



June 21, 2022

Re: MUNICIPAL ADVISOR AGREEMENT

Dear Valued Participant:

This letter contains the terms of PMA Securities, LLC's ("PMA") Municipal Advisor Agreement (the "Agreement") for any Wisconsin Local Government, as defined below, who elects to participate in the issuance described below based on the terms of this Agreement (hereinafter "Participant") effective as of the date of this Agreement (the "Effective Date"). The Participant and PMA collectively constitute the "Parties" hereunder.

BACKGROUND ON ISSUANCE:

- Certain Wisconsin local governments ("Local Governments"), through their counsel, entered into settlement agreements ("Settlement Agreements") with McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., OrthoMcNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. ("Settling Defendants"). The Settlement Agreements provide, among other things, for the payment of certain sums to Participating Subdivisions (as defined in the Settlement Agreements) upon the occurrence of certain events detailed in the Settlement Agreements.
- The Local Governments entered into a Local Government Memorandum of Understanding ("MOU") to effectuate the terms of the Settlement Agreements and allocate the proceeds of the Settlement Agreements (the "Payments") to each of the Local Governments in percentages substantially similar to those identified in the MOU.
- The Settling Defendants are individually considering the securitization of the Payments to occur through a collective financing issued by the Public Finance Authority ("PFA"). The PFA is a governmental entity established under Section 66.0304 of the Wisconsin State Statutes, authorized to issue tax-exempt, taxable, and tax credit conduit bonds for public and private entities throughout all 50 states.
- The PFA has the power to enter into an intergovernmental agreement with each Participant; and the PFA has the ability to issue the securities (the "Securities") pursuant to such agreement; the Participant is contemplating entering into an agreement to sell its receipt of Payments, net of any payment(s) received pursuant to the Settlement Agreements prior to the closing of any Securities, as a source or repayment for the Securities in exchange for an upfront payment (the "Upfront Payment"). In connection with the receipt of the Upfront Payment and issuance of Securities specifically as it relates to the amount of the Upfront Payment, the Participant desires to retain a municipal advisor to advise the Participant regarding the issuance of the Securities specifically as it relates to the amount of the Upfront Payment.



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- PMA is willing to provide its professional services and its facilities as municipal advisor in connection with an analysis of the Upfront Payment and the issuance of the Securities specifically as it relates to the amount of the Upfront Payment considered and authorized by the Participant during the period in which this Agreement shall be effective.
- The Participant is a municipal entity and the Securities are municipal securities as defined by the Securities Exchange Act of 1934 and the rules of the Municipal Securities Rulemaking Board (“MSRB”).
- PMA is registered as a municipal advisor with the U.S. Securities Exchange Commission (“SEC”) and the MSRB and thus, may provide municipal advisor services to a municipal entity such as the Participant, including advice with respect to the issuance of municipal securities. The municipal advisory services described herein are provided by PMA exclusively as a Municipal Advisor as described under MSRB Rule G-3(d).

As a result, PMA will provide municipal advisory services to Participant in the issuance of Securities in accordance with the following terms and conditions:

SECTION I

SCOPE OF SERVICES

Upon the request of an authorized representative of the Participant, PMA agrees to perform the municipal advisory services (hereinafter “Services” or “Scope of Services”) stated in the following provisions of this Section I.

A. Scope of Services.

1. Risks and Benefits. Analyze material risks and potential benefits for the Upfront Payment, and the structure and other characteristics of the recommended municipal securities transaction.
2. Cash Flow and Analysis. Provide cash flow analysis to the Participant including benefits and sensitivity analysis for the Upfront Payment, evaluate assumptions behind the plan of finance including the impact on debt service coverage and size for residual payments, if any.
3. Participant Meetings. Attend meetings, virtually and/or in person amongst the Participant and other participants to discuss risk factors, benefits and assumptions in order to assist the Participant and other participants to determine participation in the Securities transaction. If requested, attend meetings of the governing body of the Participant regarding the Upfront Payment and subject matter related to the Securities.
4. Legal Counsel. Maintain liaison with bond counsel, PFA counsel, disclosure counsel and underwriter’s counsel in the review of legal documents pertaining to the obligations of the Participant.



