon the investment schedule, the calculations of bond yield and investment yield, and other information deemed relevant by First Southwest. In undertaking to provide the services set forth in paragraph 2 and this paragraph 3, First Southwest does not assume any responsibility for any record retention requirements which the Issuer may have under the Code or other applicable laws, it being understood that the Issuer shall remain responsible for compliance with any such record retention requirements.

### **Covenants of the Issuer**

- 4. In connection with the performance of the aforesaid duties, the Issuer agrees to the following:
  - a. The fees due to First Southwest in providing arbitrage rebate compliance services shall be calculated in accordance with Appendix A attached hereto. The fees will be payable upon delivery of the report prepared by First Southwest for each issue of Obligations during the term of this Agreement.
  - b. The Issuer will provide First Southwest all information regarding the issuance of the Obligations and the investment of the proceeds therefrom, and any other information necessary in connection with calculating the Arbitrage Amount. First Southwest will rely on the information supplied by the Issuer without inquiry, it being understood that First Southwest will not conduct an audit or take any other steps to verify the accuracy or authenticity of the information provided by the Issuer.
  - c. The Issuer will notify First Southwest in writing of the retirement, prior to the scheduled maturity, of any Obligations included under the scope of this Agreement within 30 days of such retirement. This notification is required to provide sufficient time to comply with Treasury Regulations Section 1.148-3(g) which requires final payment of any Arbitrage Amount within 60 days of the final retirement of the Obligations. In the event the Issuer fails to notify First Southwest in a timely manner as provided hereinabove, First Southwest shall have no further obligation or responsibility to provide any services under this Agreement with respect to such retired Obligations.
- 5. In providing the services set forth in this Agreement, it is agreed that First Southwest shall not incur any liability for any error of judgment made in good faith by a responsible officer or officers thereof and, except to the limited extent set forth in this paragraph, shall not incur any liability for any other errors or omissions, unless it shall be proved that such error or omission was a result of the gross negligence or willful misconduct of said officer or officers. In the event a payment is assessed by the Internal Revenue Service due to an error by First Southwest, the Issuer will be responsible for paying the correct Arbitrage Amount and First Southwest's liability shall not exceed the amount of any penalty or interest imposed on the Arbitrage Amount as a result of such error.

## **EXHIBIT 4**

### **Obligations Issued Subsequent to Initial Contract**

6. The services contracted for under this Agreement will automatically extend to any additional Obligations (including financing lease obligations) issued during the term of this Agreement, if such Obligations are subject to the rebate requirements under Section 148(f)(2) of the Code. In connection with the issuance of additional Obligations, the Issuer agrees to the following:

- a. The Issuer will notify or cause the notification, in writing, to First Southwest of any tax-exempt financing (including financing lease obligations) issued by the Issuer during any calendar year of this Agreement, and will provide First Southwest with such information regarding such Obligations as First Southwest may request in connection with its performance of the arbitrage rebate services contracted for hereunder. If such notice is not provided to First Southwest with regard to a particular issue, First Southwest shall have no obligation to provide any services hereunder with respect to such issue.
- b. At the option of the Issuer, any additional Obligations to be issued subsequent to the execution of this Agreement may be excluded from the services provided for herein. In order to exclude an issue, the Issuer must notify First Southwest in writing of their intent to exclude any specific Obligations from the scope of this Agreement, which exclusion shall be permanent for the full life of the Obligations; and after receipt of such notice, First Southwest shall have no obligation to provide any services under this Agreement with respect to such excluded Obligations.

### **Election to Pay Penalty in Lieu of Rebate**

7. The services contracted for under this Agreement will automatically extend to any additional financing obligations issued during the stated term of this Agreement, if an election was made (prior to delivery of the Obligations) to pay penalty in lieu of rebate for a qualified construction bond issue under Section 148(f)(2) of the Code. In connection with extending the scope of this Agreement to include computations of penalty, the Issuer agrees to the following:

- a. The Issuer will notify First Southwest of any financing obligations issued by the Issuer during any calendar year of this Agreement for which a penalty election was made. The Issuer will provide First Southwest with such information regarding the investment and expenditure of such obligations as First Southwest deems necessary in connection with its performance of the penalty calculation services contracted for hereunder.
- b. At the option of the Issuer, any additional financing obligations issued subsequent to the execution of this Agreement may be excluded from the services provided for herein. The Issuer must notify First Southwest in writing of its intent to exclude any specific financing obligations from the scope of this Agreement.

