

Capital Markets Advisors, LLC

Independent Financial Advisors

FINANCIAL ADVISORY SERVICES AGREEMENT

This Agreement has been entered into this ____ day of _____, 2024 by and between the City of Long Beach, New York (the "City") and Capital Markets Advisors, LLC ("CMA"), a limited liability company created under the laws of the State of New York and having its principal place of business at 11 Grace Avenue, Suite 308, Great Neck, New York 11021.

Section 1 Financial Advisory Services

CMA will provide the following services in connection with bond and note financings (the "Issue"), undertaken by City during the term of this Agreement.

- 1.01 Review legal, financial, economic and other information necessary for CMA to advise the City in planning, structuring and completing each Issue undertaken by the City.
- 1.02 Discuss plan of financing including funding requirements and structuring alternatives, given local resources, market conditions, budgetary constraints, future capital needs and such other matters as the City and CMA deem relevant.
- 1.03 Make presentations to the City Council and members of the public concerning the debt issuance process, the credit rating process, interest rates and the budget impact resulting from the debt issue, at the City's request.
- 1.04 Prepare or assist in the preparation of financing documents, as required by the City, including but not limited to: Official Statement, Notice of Sale and Bid Sheet, request for a credit rating, request for municipal bond insurance (if necessary), DTC Letter of Representations and debt statement.
- 1.05 Upon the request of the City, CMA will assist the City in the selection of other service providers necessary to conduct each Issue including but not limited to bond counsel, rating agencies, bond insurers, underwriters, escrow agent, verification and financial printer, if appropriate.
- 1.06 Prepare and maintain a financing schedule, cost of issuance for refunding transactions and take such other actions requested by the City to efficiently manage each Issue.
- 1.07 Post the sale documents on CMA's website, send an email to prospective bidders and post notice in The Bond Buyer to market the Issue.
- 1.08 Participate in debt sale, confirm net interest cost calculation and make award recommendation.
- 1.09 Assist the City with the delivery of proceeds of each Issue, payment of issuance costs and other matters related to closing each Issue.
- 1.10 Prepare and file required Continuing Disclosure and Material Event Notice Filing Pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934.

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Section 2 Compensation

2.01 For CMA's performance of services on behalf of the City as described in Section 1 hereof, CMA's fees, some of which are contingent on a financing closing or its size, will be as follows:

- For new money bond issues: a base fee of \$11,000 plus \$0.95 per \$1,000 of bonds issued
- For note issues: a base fee of \$5,500 plus \$0.40 per \$1,000 of notes issued
- For capital lease issues: a base fee of \$6,500 plus \$0.55 per \$1,000 of lease debt issued
- For refunding bond issues: a base fee of \$21,500 plus \$1.20 per \$1,000 of bonds issued
- For Continuing Disclosure Services as required by the SEC: \$2,700 annually
- For services unrelated to a bond or note issuance: an hourly fee of \$200 per hour

2.02 The City will pay normal issuance costs such as printing, distribution, postage, photocopying, overnight delivery, bond counsel, rating agency and other associated expenses.

2.03 Payment of CMA's compensation is due within 30 days of receipt of CMA's invoice following the closing of the financing.

Section 3 Term of Agreement

The term of this Agreement shall be from the date hereof to June 30, 2024.

Section 4 Responsibilities of Parties

CMA does not assume the responsibilities of the City, nor the responsibilities of the other professionals and vendors representing the City, in the provision of services and the preparation of financing documents for financings under this agreement. CMA accepts the relationship of trust and confidence established between it and the City. CMA agrees to furnish its best skill and judgment in the performance of its services in the most expeditious and economical manner consistent with the interests of the City. Information obtained by CMA, either through its own efforts or provided by the City, included in the financing documents, or otherwise provided to the City, is by reason of experience and professional judgment, believed to be accurate; however, such information is not guaranteed by CMA.

Section 5 Required Regulatory Disclosure

Municipal Advisor Regulators

Municipal Securities Rulemaking Board ("MSRB") Rule G-10 requires that municipal advisors, including CMA, provide to their clients the following information once each calendar year: (i) CMA is registered as an independent municipal advisor with the MSRB and the US Securities and

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Exchange Commission (“SEC”); (ii) CMA is subject to the regulations and rules on municipal advisory activities established by the SEC and MSRB; (iii) the website for the MSRB is www.msrb.org and the website for the SEC is www.sec.gov and (iv) in addition to having educational materials about the municipal securities market, the MSRB website has a municipal advisory client brochure that describes the protections that may be provided by the MSRB rules and how to file a complaint with the appropriate regulatory authority.