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5. Offering Documents. On behalf of the Participant, review information regarding the Participant in the preliminary and final Official Statements, Offering Memoranda or Term Sheets (“Offering Documents”). PMA makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in the Offering Document, and its partial review of the Offering Document should not be construed as a representation that it has independently verified such information.
6. Terms for Securities. Review the recommendations of the working group on behalf of the Participant regarding the Securities under consideration, including such elements as the date of issue, interest payment dates, rating, 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 Participant. All recommendations will be consistent with the goal of designing the Securities to be sold on terms that are advantageous to the Participant, including the lowest interest cost consistent with all other considerations.
7. Market Information. Advise the Participant of current bond market conditions, other related forthcoming bond issues, economic data and other market information, which might normally be expected to influence interest rates or bidding conditions including the spread to U.S. Treasury obligations likely based on the credit of Settling Defendants. Additionally analyze the potential impact to the Participant regarding the rating strategy recommended by the municipal advisor and underwriter to the PFA, and the approach methodology employed by the rating agency(s).
8. Pricing. Advise the Participant as to the fairness of the prices/yields offered by the underwriter(s).
9. Review of Third Party Recommendations. Review of a recommendation of another party if requested by the Participant if the request is within the Scope of Services. PMA will determine, based on the information obtained through reasonable diligence, whether the municipal securities transaction or municipal financial product is or is not suitable for the Participant. In addition, PMA will inform the Participant of:
 - (1) PMA’s evaluation of the material risks, potential benefits, structure and other characteristics of the recommended municipal securities transaction or municipal financial product;
 - (2) The basis upon which PMA reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the Participant; and
 - (3) Whether PMA has investigated or considered other reasonably feasible alternatives to the recommended municipal securities transaction or municipal financial product that might also or alternatively serve the Participant’s objectives.



B. Limitations on Services. The Services are subject to the following limitations:

1. The Services are limited solely to the services described herein and are subject to any limitations set forth within the Scope of Services.
2. PMA is not responsible for certifying as to the accuracy or completeness (including the accuracy or completeness of any description of the Participant's compliance with its continuing disclosure obligations) of any preliminary or final Offering Documents, other than with respect to any information about PMA provided by PMA for inclusion in such documents.
3. Other than the services described under Section A.6., PMA will not review or prepare the Offering Documents for an issuance of Securities.
4. The Services do not include tax, legal, accounting or engineering advice with respect to the Securities, services not related to an issuance of municipal securities or in connection with any opinion or certificate rendered by bond counsel or any other person at closing, and does not include review or advice on any feasibility study.
5. PMA will not negotiate fees or send out a request for proposal for legal services including issuer counsel, bond counsel or disclosure counsel; and services for underwriting, trustee, escrow, verification agent or other services related to the issuance of the Securities.
6. PMA will not make recommendations to the PFA or Participant as to the advisability of obtaining a credit rating and/or insurance for the Securities.
7. Dissemination Agent services for continuing disclosure are not included under this Agreement. Dissemination Agent services include, for example, annual financial information and annual financial statement filings to the MSRB via EMMA.
8. PMA will not coordinate the efforts of the working group for closing the Securities, which typically includes the Participant, Issuer, Issuer Financial Advisor, underwriter, bond counsel, and other counsel, as applicable, rating agency, bond registrar, paying agent, and any other third party engaged by the Participant.

C. Amendment to Scope of Services. The Scope of Services may be amended as set forth in Section VII.D. The Parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services. Changes to the Scope of Services may result in an increased fee.



SECTION II COOPERATION IN MEETING REGULATORY REQUIREMENTS

The Participant acknowledges that PMA has regulatory duties as municipal advisor to the Participant, and the Participant agrees to cooperate, and to cause its agents to cooperate, in carrying out these regulatory duties, including providing complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Participant agrees that, to the extent the Participant seeks to have PMA provide advice with regard to any recommendation made by a third party in accordance with Section I.B.3, the Participant will provide to PMA written direction to do so and any information it has received from such third party relating to its recommendation.

SECTION III TERM OF AGREEMENT

The terms of this Agreement are effective as of the Effective Date and shall remain in effect, unless earlier terminated by PMA or at the direction of the Participant pursuant to the following section, until the closing of the Securities. This Agreement may be renewed for a maximum of three (3) years beyond the Effective Date of this Agreement.

SECTION IV TERMINATION

In the event the issuance of Securities is terminated by PFA, then this Agreement will be deemed terminated. PMA as municipal advisor for all Participants shall be paid in accordance with Section V. In the event that the Participant desires to retain a supplemental municipal advisor, the Participant shall be wholly responsible for any payments due and owing to the supplemental advisor. The provisions of Section VI.B. shall survive any termination of this Agreement pursuant to this Section IV or the expiration of the term of this Agreement pursuant to Section III.

SECTION V COMPENSATION AND EXPENSE REIMBURSEMENT

A. Compensation. The fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement shall be \$1.00 per \$1,000 of par amount with a minimum fee of \$85,000. The fees shall be allocated on a pro rata basis among each Participant in the Securities. Such fees, for which PMA is entitled to be paid, shall become due and payable concurrently with the delivery of the Securities to the purchaser. PMA's fee is payable by the PFA from the proceeds of the Securities and no fee shall be due to PMA unless the Securities close.

As set forth in PMA's *Municipal Advisor Disclosure Statement*, PMA notes that this Agreement involves contingent based compensation subject to compensation based conflict. Also, we note how it relates to different structures or scenarios. For example, recommending a multi-issuance strategy versus a single issuance strategy could result in additional compensation for PMA and the application of



minimum fees, if any. However, this recommendation would be made only if the benefits exceed the costs. Also, the additional compensation would be paid over time, subject to the retention of PMA for subsequent issuances.