## **EXHIBIT 4**

### **Effective Date of Agreement**

8. This Agreement shall become effective at the date of acceptance by the Issuer as set out herein below and remain in effect thereafter for a period of five (5) years from the date of acceptance, provided, however, that this Agreement may be terminated with or without cause by the Issuer or First Southwest upon thirty (30) days prior written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to First Southwest for services provided and extraordinary expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated prior to the completion of its stated term, all records provided to First Southwest with respect to the investment of monies by the Issuer shall be returned to the Issuer as soon as practicable following written request by Issuer. In addition, the parties hereto agree that, upon termination of this Agreement, First Southwest shall have no continuing obligation to the Issuer regarding any arbitrage rebate related services contemplated herein, regardless of whether such services have previously been undertaken, completed or performed.

### **Acceptance of Agreement**

9. This Agreement is submitted in duplicate originals. When accepted by the Issuer in accordance with the terms hereof, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Issuer and First Southwest for the purposes and the consideration herein specified. In order for this Agreement to become effective, it must be accepted by the Issuer within sixty (60) days of the date appearing below the signature of First Southwest's authorized representative hereon. After the expiration of such 60-day period, acceptance by the Issuer shall only become effective upon delivery of written acknowledgement and reaffirmation by First Southwest that the terms and conditions set forth in this Agreement remain acceptable to First Southwest.

### **Governing Law**

10. This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without regard to its principles of conflicts of laws.

**EXHIBIT 4**

Acceptance will be indicated on both copies and the return of one executed copy to First Southwest.

Respectfully submitted,

FIRST SOUTHWEST ASSET MANAGEMENT, LLC

By: Hill A. Feinberg  
Hill A. Feinberg, Chairman and CEO

Date: \_\_\_\_\_

**ISSUER'S ACCEPTANCE CLAUSE**

The above and foregoing is hereby in all things accepted and approved by the City of Denton, Texas on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

By: \_\_\_\_\_  
Howard Martin

Title: City Manager

Date: \_\_\_\_\_

## EXHIBIT 4

### APPENDIX A-FEES

The Obligations to be covered initially under this contract include all issues of tax-exempt obligations delivered subsequent to the effective dates of the rebate requirements, under the Code, except as set forth in Section I of the Agreement.

The fee for any Obligations under this contract shall only be payable if a computation is required under Section 148(f) (2) of the Code. In the event that any of the Obligations fall within an exclusion to the computation requirement as defined by Section 148 of the Code or related regulations and no calculations were required by First Southwest to make that determination, no fee will be charged for such issue. For example, certain obligations are excluded from the rebate computation requirement if the proceeds are spent within specific time periods. In the event a particular issue of Obligations fulfills the exclusion requirements of the Code or related regulations, the specified fee will be waived by First Southwest if no calculations were required to make the determination.

First Southwest's fee for arbitrage rebate services is based upon a fixed annual fee per issue. The annual fee is charged based upon the number of years that proceeds exist subject to rebate from the delivery date of the issue to the computation date.

First Southwest's fees are payable upon delivery of the report. The first report will be made following one year from the date of delivery of the Obligations and on each computation date thereafter during the term of the Agreement. The fees for computations of the Arbitrage Amount which encompass more, or less, than one Computation Year shall be prorated to reflect the longer, or shorter, period of work performed during that period.

The fee for each of the Obligations included in this contract shall be based on the table below.

**Additionally, due to significant time saving efficiencies realized when investment information is submitted in an electronic format, First Southwest passes the savings to its clients by offering a 10% reduction in its fees if Information is provided in a spreadsheet or electronic text file format.**



## EXHIBIT 4

Description	Annual Fee
<b>ANNUAL FEE</b>	<b>\$1,400</b>
<b>COMPREHENSIVE ARBITRAGE COMPLIANCE SERVICES INCLUDE:</b>	
<ul style="list-style-type: none"> <li>• Commingled Funds Analysis &amp; Calculations</li> <li>• Spending Exception Analysis &amp; Calculations</li> <li>• Yield Restriction Analysis &amp; Calculations (for yield restricted Project Funds, Reserve Funds, Escrow Funds, etc.)</li> <li>• Parity Reserve Fund Allocations</li> <li>• Transferred Proceeds Calculations</li> <li>• Universal Cap Calculations</li> <li>• Debt Service Fund Calculations (including earnings test when required)</li> <li>• Preparation of all Required IRS Paperwork for Making a Rebate Payment / Yield Reduction Payment</li> <li>• Retention of Records Provided for Arbitrage Computations</li> <li>• IRS Audit Assistance</li> <li>• Delivery of Rebate Calculations Each Year That Meets the Timing Requirements of the Audit Schedule</li> <li>• On-Site Meetings, as Appropriate, to Discuss Calculation Results / Subsequent Planning Items</li> </ul>	<b>INCLUDED</b>
<b>OTHER SERVICES AVAILABLE:</b>	
<b>IRS Refund Request</b> – Update calculation, prepare refund request package, and assist issuer as necessary in responding to subsequent IRS Information Requests	<b>\$750</b>

