

# RAYMOND JAMES®

June 7, 2022

Ms. Alecia Searcy, CPA  
Finance Director  
Carroll County  
P.O. Box 338  
Carrollton, Georgia 30112

Re: Investment of Related Bond Proceeds

Dear Ms. Searcy:

This letter outlines Raymond James' proposal to serve Carroll County (Georgia) (the "County") as Investment Adviser relating to the investment of certain proceeds derived from the Carroll County General Obligation Sales Tax Bonds, Series 2021 (the Series 2021 Bonds"). Raymond James proposes to serve the County as its adviser to execute a two phase scope of services with regard to the investment of the respective Construction Account (the "Fund").

Prior to describing our scope of services in more detail it is important to note we intend to provide our services to the County as a registered investment adviser. Thus, we have a fiduciary duty to you as the investment strategy is developed and the investment is procured. To that end, Raymond James does NOT provide the investment but rather we conduct a **competitive bid** to procure the desired investment at the best price/highest yield. We provide our services for a fully disclosed fixed fee paid upon closing, and our fee can usually be paid to us by the winning provider of a given investment based upon the fees laid out in our engagement letter with you. **Execution of this letter does NOT bind or obligate the County to invest any of the Funds using Raymond James as its Investment Adviser. The County, in its sole discretion, has the ability to elect if it utilizes Raymond James and if it does then the Scope of Services and Fees described herein will apply.**

## SCOPE OF SERVICES

Phase 1 ("the Analysis and Investment Strategy Development Phase") involves determining the amounts to be invested (including liquidity hold-back for the respective Construction Fund), if applicable, as well as a recommendation for the investment strategy regarding the type of investment vehicle to be utilized and the potential amounts to be invested within the Fund. The investment will be designed to achieve a desired level of liquidity, a risk tolerance expressed by the County and maximize potential earnings based upon the constraints. It is anticipated the potential investment will be a portfolio of U.S. Treasury securities, an eligible investment alternative available under the applicable resolution and/or Georgia statutes.

Phase 2 (the "Execution/Procurement Phase") involves the execution of the competitive bid process by Raymond James amongst the applicable investment providers for the investment. For example, for a laddered portfolio of U.S. Treasury securities, potential bidders would include various primary and regional broker/dealers who would compete to offer a portfolio at the lowest cost/highest yield.

Raymond James' full scope of services ("Scope of Services") is described below and, as described above, we provide these services on a fully disclosed fixed fee basis.

***Scope of Services: Phase 1 - Analysis and Investment Strategy Development***

1. Assist the County in determining its preferred amount of liquidity hold-back (percentage or dollar amounts) for the respective Construction Fund;
2. Calculate potential interest earnings available under various scenarios for the Fund (based upon the results of the hold-back discussion);
3. Review and discuss risks and other considerations associated with investing the Fund in a portfolio of U.S. Treasury securities ("Portfolio"); and
4. Assist the County in determining the overall optimal tactics of bid approach with respect to market risk and timing.

***Scope of Services: Phase 2 – Execution/Procurement of the Investment (s)***

1. Develop a term sheet for the Fund investment, including any constraints determined by the County, the desired hold-back, if any, and final targeted disbursement/spend-down requirements of the respective Construction Fund as delineated by the County;
2. Provide the County a list of potential providers for the investment;
3. Pre-market bid and act as liaison between potential investment providers and the County prior to bid;
4. Provide market color to the working group as to the expected investment rate anticipated in the bid;
5. Conduct the bid process for the Fund (receiving bids from as many providers as possible) and report results to the County and any other relevant party(ies);
6. Co-ordinate the flow of post award information amongst the working group;
7. Manage the settlement process to closure by requiring appropriate focus by the working group, and of course, and most importantly, the winning provider;
8. Provide documentation with regard to any such bid process to the County and Bond Counsel (and any other parties).

**DOCUMENTATION/TRANSPARENCY**

As part of the closing package, Raymond James will provide the County all relevant documentation for its records pertinent for its record retention purposes, including the following. Our documentation package along with having the County on the actual call making the final award of the investments to the winning provider is all part of ensuring the highest degree of transparency throughout the entire process.

- Final Term Sheets/Addendum(s)
- Provider Certificates (executed)
- Trade Tickets/Confirms
- Summary of Offers
- Bids received
- Bloomberg Market Screenshots
- Investment Adviser Certificate (executed)

In consideration for Raymond James acting as Investment Adviser, the County will pay to us a fee not to exceed \$39,000 immediately upon closing.

Such fee will be paid, on behalf of the County, by the winning provider of the offered portfolio. The payment of this fee means that technically the yield the County receives on the Portfolio is lower than it would have been without the fee. After the award, we can provide comment on the Portfolio and facilitate the flow of information, but we are not acting as your legal advisor with regard to finalizing the details of the Portfolio. The Investment Adviser acknowledges that the payment of the fee is contingent on the utilization of and successful settlement of the portfolio of U.S. Treasury securities for the Fund.