B. PFA and Participant Expenses.

Customary fees and expenses incident to a sale are payable by the PFA. These fees and expenses, depending upon the final structure, can include fees for the PFA, underwriter(s), bond counsel, local counsel, disclosure counsel, rating agency, insurance premium, trustee/paying agency, and verification agent.

**SECTION VI
DISCLOSURES**

A. Disclosures. The *Municipal Advisor Disclosure Statement*, and each delivery thereof, as provided from time to time, shall be incorporated by reference into this Agreement as of the date thereof to the same extent as if set forth herein. As set forth in the enclosed *Municipal Advisor Disclosure Statement*, PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to institutional clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, an investment adviser registered with the SEC (the "Advisory Affiliate"). These entities operate under common ownership with the Firm and are referred to in this disclosure as the "Affiliates." Each of these Affiliates also provides services to municipal entity clients. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

PMA's duties, responsibilities, and fees arise from that as a municipal advisor to the Participant in connection with the issuance of the Securities. PMA receives additional fees for the services used by the Participant, if any, described in the paragraph above. The fees for these services arise from separate agreements with the Participant and with institutions of which the Participant may be a member.

Additional disclosures are required with the implementation of MSRB Rule G-42. PMA is required to provide the Participant with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history, and by moving forward with this issuance, the Participant acknowledges that PMA has provided the Participant with the *Municipal Advisor Disclosure Statement*, which contains important disclosures on matters such as all material conflicts of interest and all legal and disciplinary events that are material to a client's evaluation of us relevant to our provision of municipal advisory services. This disclosure document will also specify the date of the last material change or addition to the legal or disciplinary event disclosures, if any, on any Form MA or Form MA-I that PMA files with the SEC and a brief explanation regarding the materiality of the change or addition.



As stated in the Background section to this Agreement, PMA is serving as the municipal advisor to the Participants and not to PFA which is intended to be the issuer of certain of the proposed securities. Representing more than one Participant in the Issuance could cause a conflict of interest. At the present time, it appears the interests of the Participants are aligned, but if a conflict does arise between the Participants, PMA will send the Participants a supplemental conflict disclosure relating to this arrangement.

B. Scope of Liability. PMA, at all times, will act in good faith with respect to its Services under this Agreement. The Participant agrees that PMA shall not be liable to the Participant for any act or omission in connection with the performance of PMA's services hereunder, other than as a result of PMA's negligent acts or omissions, reckless conduct, intentional misconduct, bad faith, violation of applicable law or material breach of any of the material terms of this Agreement. PMA will have no duty, responsibility or liability under this Agreement as to any services identified in Section I.B. of this Agreement, relating to the services included in the Limitations on Services section. PMA shall not be responsible for any loss incurred by reason of any act or omission of the Participant, other Participants or any member of the working group for the Securities. No recourse may be had against PMA for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Participant arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action or other proceeding brought by or received from the IRS in connection with the Securities or otherwise relating to the tax treatment of the Securities, or in connection with any opinion or certificate rendered by counsel or any other party.

It is understood that nothing herein shall in any way constitute a waiver or limitation of any of the obligations which PMA may have under federal securities laws or under applicable state law.

SECTION VII MISCELLANEOUS

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the state in which the Participant is located without regard to conflict of law principles.

B. Binding Effect: Assignment. This Agreement shall be binding upon and inure to the benefit of the Participant and PMA, 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.

C. Prior Agreement or Documentation. Each party acknowledges and agrees that the provisions of this Agreement modify and supersede any prior agreement or documentation with regards to the issuance of the Securities ("Prior Documentation"). The provision(s) set forth in this Agreement shall control in the event that any provision(s) of this Agreement conflict with any provision(s) contained in any Prior Documentation.



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D. Entire Agreement. This instrument contains the entire agreement between the Parties relating 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 or acknowledged by each party hereto. The form of this modification may include an email acknowledged by each party. The Parties agree to amend or supplement this Agreement promptly to reflect any material changes or additions to the Agreement.

E. Representation of Other Participants in the Transaction. PMA understands that in connection with the issuance of the Securities, the Participant will be acting together with other participants, and that there will be an intergovernmental agreement governing the relationship between all participants and the PFA PMA serves as municipal advisor to other participants in this transaction, and PMA owes each of its municipal advisory clients a fiduciary duty.

F. Agreement/Documentation and Disclosures. This Letter Agreement/Documentation is being provided under MSRB Rule G-42(b) and (c) and, to the extent applicable, MSRB Rule G-23.

Participant has adopted or will adopt a resolution pursuant to the requirements of the Local Government, that in part affirms its intention to participate in the issuance. Participant's election to participate in the Issuance as a Participant constitutes acceptance of the terms of this Agreement.