### EXPLANATION OF TERMS:

- a. **Computation Year:** A "Computation Year" represents a one year period from the delivery date of the issue to the date that is one calendar year after the delivery date, and each subsequent one-year period thereafter. Therefore, if a calculation is required that covers more than one "computation year," the annual fee is multiplied by the number of computation years contained in the calculation being performed. If a calculation includes a portion of a computation year, i.e., if the calculation includes 1 ½ computation years, then the base fee will be multiplied by 1.5.
- b. **Electronic Data Submission:** The data should be provided electronically in MS Excel or ASCII text file (comma delimited text preferred) with the date, description, dollar amount, and an activity code (if not in debit and credit format) on the same line in the file.
- c. **Variable/Floating Rate Bond Issues:** Special services are also required to perform the arbitrage rebate calculations for variable rate bonds. A bond is a variable rate bond if the interest rate paid on the bond is dependent upon an index which is subject to changes subsequent to the issuance of the bonds. The computational requirements of a variable rate issue are more complex than those of a fixed rate issue and, accordingly, require significantly more time to calculate. The additional complexity is primarily related to the computation of the bond yield, which must be calculated on a "bond year" basis. Additionally, the regulations provide certain flexibility in computing the bond yield and determining the arbitrage amount over the first IRS reporting period; consequently, increased calculations are required to determine which bond yield calculation produces the lowest arbitrage amount.
- d. **Commingled Fund Allocations:** By definition, a commingled fund is one that contains

## EXHIBIT 4

either proceeds of more than one bond issue or proceeds of a bond issue and non-bond proceeds (i.e., revenues) of \$25,000 or more. The arbitrage regulations, while permitting the commingling of funds, require that the proceeds of the bond issue(s) be "carved out" for purposes of determining the arbitrage amount. Additionally, interest earnings must be allocated to the portion of the commingled fund that represents proceeds of the issue(s) in question. Permitted "safe-harbor" methods (that is, methods that are outlined in the arbitrage regulations and, accordingly, cannot be questioned by the IRS under audit), exist for allocating expenditures and interest earnings to issues in a commingled fund. First Southwest uses one of the applicable safe-harbor methods when doing these calculations.

- e. **Debt Service Reserve Funds:** The authorizing documents for many revenue bond issues require that a separate fund be established (the "Reserve Fund") into which either bond proceeds or revenues are deposited in an amount equal to some designated level, such as average annual debt service on all parity bonds. This Reserve Fund is established for the benefit of the bondholders as additional security for payment on the debt. In most cases, the balance in the Reserve Fund remains stable throughout the life of the bond issue. Reserve Funds, whether funded with bond proceeds or revenues, must be included in all rebate calculations.
- f. **Debt Service Fund Calculations:** Issuers are required under the regulations to analyze the invested balances in their debt service funds annually to determine whether the fund depletes as required during the year and is, therefore, "bona fide" (i.e., potentially exempt from rebate in that year). It is not uncommon for surplus balances to develop in the debt service fund that services an issuer's tax supported debt, particularly due to timing differences of when the funds were due to be collected versus when the funds were actually collected. First Southwest performs this formal analysis of the debt service fund and, should it be determined that a surplus balance exists in the fund during a given year, allocates the surplus balance among the various issues serviced by the fund in a manner that is acceptable under IRS review.
- g. **Earnings Test for Debt Service Funds:** Certain types of bond issues require an additional level of analysis for the debt service fund, even if the fund depletes as required under the and is "bona fide." For short-term, fixed rate issues, private activity issues, and variable rate issues, the regulations require that an "earnings test" be performed on a bona fide debt service fund to determine if the interest earnings reached \$100,000 during the year. In cases where the earnings reach or exceed the \$100,000 threshold, the entire fund (not just the surplus or residual portion) is subject to rebate.
- h. **Transferred Proceeds Calculations:** When a bond issue is refinanced (refunded) by another issue, special services relating to "transferred proceeds" calculations may need to be performed. Under the regulations, when proceeds of a refunding issue are used to retire principal of a prior issue, a pro-rata portion of the unspent proceeds of the prior issue becomes subject to rebate and/or yield restriction as transferred proceeds of the refunding issue. The refunding issue essentially "adopts" the unspent proceeds of the prior issue for purposes of the arbitrage calculations. These calculations are required under the regulations to ensure that issuers continue to exercise due diligence to complete the project(s) for which the prior bonds were issued.