Conflicts of Interest Disclosure

CMA is an MSRB Registered Municipal Advisor that conducts all municipal advisory activities subject to the fiduciary standards of conduct. MSRB Rule G-42 requires that municipal advisors disclose to their clients any actual or potential material conflict of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist, municipal advisors are required to provide a written statement to that effect.

To the best of CMA’s knowledge and belief, neither CMA nor any associated person has any material undisclosed conflict of interest.

- CMA has no financial interest in, nor does CMA receive any undisclosed compensation from, any firm or person that CMA may use in providing any advice, service, or product to or on behalf of any CMA client.
- CMA does not pay contracted MSRB registered solicitors or other MSRB registered municipal advisors directly or indirectly in order to obtain or retain an engagement to perform municipal advisory services for any municipal entity.
- CMA does not receive any payments from a third party to enlist CMA’s recommendation of services, municipal securities transactions, or any municipal financial product or service.
- CMA does not have any fee-splitting arrangements with any provider of investments or services to any municipal entity.
- A municipal advisor, including CMA, that is compensated via a contingency fee agreement, has a material conflict of interest arising from compensation for municipal advisory activities performed that are contingent on the size or closing of such transaction for which it is providing advice. This conflict of interest exists if CMA should fail to get paid for its work on a transaction in the event that transaction does not close. Contingency fee agreements are not uncommon or illegal, but the inherent, material conflict of interest that results from such an agreement must be disclosed to the client.
- CMA services 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 other municipal clients. These other clients may, from time to time and depending on specific circumstances, have competing interests, such as accessing the market with the most advantageous timing. In acting in the interests of its various clients, CMA could potentially face a conflict of interest arising from these competing client interests. However, none of these other engagements or relationships would impair CMA’s ability to fulfill its regulatory duties to its municipal clients.
- There are no other actual conflicts of interest that could reasonably be anticipated to impair CMA’s ability to provide advice to any municipal entity in accordance with the standard of fiduciary conduct.

Information Regarding Legal Events and Disciplinary History Disclosure

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

- CMA and two of its Associated Persons are currently subject to a legal event that could be material to a client’s evaluation of the Firm.

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- CMA's Form MA and Form MA-Is for each of the Firm's Associated Persons are posted in the Edgar Database located on the U.S. Securities and Exchange Commission's website (www.sec.gov).
- CMA has made a legal event disclosure on its Form MA and two of its Associated Persons' Form MA-I's filed with the U.S. Securities and Exchange Commission.

Future Supplemental Disclosures

As required by MSRB Rule G-42, these disclosures 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, or to provide information with regard to any legal or disciplinary events. CMA will provide its municipal clients with any supplement or amendment as it becomes available throughout the terms of each agreement or contract.

Section 6 Independent Contractor

CMA hereby acknowledges and agrees that its status under this Agreement will be that of an independent contractor. CMA and its officers, agents and employees shall not represent themselves as City employees to any third party, nor shall they make any claim to the City, or to any other person or entity, for benefits or privileges granted to City employees, including but not limited to, Unemployment and Workers Compensation benefits. CMA further acknowledges and agrees that the City shall not take any deductions or withholdings from CMA's compensation to pay federal or state taxes, or any other assessment, cost, expense or obligation which CMA or its officers, employees or agents may incur as a result of CMA receiving compensation pursuant to this agreement.

Section 7 Binding Effect

All agreements and covenants contained herein are severable and in the event any of them shall be held to be invalid by any competent court, this agreement shall be interpreted as if such invalid agreements or covenants were not contained herein, and the remaining provisions of this agreement shall remain in full force and effect. Each party hereto represents and warrants that this agreement has been duly authorized and executed by it and constitutes its valid and binding agreement.

Section 8 Modification and Termination

This Agreement contains the entire agreement of the parties. It may be amended in whole or in part from time to time in writing by mutual consent of the parties.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year set forth on the first page hereof.

Capital Markets Advisors, LLC

City of Long Beach, New York

Richard Tortora

Richard Tortora
President

By: _____

Name: _____

Title: _____