Sincerely,

PMA Securities, LLC



Michele Wiberg (Jun 21, 2022 09:47 CDT)
By: _____
Michele Wiberg
Senior Vice President



Jim Davis (Jun 21, 2022 09:55 CDT)
By: _____

James O. Davis
Chief Executive Officer

Date: Jun 21, 2022

PMA Use Only:

Reviewed: _____ Date: _____



Robert E. Lewis III (Jun 21, 2022 11:10 CDT)

Jun 21, 2022



**PMA SECURITIES, LLC
MUNICIPAL ADVISOR
DISCLOSURE STATEMENT**

This Disclosure Statement is being provided by PMA Securities, LLC (“Municipal Advisor” or the “Firm”) to you as a Municipal Entity Client (the “Client”) at the earlier of at or prior to engaging in municipal advisory activities with you or providing you with engagement documentation or an agreement between Municipal Advisor and you (the “Agreement”), or as an update to an earlier Disclosure Statement provided to you. The Disclosure Statement or Disclosure Statement update, as applicable, is dated as of the date reflected above. This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events of Municipal Advisor required to be disclosed to Client pursuant to MSRB Rule G-42(b) and (c)(ii) and client education and protection disclosures required to be disclosed pursuant to MSRB Rule G-10.

PART A – Disclosures of Conflicts of Interest

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

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

General Mitigations – As general mitigations of Municipal Advisor’s conflicts, with respect to all of the conflicts disclosed below, Municipal Advisor 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 Municipal Advisor to deal honestly and with the utmost good faith with Client and to act in Client’s best interests without regard to Municipal Advisor’s financial or other interests. In addition, the success and profitability of Municipal Advisor 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 adherence to its fiduciary duty. Furthermore, Municipal Advisor’s municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Municipal Advisor potentially departing from their regulatory duties due to personal interests.

Background/General Mitigations - PMA Securities, LLC is a broker-dealer and municipal advisor registered with the U.S. Securities and Exchange Commission (“SEC”) and Municipal Securities Rulemaking Board (“MSRB”) and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, the Firm generally provides fixed income brokerage services, distribution services and public finance services to municipal entity clients, including financial advisory services and advice with respect to the investment of proceeds of municipal securities.

The Firm is wholly owned by PMA Acquisition, LLC, which is wholly owned by PMA Intermediate Holdings, LLC, which is owned primarily by PMA Parent Holdings, LLC, which is owned primarily by PMA Equity Aggregator, LLC (“PMA Equity Aggregator”), which is owned primarily by Estancia Fund II PMA Aggregator, LLC, which is wholly owned by Estancia Capital Partners Fund II, L.P. (the “Estancia Fund”). The Estancia Fund is advised by Estancia Capital Markets, LLC (“Estancia”), an investment adviser registered with the SEC, and is controlled by an affiliate. The Firm does not believe its relationship with Estancia or any of these entities creates a material conflict of interest with the Firm’s municipal advisory business.

Municipal Advisor is affiliated with PMA Financial Network, LLC, a financial services provider, and Prudent Man Advisors, LLC, (d/b/a PMA Asset Management) an investment adviser registered with the SEC (the “Advisory Affiliate”). These entities operate under common ownership with the Firm and are collectively referred to in this

disclosure as the “PMA Affiliates or Affiliates.” Each of these Affiliates also provides services to municipal entity clients and the Firm and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies. Additionally, the Firm or its Affiliates may provide pricing discounts or bundled pricing for the use of services across multiple Affiliated companies.

As an additional mitigating factor, Municipal Advisor and its PMA Affiliates do not compensate staff with transaction-based compensation, including for sales activity or referrals. Instead, most Municipal Advisor and PMA Affiliate personnel are paid a salary and discretionary bonus based on the combined profitability of the PMA Affiliates and individual performance. Some staff have a series of goals, a portion of which include growing assets and annual revenue for the PMA Affiliates, for which they would receive additional compensation. In addition, some management personnel are compensated in part based on the profitability of an office or business unit for which they have responsibility, but no personnel receive compensation that is specifically based on transactions that they generate or recommend. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below. Moreover, if any conflict cannot be properly managed or mitigated, the Municipal Advisor will not engage in that municipal advisory relationship.

I. Municipal Advisory Business. Municipal Advisor provides certain municipal advisory services to or on behalf of municipal entity clients such as Client that Client may elect to utilize. These services include financial advisory services, under which Municipal Advisor provides advice with respect to the issuance of municipal securities, services relating to the investment of proceeds of municipal securities and financial projections with limited municipal advisory services. If you elect to retain Municipal Advisor to provide financial advisory services, and you elect to retain Municipal Advisor to provide advice with respect to the investment of proceeds of municipal securities, you will sign a separate agreement with Municipal Advisor regarding the terms of each advisory engagement and an omnibus agreement for the investment of bond proceeds, and Municipal Advisor will earn a fee for each service as set forth in the applicable agreement or fee schedule/disclosure document. Municipal Advisors providing these two distinct types of services creates an incentive for Municipal Advisor, when acting in a financial advisory capacity, to recommend a transaction that results in a greater amount of bond proceeds, or proceeds available for investment for a longer duration, because of the possibility that Municipal Advisor, in providing advice with respect to the investment of bond proceeds, would receive additional compensation. To mitigate this conflict, in the event that Municipal Advisor makes a recommendation as a financial advisor to any client either retaining or considering to retain the Firm for investment of such bond proceeds that could influence the amount to be invested, Municipal Advisor will consider alternatives to such recommendation, which will be disclosed to Client along with the impact that the recommendation and its alternatives would have on the business activities of Client with Municipal Advisor. In addition, different products or different structures have different fees. A recommendation to invest in certain products or structures with higher fees will result in Municipal Advisor earning higher fees. In mitigation, Municipal Advisor will review the structure or portfolio construction, as applicable, in an effort to ensure that the recommendations are in the best interest of the Client.