## EXHIBIT 4

- i. **Universal Cap:** Current regulations provide an overall limitation on the amount of gross proceeds allocable to an issue. Simply stated, the value of investments allocated to an issue cannot exceed the value of all outstanding bonds of the issue. For example, this situation can occur if an issuer encounters significant construction delays or enters into litigation with a contractor. It may take months or even years to resolve the problems and begin or resume spending the bond proceeds; however, during this time the debt service payments are still being paid, including any scheduled principal payments. Thus, it's possible for the value of the investments purchased with bond proceeds to exceed the value of the bonds outstanding. In such cases, a "de-allocation" of proceeds may be required to comply with the limitation rules outlined in the regulations.
- j. **Yield Restriction Analysis/Yield Reduction Computations:** The IRS strongly encourages issuers to spend the proceeds of each bond issue as quickly as possible to achieve the governmental purpose for which the bonds were issued. Certain types of proceeds can qualify for a "temporary period," during which time the proceeds may be invested at a yield higher than the yield on the bonds without jeopardizing the tax-exempt status of the issue. The most common temporary period is the three-year temporary period for capital project proceeds. After the end of the temporary period, the proceeds must be yield restricted or the issuer must remit the appropriate yield reduction payment when due. First Southwest performs a comprehensive yield restriction analysis when appropriate for all issues having proceeds remaining at the end of the applicable temporary period and also calculates the amount of the yield reduction payment due to the IRS.

## EXHIBIT 4

### Exhibit D

#### MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement ("Conflict Disclosures") is provided by **FirstSouthwest, a Division of Hilltop Securities Inc.** ("the Firm") to you (the "Client") in connection with our current municipal advisory agreement, ("the Agreement"). These Conflict Disclosures provide information regarding conflicts of interest and legal or disciplinary events of the Firm that are required to be disclosed to the Client pursuant to MSRB Rule G-42(b) and (c)(ii).

#### **PART A – Disclosures of Conflicts of Interest**

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

***Material Conflicts of Interest*** – The Firm makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under the Agreement with the Firm, together with explanations of how the Firm addresses or intends to manage or mitigate each conflict.

***General Mitigations*** – As general mitigations of the Firm's conflicts, with respect to all of the conflicts disclosed below, the Firm mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates the Firm to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to the Firm's financial or other interests. In addition, because the Firm is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of the Firm is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, the Firm's municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of the Firm potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

**I. Affiliate Conflict.** The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm's advisory activities within the Scope of Services outlined in the Agreement. First Southwest Asset Management (FSAM), a SEC-registered affiliate of the Firm, provides post issuance services including arbitrage rebate and treasury management. The Firm's arbitrage team verifies rebate and yield restrictions on the investments of bond proceeds on behalf of clients in order to meet IRS restrictions. The treasury management division performs portfolio management/advisor services on behalf of public sector clients. The Firm, through affiliate First Southwest Advisory, provides a multi-employer trust tailor-made for public entities which allows them to prefund Other Post-Employment Benefit liabilities. The Firm has a structured products desk that provides advice to help clients mitigate risk through investment management, debt management and commodity price risk management products. These products consist of but are not limited to swaps (interest rate, currency, commodity), options, repos, escrow structuring and other securities. Continuing

## EXHIBIT 4

Disclosure services provided by the Firm work with issuers to assist them in meeting disclosure requirements set forth in SEC rule 15c2-12. Services include but are not limited to ongoing maintenance of issuer compliance, automatic tracking of issuer's annual filings and public notification of material events. The Firm administers two government investment pools for Texas governments; the Short-Term Asset Reserve Fund (TexSTAR) and the Local Government Investment Cooperative (LOGIC). These programs offer Texas government entities investment options for their cash management programs based on the entities specific needs. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. Furthermore, this potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regime as a member of multiple self-regulatory organizations in which compliance is verified by not only internal tests but annual external examinations.

**II. Other Municipal Advisor or Underwriting Relationships.** The Firm serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, the Firm serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the Firm could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the Firm to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that the Firm serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair the Firm's ability to fulfill its regulatory duties to Client.

**III. Secondary Market Transactions in Client's Securities.** The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of Client, and therefore the Firm could have interests in conflict with those of Client with respect to the value of Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders for and acquire Client's securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by the Firm to Client under this Agreement.