If you elect to retain Municipal Advisor to provide financial advisory services, and you elect to retain Municipal Advisor to produce financial projections with limited municipal advisory services, you will sign a separate agreement with Municipal Advisor regarding the terms of each engagement, and Municipal Advisor will earn a fee for each service as set forth in the applicable agreement. Municipal Advisors providing these two distinct types of services creates an incentive for Municipal Advisor, when providing financial projections, to generate projections with assumptions that result in an outcome that enhances the likelihood the Client could issue a financing payable from such operating fund(s) (“Operating Financing”). To mitigate this conflict, in the event that Municipal Advisor produces financial projections that demonstrates the Client could service an Operating Financing and/or makes a recommendation the Client could service an Operating Financing, the Municipal Advisor will create a sensitivity analysis for key variables, which will be presented to Client along with the impact that the sensitivity analysis has on the ability of the Client to service the Operating Financing. In addition, the specific advisor assigned by Municipal Advisor will have such presentation reviewed by a municipal advisor principal.

II. Broker-Dealer Business. Municipal Advisor is a broker-dealer which engages in a broad range of securities-related activities to service its clients in addition to serving as municipal advisor. In addition, such securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding 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 Municipal Advisor to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from Municipal Advisor's 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 Municipal Advisor that operate independently from Municipal Advisor's public finance municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by Municipal Advisor to Client under the public finance Agreement. Further, Municipal Advisor's policies prohibit it from purchasing or selling municipal securities of a Client for itself or clients in the primary market when Municipal Advisor acted as the financial advisor on the transaction.

III. Affiliate Conflict. Municipal Advisor's Affiliates provide certain other services to or on behalf of municipal entity clients such as Client, or to local government investment pools ("LGIPS") of which Client may be a participant. Some or all of these may relate to or affect Municipal Advisor's activities within the Scope of Services under the Agreement.

PMA Asset Management- as the Advisory Affiliate provides investment advisory services to municipal entity clients such as Client and to LGIPS of which Client may be a participant. In the event Client is also a client of the Advisory Affiliate, the Advisory Affiliate will earn investment advisory fees as set forth in the advisory agreement between the Advisory Affiliate and Client. Moreover, the Advisory Affiliate will earn an advisory fee for management of the LGIP assets as set forth in the applicable Information Statement. In addition to the general mitigations reflected above, if these services relate to the investment of bond proceeds through the investment adviser, the potential conflict for PMA Asset Management is mitigated by the fact that the Advisory Affiliate is subject to its own comprehensive regulatory regime as an investment adviser under the Investment Advisers Act of 1940. Further, the Advisory Affiliate's procedures prohibit it from purchasing or selling municipal securities of a Municipal Advisor Client for itself or clients in the primary market when Municipal Advisor acted as the financial advisor on the transaction.

PMA Financial Network- serves as administrator, providing transfer agent and fund accounting services for LGIPs of which Client may be a participant and PMA Financial Network also provides fixed rate investment services for municipal entity clients. PMA Financial Network earns an administration fee based on a percentage of the average daily net assets under administration for the applicable LGIP and earns a mark-up/transaction fee for its fixed rate investments per the applicable fee schedule. Thus, Client may be a participant in an LGIP and may purchase fixed rate investments through PMA Financial Network for its operating funds. PMA Financial Network also provides services that help municipal entity clients identify its cash flow and periods of financing needs through its Cash Flow analysis. In providing the Cash Flow analysis, PMA Financial Network has an incentive to recommend a course of action resulting in the need for a financing resulting in an increase in the level of Client's business activities with Municipal Advisor, or to validate or support a cash flow plan proposed for financial advisory services. Representatives of the Affiliates making any such recommendations are either associated with the Municipal Advisor as a Municipal Advisor Representative, or may only offer to introduce the Client to a representative who is associated with the Firm as a Municipal Advisor Representative.

In addition to the general mitigations above, these considerations are mitigated by the fact that the municipal entity clients are providing their financial data for the cash flow model in order to generate the results. If the Cash Flow analysis generated for a client indicates a need for financing, representatives of PMA Financial Network recommending that a client engage Municipal Advisor in connection with the financing have a conflict of interest in making these recommendations because of the potential benefit to Municipal Advisor, which is affiliated with the entity. In each case, the recommendation of Municipal Advisor by an Affiliate's representative is made by a person registered as a municipal advisor representative with Municipal Advisor, and therefore subject to the regulatory requirements under municipal advisor rules and registrations. Moreover, in the event that Municipal Advisor is making a recommendation to Client based on the Cash Flow analysis by an Affiliate, Municipal Advisor will review the analysis to validate support for the recommendation.

Estancia Affiliates. As a result of being under control of an affiliate of Estancia, the Firm is also affiliated with each of the following: (i) Estancia GP II, L.P., the general partner of the Estancia Fund, (ii) Estancia GP, LLC, the general partner to a private fund advised by Estancia and (iii) each of the following entities that is owned by a

private investment vehicle under the control of an affiliate of Estancia: (a) North Square Investments, LLC, (b) Snowden Capital Advisors LLC, (c) Snowden Account Services LLC, (d) Snowden Insurance Services, LLC, (e) Sapience Investments, LLC, (f) Abel Noser, LLC, (g) CSM Advisors LLC, (h) Geneva Capital Management LLC, and (i) Zeno An Solutions, LLC. The Firm does not believe that its affiliation with any of the foregoing creates a material conflict of interest with its municipal advisory business as we do not provide services to any Estancia Affiliate clients, or otherwise share personnel or offices. However, in the event you have any relationship with the foregoing entities, please advise the Firm so we may review for any potential conflict from your relationship.

IV. Payments to Obtain/Retain Business. Municipal Advisor does not retain any firms to obtain or retain Client's municipal advisory business under the Agreement as a municipal advisor registered under the Securities Exchange Act of 1934. However, representatives of Affiliates of Municipal Advisor (who are also associated with the Firm as a Municipal Advisor Representative) that are providing non-municipal advisory services to a client may recommend that the client engage Municipal Advisor to provide municipal advisory services. These representatives are not compensated for such recommendations, however, the representatives receive compensation from the Municipal Advisor and its Affiliates based on the overall profitability of the Municipal Advisor and its PMA Affiliates and the individual performance of the employee as outlined in the Background section of this disclosure.

In addition, Municipal Advisor has several independent contractor municipal advisor representatives that, among other things, solicit school districts and other units of local government on behalf of PMA to become financial advisory or dissemination agent clients of the Firm. In this role, these independent contractors receive compensation based on the revenues earned by the Firm from those clients solicited by the independent contractor. The compensation can be structured as a percentage of revenue or a discretionary bonus.

These relationships create an incentive for the representatives who are also associated with Municipal Advisor to recommend that a client hire Municipal Advisor given this additional compensation without regard to whether doing so is in the client's best interests. In addition to the general mitigations described above, this conflict of interest is mitigated by the disclosure to Client of such association, in that knowledge of such association can be considered by Client in determining whether the recommendation by the Affiliate or independent contractor was biased. Furthermore, Firm Public Finance principals will review for the appropriateness of this recommendation, and the terms, timing and structure of these relationships under the regulatory requirements. Finally, this potential conflict is mitigated by the fact that the personnel are also registered as Municipal Advisor Representatives of Municipal Advisor and therefore subject to the comprehensive regulatory regime for municipal advisors under the Securities Exchange Act.

V. Fee-Splitting Arrangements. With respect to the investment of proceeds of municipal securities, Municipal Advisor has paid a portion of the fee it has received from Client for services under the Agreement to several third parties ("Third Party" or "Third Parties") in connection with municipal advisory investment services provided by Third Party to Client. Municipal Advisor and its Affiliates pay a Royalty and Sponsorship fee to LGIP Funds, various associations that sponsor such LGIP Funds as well as associations such as the Independent Community Bankers of America. These royalty fees are generally paid for the right and license to use the names and logos of such organizations to denote their sponsorship of the LGIP and PMA Affiliates, or for marketing to their membership. These royalty fees to associations or sponsors, which are typically based on total assets under administration in the LGIP, including assets in an associated fixed income investment program, are disclosed in the applicable Fund's Information Statement. In other instances, they may be based on a transaction fee for investments provided by their membership. In addition, the Firm pays third party brokerage fees for placement of fixed income deposit products. These fees are paid from the gross rate, and are only offered to Clients in the event the net rate exceeds rates by other providers.

Municipal Advisor's payment of royalty fees to Third Parties creates an incentive on the part of the recipients to recommend that a particular participant in an LGIP (an "LGIP Client") hire Municipal Advisor whether or not hiring Municipal Advisor is in the best interests of the LGIP Client. In addition to the general mitigations described above, this conflict of interest is mitigated by the fact that in many instances, the LGIP directed the royalty fee, thereby obviating the potential for the payment to influence either party's loyalty. This conflict of interest is also mitigated by the fact that the royalty payments are disclosed in the applicable LGIP's Information Statement, or disclosure to LGIP Client of such payment, in that knowledge of such fees can be considered by Client in determining whether Municipal Advisor or the Third Party have competing loyalties to others besides Client. In addition, the mitigations described below with respect to Compensation-Based Conflicts also generally serve to

mitigate this potential conflict of interest. Finally, with respect to third party transaction fees, these transaction fees will be disclosed as requested, may be calculated from the confirmation, and are only offered if they exceed the net rates offered by other providers.