**IV. Broker-Dealer and Investment Advisory Business.** The Firm is dually registered as a broker-dealer and an investment advisor that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such

## EXHIBIT 4

securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of Client, may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from the firm effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by the Firm to Client.

**V. Compensation-Based Conflicts.** Fees that are based on the size of the issue are contingent upon the delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Firm to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Fees based on a fixed amount are usually based upon an analysis by Client and the Firm of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by the Firm. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the Firm may suffer a loss. Thus, the Firm may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Hourly fees are calculated with, the aggregate amount equaling the number of hours worked by Firm personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if Client and the Firm do not agree on a reasonable maximum amount at the outset of the engagement, because the Firm does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

### **PART B – Disclosures of Information Regarding Legal Events and Disciplinary History**

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, the Firm sets out below required disclosures and related information in connection with such disclosures.

**I. Material Legal or Disciplinary Event.** The Firm discloses the following legal or disciplinary events that may be material to Client's evaluation of the Firm or the integrity of the Firm's management or advisory personnel:

- For related disciplinary actions please refer to the Firm's BrokerCheck webpage.

## EXHIBIT 4

- The Firm self-reported violations of SEC Rule 15c2-12: Continuing Disclosure. The Firm settled with the SEC on February 2, 2016. The firm agreed to retain independent consultant and adopt the consultant's finding. Firm paid a fine of \$360,000.
- The Firm settled with the SEC in matters related to violations of MSRB Rules G-23(c), G-17 and SEC rule 15B(c) (1). The Firm disgorged fees of \$120,000 received as financial advisor on the deal, paid prejudgment interest of \$22,400.00 and a penalty of \$50,000.00.

**II. How to Access Form MA and Form MA-I Filings.** The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at Forms MA and MA-I. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by the Firms in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by the Firm on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org/>, and the Firm's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov/>. For purposes of accessing such BrokerCheck reports or Form ADV, click previous hyperlinks.

### **PART C – Future Supplemental Disclosures**

As required by MSRB Rule G-42, this Municipal Advisor Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

**Exhibit E**  
**Business Contract Information**





## EXHIBIT 4

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/02/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Roach Howard Smith & Barton 8750 N Central Expressway Suite 500 Dallas TX 75231	<b>CONTACT NAME:</b> Helen Stuart <b>PHONE (A/C, No, Ext):</b> (972) 744-2704 <b>FAX (A/C, No):</b> (972) 744-2804 <b>E-MAIL ADDRESS:</b> hstuart@rhshb.com														
<b>INSURED</b> Hilltop Securities Holdings LLC Hilltop Securities Inc. First Southwest Asset Management, LLC 1201 Elm Street, Suite 3500 Dallas TX 75270	<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: Federal Ins Co</td><td>20281</td></tr><tr><td>INSURER B: Great Northern Ins Co</td><td>20303</td></tr><tr><td>INSURER C: Fireman's Fund Insurance Co</td><td>21873</td></tr><tr><td>INSURER D: Pacific Indemnity Co</td><td>20346</td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Federal Ins Co	20281	INSURER B: Great Northern Ins Co	20303	INSURER C: Fireman's Fund Insurance Co	21873	INSURER D: Pacific Indemnity Co	20346	INSURER E:		INSURER F:	
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INSURER E:															
INSURER F:															

## COVERAGES

CERTIFICATE NUMBER: Cert ID 33507

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			35921632	01/01/2016	01/01/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 per loc aggregate \$ 10,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			73560220	01/01/2016	01/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$			79867765	01/01/2016	01/01/2017	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	71719928	01/01/2016	01/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Excess Umbrella			SHX00058013152	01/01/2016	01/01/2017	Each Occurrence \$ 10,000,000 Aggregate \$ 10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

General and auto liability policies include a blanket automatic additional insured endorsement or provision that provides additional insured status to certificate holder only when there is a written contract between named insured and certificate holder that requires such status. General liability policy contains a special endorsement or provision with "primary additional insured" wording. General and auto liability, and workers compensation policies include a blanket automatic waiver of subrogation endorsement or provision that provides this feature only when there is a written contract between named insured and certificate holder that requires it. The General Liability, Auto, Umbrella and Workers Compensation policies have been endorsed to provide 30 Days Notice of Cancellation.