VI. Compensation-Based Conflicts. The fees due for municipal advisory activities may be contingent on the size or closing of the transaction as to which Municipal Advisor is providing advice. While this form of compensation is customary in the municipal securities market, it presents a conflict because it creates an incentive for Municipal Advisor to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. With respect to advice regarding the investment of proceeds of municipal securities, it creates an incentive to recommend the purchase of investments which would result in higher fees to the Firm (including the conflict from different product fees discussed in Section I above). This conflict of interest is mitigated by the general mitigations described above. In addition, Municipal Advisor has implemented policies and procedures designed to ensure that recommendations are suitable and in the best interest of the clients, are based on factors other than fees to the Firm and that the Municipal Advisor not receive excessive compensation.

VII. Other Municipal Advisor Relationships. Municipal Advisor 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. Among others, the Firm acts as a financial advisor or bond proceeds investment provider to numerous municipal entity clients, and at any given time a particular municipal advisor representative for Municipal Advisor may be involved in numerous different transactions in different capacities. Accordingly, these Municipal Advisor Representatives have a conflict of interest in allocating their time and activity between clients. Municipal Advisor's compensation varies for different transactions, and municipal advisor representatives have an incentive to devote more of their time and attention to transactions for which Municipal Advisor receives greater compensation. For example, Municipal Advisor 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 under the Agreement. 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, Municipal Advisor sometimes faces a conflict of interest arising from these competing client interests. None of these other engagements or relationships would impair Municipal Advisor's ability to fulfill its regulatory duties to Client.

Fees charged to Municipal Advisor clients can and do differ, and may be negotiated, based on the services for the engagement, issuance size, market conditions, geographic location, client type, LGIP or other restrictive requirements, account size, asset class, product type, specific investment strategy utilized, whether a pre-existing relationship is present, complexity, expansion of business to new locations or client base, state presence and other competitive reasons, and other special circumstances or requirements. Nonetheless, the fees charged are considered in light of the regulatory duties owed to all Municipal Advisor clients.

VIII. Secondary Market Transactions in Client's Securities. The Firm, in connection with its sales and trading non-municipal advisory activities, may acquire securities in a riskless principal transaction, 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 as a principal transaction 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 other broker-dealers provided it is not in the primary market, for the accounts of its customers in a riskless principal capacity. This activity results in a conflict of interest with Client in that it creates the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing of Client's bonds 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 public finance 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 the Agreement.

IX. Charitable Contributions at Request of Client Personnel. While we do not believe that the following creates a conflict of interest on the part of Municipal Advisor, we note that Municipal Advisor often makes contributions to charitable organizations, or to fundraisers for such charitable organizations, including foundations associated with our Clients, at the request of personnel of Client. Municipal Advisor believes that contributions to charitable organizations are important philanthropic contributions to society and the goals of our Clients but nonetheless

recognizes that it could be viewed as a potential conflict of interest and potentially subject to rules limiting participation. If Client desires specific information on charitable contributions that may have been made with respect to a charitable organization at the request of its personnel, upon written request of Client, Municipal Advisor will provide such information to Client and Client may wish to consider such information to determine if it has any impact on how it conducts its activities with Municipal Advisor under the Agreement. Moreover, in certain circumstances, Municipal Advisor may deem it appropriate to provide a specific disclosure to the Client of the related contribution at the request of client personnel.

X. Other Conflicts of Interest. To the extent there are other conflicts specific to Client, they will be set forth in the Agreement or in a supplemental disclosure.

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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, Municipal Advisor sets out below required disclosures and related information in connection with such disclosures.

I. Material Legal or Disciplinary Event. There are no legal or disciplinary events that are material to Client's evaluation of Municipal Advisor or the integrity of Municipal Advisor's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.

II. How to Access Form MA and Form MA-I Filings. Municipal Advisor's most recent Form MA and each most recent Form MA-I filed with the SEC are currently available on the SEC's EDGAR system at <http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001773083>. The filings may also be accessed on the SEC's EDGAR system by searching by name (PMA Securities, LLC) or by CIK (0001773083).

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 Municipal Advisor 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 Municipal Advisor on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>. For purposes of accessing such BrokerCheck reports, Municipal Advisor's CRD number is 30397. Further, the Form ADV for Prudent Man Advisors, LLC d/b/a PMA Asset Management, LLC, as an affiliate of Municipal Advisor, is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for "Prudent Man Advisors" or "PMA Asset Management."

III. Most Recent Change in Legal or Disciplinary Event Disclosure. The date of the last change in legal or disciplinary event disclosure was on a Form MA-I filed on May 17, 2021, terminating a Form MA-I filed on March 18, 2021 for a municipal advisor representative.