## CERTIFICATE HOLDER

## CANCELLATION

City of Denton  
215 E. McKinney  
Denton TX 76201

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Bart Tucker*



# EXHIBIT 4 CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/02/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**  
Roach Howard Smith & Barton  
8750 N Central Expressway, Suite 500  
Dallas TX 75231

**CONTACT**  
NAME: Helen Stuart  
PHONE (A/C, No, Ext): (972) 744-2704 FAX (A/C, No): (972) 744-2804  
E-MAIL ADDRESS: hstuart@rhsb.com

**INSURED**  
Hilltop Securities Holdings LLC  
Hilltop Securities Inc.  
First Southwest Asset Management, LLC  
1201 Elm Street, Suite 3500  
Dallas TX 75270

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Westchester Surplus Lines	10172
INSURER B: XL Specialty Ins Co	37885
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

## COVERAGES

CERTIFICATE NUMBER: Cert ID 33505

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY						
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						EACH OCCURRENCE \$
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$
	OTHER:						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						\$
	<input type="checkbox"/> NON-OWNED AUTOS						
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						\$
	DED RETENTION \$						
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
A	Errors & Omissions			G23619295011	12/20/2015	04/01/2017	Primary - Each Claim & Aggregate \$ 5,000,000
B	Excess Errors & Omissions			ELU14238915	12/20/2015	04/01/2017	Excess of primary E&O - Aggregate \$ 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
RE: Financial Advisory

## CERTIFICATE HOLDER

City of Denton  
215 E. McKinney  
Denton TX 76201

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Bart Tucker

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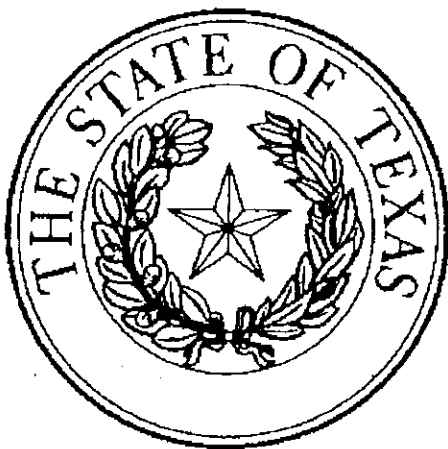
## Office of the Secretary of State

### Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application for Certificate of Authority for Hilltop Securities Inc. (file number 9091806), a DELAWARE, USA, Foreign For-Profit Corporation, was filed in this office on March 24, 1992.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on July 15, 2016.

A handwritten signature in black ink, appearing to read "Cascos", followed by a horizontal line.

Carlos H. Cascos  
Secretary of State



## Office of the Secretary of State

### Certificate of Fact

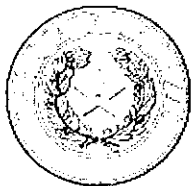
The undersigned, as Secretary of State of Texas, does hereby certify that the document, Application For Certificate Of Authority for FIRST SOUTHWEST ASSET MANAGEMENT, LLC (file number 9021906), a DELAWARE, USA, Foreign Limited Liability Company (LLC), was filed in this office on January 24, 1992.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on July 15, 2016.

A handwritten signature in black ink, appearing to read "Cascos", followed by a horizontal line.

Carlos H. Cascos  
Secretary of State



# Texas State Securities Board

P.O. BOX 13167 AUSTIN, TEXAS 78711

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## CERTIFICATE OF REGISTRATION

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THE SECURITIES COMMISSIONER HEREBY CERTIFIES THAT THE COMPANY AND/OR INDIVIDUAL NAMED BELOW IS  
REGISTERED AS

**A SECURITIES DEALER**

HILLTOP SECURITIES, INC.  
1201 ELM STREET, SUITE 3500  
DALLAS, TX 75270-2180

File #: 25469  
Expiration date: 12/31/2016

Branch #: 43  
1201 ELM STREET, SUITE 3500  
DALLAS, TX 75270  
Branch Supv: ROBERT LINCOLN NASH

A handwritten signature in black ink, reading "John Morgan".

JOHN MORGAN  
SECURITIES COMMISSIONER

Texas investor complaint hotline 1-888-663-0009

Certificate generated on: 03/13/2016

WARNING: IT IS A CRIMINAL OFFENSE TO FALSIFY INFORMATION CONTAINED IN A CERTIFICATE OF  
REGISTRATION ISSUED BY THE STATE SECURITIES BOARD; USE SUCH A RECORD WITH KNOWLEDGE OF ITS  
FALSITY; OR MAKE A FALSE STATEMENT CONCERNING ANY REGISTRATION MADE UNDER THE PROVISIONS OF  
THE TEXAS SECURITIES ACT.

**EXHIBIT 4****City of Denton Purchasing**

901-B Texas St. Denton, TX 76209

Phone: (940) 349-7100 Fax: (940) 349-7302

[www.dentonpurchasing.com](http://www.dentonpurchasing.com)**Substitute W-9 Form**

The IRS requires all vendors to complete a W-9 Form. The information on this form must be filled out, signed and submitted by a vendor representative. All information must be completed before a purchase order or payment will be issued.

Name as shown on your income tax return:

Hilltop Securities, Inc.

Tax ID/Social Security #:

75-1382137

Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a US citizen or other U.S. person-for federal tax purposes as defined at the bottom of this page\*.

Authorized Signature: Joseph BrawnerPrinted Name: Joseph Brawner**Mailing Address:**Company Name: Hilltop Securities Inc.

Email: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Website: www.hilltopsecurities.comAddress: 1201 Elm StreetPhone Number: (214) 953-4000Suite 3500

Fax Number: \_\_\_\_\_

Dallas, Texas 75270**Check appropriate box for federal tax classification (required):**
☐ Individual/  
Sole  
Proprietor

☒ Corporation

☐ Partnership

☐ Limited  
Liability  
Corporation

☐ Other  
Please specify: \_\_\_\_\_

☐ Exempt  
Payee

Must designate C or S

☒ C

☐ S

Business Type:

☐ Real Estate  
Rental/Lease (A1)

☐ Equipment  
Rental/Lease (A-9)

☐ Royalties (A-2)

☐ Medical/Health Care (A-6)

☐ Services Only (A-7)

☐ Merchandise-  
Goods Only (A-7)

☐ Merchandise &  
Services (A-7)

☐ Legal Firm/Attorney (A-C)

☒ Consultant/Prof  
Fees (A-7)

☐ Proceeds from  
Real Estate  
Purchases (S)

Type of Organization:

☐ Minority  
Owned

☐ Female Owned

☐ Non Profit

☐ Historically Underutilized  
Business

\*Definition of a U.S. Person-For Federal Tax purposes, you are considered a U.S. person if you are: (a) an individual who is a U.S. citizen or U.S. resident (b) a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States (c) an estate (other than a foreign estate), or (d) a domestic trust (as defined in Regulations Section 301.7701-7).

# EXHIBIT 4

Vendor Information Not Required for W-9 Form

## Remit Address (if different from above)

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

## ACH Information-Voluntary

ABA Routing#: 111 000 614 111000614

Contact Name: Sara Wood Sara Wood

Bank Account# 08805076955 08805076955

Bank Name: JP Morgan JP Morgan

ACH Email: Sara.I.Wood@JPMorgan.com

ACH Email: \_\_\_\_\_

Phone Number: 817. 884. 5906

Fax Number: 817. 345. 3771

I (we) authorize the City of Denton to deposit payments into the checking account listed. The authority remains in effect until the City of Denton has received written notification from me of termination in time to allow reasonable opportunity to act on it, or until the City of Denton has sent me written notice of termination of the agreement.

Vendor Signature J. Blum

Print Name/Title J. Blum / Asst. Treasurer

Date 10-31-16

## List Products and/or Services Interested in Bidding:

### For Internal Use Only

☐ New Vendor

☐ Vendor Change

☐ Refund

Vendor Number

Requesting Department: \_\_\_\_\_

Date: \_\_\_\_\_

Department Representative (Printed Name) \_\_\_\_\_

Purchasing Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1 Name of person who has a business relationship with local governmental entity.

First Southwest Asset Management, LLC

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has an employment or business relationship.

Not Applicable

Name of Officer

This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐

Yes

☐

No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐

Yes

☐

No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐

Yes

☐

No

D. Describe each affiliation or business relationship.

4 ☒ I have no Conflict of Interest to disclose.

5 First Southwest Asset Management, LLC

By

*W. J. Johnson*

Signature of person doing business with the governmental entity

11/3/16

Date



# CONFLICT OF INTEREST QUESTIONNAIRE FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1 Name of person who has a business relationship with local governmental entity.

FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc.

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7<sup>th</sup> business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has an employment or business relationship.

Not Applicable

Name of Officer

This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐

Yes

☐

No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐

Yes

☐

No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐

Yes

☐

No

D. Describe each affiliation or business relationship.

4 ☒ I have no Conflict of Interest to disclose.