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ADDITIONAL DISCLOSURES APPLICABLE TO CERTAIN ILLINOIS CLIENTS

Township Treasurer Affiliation and Consulting Business Conflicts. Dr. Robert G. Grossi, a municipal advisor representative associated with the Municipal Advisor, also serves as treasurer for the Bloom Township Trustees of Schools. In the capacity of treasurer, Dr. Grossi is employed by, supervised by and retained by the Board of Trustees of such office. A treasurer of a Township Trustees of Schools has limited statutory duties to the school districts under the jurisdiction of said office. Municipal Advisor will manage and mitigate this conflict by restricting investments in municipal securities made by Dr. Grossi for the Township entities for any issuance in which the Firm serves as Financial Advisor in the primary market. In addition, the Firm will review the investments of such Township entities to confirm compliance with this requirement and Dr. Grossi is subject to additional restrictions under PMA's Code of Ethics for his securities transactions for his personal accounts and those of other entities under his control. In addition, this Conflict will be managed by adherence to the fiduciary duty which we owe to municipal entities which require us to put the interest of the municipal entity ahead of our own.

Dr. Grossi also owns and controls a consulting company called Illuminate, Inc. (Dr. Grossi and Illuminate are collectively referred to herein as “Consultant”) which provides non-municipal advisory consulting services to municipal entities in the State of Illinois, and for which he receives compensation for those non-municipal advisory services. This entity was formerly known as Crystal Financial Consultants, Inc., which was registered as a municipal advisor firm. He now serves as a municipal advisor representative of the Firm, in which he assists in the transition of his former municipal advisory clients which were assigned to the Firm as part of an asset purchase agreement, and further solicits his former clients and other school district and other units of government to become clients of the Firm. In that role, he is compensated for his municipal advisory services to the Firm. Moreover, as the Firm and its affiliates refer business to Consultant for which the Firm or its affiliate would be paid a fee for any revenues earned by Consultant, providing an incentive for Consultant to make referrals to the Firm in order to receive more referrals from the Firm.

These relationships create an incentive for the representative who is also associated with Municipal Advisor to recommend that a client hire Municipal Advisor given this additional compensation without regard to whether doing so is in the client’s best interests. In addition to the general mitigations described above, this conflict of interest is mitigated by the disclosure to Client of such association, in that knowledge of such association can be considered by Client in determining whether the recommendation by the independent contractor was biased. Furthermore, Firm Public Finance principals will review for the appropriateness of this recommendation, and the terms, timing and structure of these relationships under the regulatory requirements. Finally, this potential conflict is mitigated by the fact that the representative is also registered as Municipal Advisor Representative of Municipal Advisor and therefore subject to the comprehensive regulatory regime for municipal advisors under the Securities Exchange Act.

In addition, if you retained Consultant to produce financial projections which results in a recommendation to retain the Firm as financial advisor, you will sign a separate agreement with Consultant regarding the financial projections for which it will be paid a fee and will sign an agreement with Municipal Advisor regarding the terms of each engagement, and Municipal Advisor will earn a fee for each service as set forth in the applicable agreement. This creates an incentive for Consultant when providing financial projections, to generate projections with assumptions that result in an outcome that enhances the likelihood the entity could issue a financing payable from such operating fund(s) (“Operating Financing”), resulting in a revenue to the Municipal Advisor from which Dr. Grossi earns additional compensation. To mitigate this conflict, in the event that Consultant produces financial projections that demonstrates the entity could service an Operating Financing and/or makes a recommendation the entity could service an Operating Financing, the Municipal Advisor will create or request Consultant to create a sensitivity analysis for key variables, which will be presented to Client along with the impact that the sensitivity analysis has on the ability of the Client to service the Operating Financing. In addition, the specific advisor assigned by Municipal Advisor will have such presentation reviewed by a municipal advisor principal.

PART C – Future Supplemental Disclosures

As required by MSRB Rule G-42, this 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 Municipal Advisor. Municipal Advisor will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

**MSRB Rule G-10: Investor and Municipal Advisory
Client Education and Protection Disclosures**

MSRB Rule G-10(a) requires that each broker-dealer and municipal securities dealer shall, once every calendar year, provide to each customer for whom a purchase or sale of a municipal security was effected or who holds a municipal securities position, the following items of information:

- (i) The broker-dealer is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board;
- (ii) An investor brochure is available and posted on the website of the Municipal Securities Rulemaking Board at www.msrb.org; that describes the protections that may be provided by the Municipal Securities Rulemaking Board rules and how to file a complaint with an appropriate regulatory authority.

MSRB Rule G-10(d) requires that each municipal advisor provide the following items of information:

- (i) Municipal Advisor is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board;
- (ii) The website address for the Municipal Securities Rulemaking Board is www.msrb.org;
- (iii) A municipal advisory client brochure is available and posted on the website of the Municipal Securities Rulemaking Board that describes the protections that may be provided by the Municipal Securities Rulemaking Board rules and how to file a complaint with an appropriate regulatory authority