5 FSC Continuing Disclosure Services, a Division

of Hilltop Securities

By

*Tanya Carit*

Signature of person doing business with the governmental entity

*11/3/2016*

Date

# CERTIFICATE OF INTERESTED PARTIES

EXHIBIT 4

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Hilltop Securities Inc.  
Dallas, TX United States

Certificate Number:  
2016-132155

Date Filed:  
11/02/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Denton

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

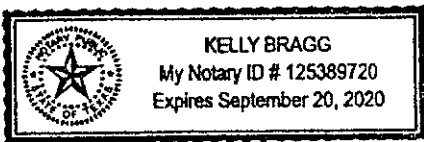
Contract # 6228  
Financial Advisory and Continuing Disclosure Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Feinberg , Hill A	Dallas, TX United States	X	
	Peterson, Robert W	Dallas, TX United States	X	
	Muschalek, John R	Dallas, TX United States	X	
	Edge , J Michael	Dallas, TX United States	X	
	Leventhal, Laura	Dallas, TX United States	X	
	Hilltop Securities Holdings LLC	Dallas, TX United States	X	

5 Check only if there is NO Interested Party. ☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



Jorja Williams  
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Jorja Williams, this the 2nd day of November, 2016, to certify which, witness my hand and seal of office.

Kelly Bragg  
Signature of officer administering oath

Kelly Bragg  
Printed name of officer administering oath

Notary Public  
Title of officer administering oath

# EXHIBIT 4 CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

**1** Name of business entity filing form, and the city, state and country of the business entity's place of business.

FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc.  
Dallas, TX United States

Certificate Number:  
2016-132150

Date Filed:

11/02/2016

Date Acknowledged:

**2** Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Denton

**3** Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

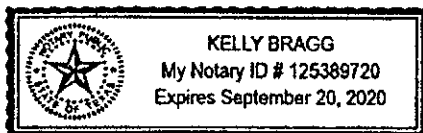
Contract # 6228  
Continuing Disclosure Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Feinberg , Hill A	Dallas, TX United States	X	
	Peterson, Robert W	Dallas, TX United States	X	
	Muschalek, John R	Dallas, TX United States	X	
	Edge , J Michael	Dallas, TX United States	X	
	Leventhal, Laura	Dallas, TX United States	X	
	Hilltop Securities Holdings LLC	Dallas, TX United States	X	

**5** Check only if there is NO Interested Party. ☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*Jorja Williams*  
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Jorja Williams, this the 2nd day of November, 2016, to certify which, witness my hand and seal of office.

*Kelly Bragg*  
Signature of officer administering oath

Kelly Bragg  
Printed name of officer administering oath

Notary Public  
Title of officer administering oath

# EXHIBIT 4 CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

FirstSouthwest, a Division of Hilltop Securities Inc.  
Dallas, TX United States

Certificate Number:  
2016-132163

Date Filed:  
11/02/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Denton

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

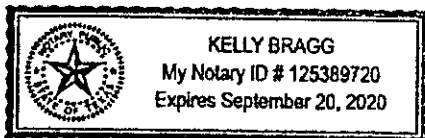
Contract # 6228  
Financial Advisory Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Feinberg, Hill A	Dallas, TX United States	X	
	Peterson, Robert W	Dallas, TX United States	X	
	Muschalek, John R	Dallas, TX United States	X	
	Edge, J Michael	Dallas, TX United States	X	
	Leventhal, Laura	Dallas, TX United States	X	
	Hilltop Securities Holdings LLC	Dallas, TX United States	X	

5 Check only if there is NO Interested Party. ☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*Sorja Williams*  
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Sorja Williams, this the 2nd day of November, 2016, to certify which, witness my hand and seal of office.

*Kelly Bragg*  
Signature of officer administering oath

Kelly Bragg  
Printed name of officer administering oath

Notary Public  
Title of officer administering oath

# CERTIFICATE OF INTERESTED PARTIES

EXHIBIT 4

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:  
2016-132157

Date Filed:  
11/02/2016

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

First Southwest Asset Management, LLC  
Dallas, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Denton

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

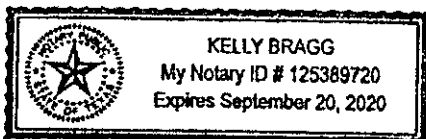
Contract # 6228  
Arbitrage Rebate Compliance Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Feinberg , Hill A	Dallas, TX United States	X	
	Medanich, David K	Dallas, TX United States	X	
	Marz, Michael J	Dallas, TX United States	X	
	First Southwest Holdings LLC	Dallas, TX United States	X	

5 Check only if there is NO Interested Party. ☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



Jorja Williams  
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Jorja Williams, this the 2nd day of November, 20 16, to certify which, witness my hand and seal of office.

[Signature]  
Signature of officer administering oath

Kelly Bragg  
Printed name of officer administering oath

Notary Public  
Title of officer administering oath