Both parties acknowledge and are hereby deemed to agree that Investment Adviser is acting solely as a bidding agent with respect to the Portfolio. Investment Adviser's engagement by the County is strictly limited to solicitation of bids with respect to the Portfolio and other services listed herein. Investment Adviser has not been engaged to compare alternatives to the Portfolio. Investment Adviser will be neither party to, nor liable under, any contract, agreement or understanding executed or otherwise existing to affect the Portfolio. We will not: (i) provide any assurances that every possible potential provider has been solicited; (ii) investigate the veracity of any certifications provided by any party; (iii) provide assurances that the bidding procedures comply with any applicable law; or (iv) be liable to any party if any investment fails to close or for default of any investment. Investment Adviser's limited engagement terminates on the settlement date of the Portfolio and Investment Adviser shall have no duties or obligations thereafter.

The County acknowledges and agrees that Investment Adviser has been retained to act solely as Investment Adviser for the County with respect to the proceeds of these funds, and not as an agent or advisor to any other person, and the County's engagement of Investment Adviser is not intended to confer rights upon any person (including employees or creditors of the County) not a party hereto as against Investment Adviser or its affiliates, or their respective directors, officers, employees or agents, successors, or assigns. Investment Adviser shall act as an independent contractor under this Agreement and any duties arising out of its engagement shall be owed solely to the County. The scope of the Investment Adviser's services is strictly limited to those outlined above and requested by the County.

The Investment Adviser agrees to assist the County as provided only on the basis that it is expressly understood and agreed that the Investment Adviser, in its capacity as Investment Adviser, assumes no responsibility to the County or any person for the accuracy or completeness of any information contained in any Preliminary Official Statement or Official Statement issued in connection with the County's financing, if applicable.

The Investment Adviser or its affiliates may have business relationships with the provider or other providers of information relevant to the matter. These business and trading relationships include, but may not be limited to, trading lines, frequent purchases and sales of securities and other engagements through which Investment Adviser may have, among other things, an economic interest. As described above, Investment Adviser will not receive compensation from any third party with respect to the purchase of the Portfolio. Investment Adviser is involved in a wide range of activities from which conflicting interests or duties may arise. Information which is held elsewhere within Investment Adviser, but of which none of the individuals involved in the Portfolio purchase actually has knowledge, will not for any purpose be taken into account in determining Investment Adviser's responsibilities to the County.

This Agreement may be terminated prior to the completion of services with prior written notice to the other party. Neither party shall incur any liability to the other arising out of the termination of this Agreement. However, the paragraph immediately below shall survive any such termination.

This Agreement embodies all the terms, agreements, conditions and rights contemplated and negotiated by the County and the Investment Adviser, and supersedes any and all discussions and understandings, written or oral, between the County and Investment Adviser regarding the subject matter hereof. Any modifications and/or amendments must be made in writing and signed by both parties.

This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia without reference to any conflicts of law provisions that apply the law of a different jurisdiction. This Agreement is completely separate from the agreement delivered to the County pertaining to Raymond James' provision of investment advisory services associated with the County's General Account (s).

Please sign below to evidence your agreement as to the scope of Investment Adviser duties and proposed fee structure. Signature below acknowledges that (i) Exhibit A is part of this Agreement and (ii) the Form ADV Part IIA disclosure brochure for the Public Finance Investment Strategies Group has been received as part of this disclosure and Form ADV Part IIB disclosure brochure for David Sutton has been received as part of this disclosure and that the client has been given the opportunity to fully review these brochures. Any questions regarding the Form ADVs may be directed to RJ Fixed Income Compliance at 880 Carillon Parkway, St. Petersburg, FL 33716.

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Sincerely Yours,

The parties have agreed to be bound by the terms of this letter by their duly authorized officers on this 7<sup>th</sup> day of June 2022.

RAYMOND JAMES & ASSOCIATES, INC.



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David Sutton, Managing Director

CARROLL COUNTY, GEORGIA

By: \_\_\_\_\_  
Chairman, Board of Commissioners

**EXHIBIT A**  
**INVESTMENT ADVISER CONSULTING SERVICES**  
**Additional Terms, Conditions and Acknowledgments**

This document is to be considered to be an investment management agreement and this agreement is NOT an engagement providing advice regarding the structure, timing and terms of an issuance of municipal securities or advice regarding municipal financial products;

Investment Adviser is providing Investment Adviser services pursuant to Section 15B (e)(4)(c) of the final rules (15 U.S.C. 78o-4(e)(7)) and is deemed to be exempt and is not required to be registered as a municipal advisor under Exchange Act Section 15B.

Client desires to receive services through Investment Adviser's Investment Adviser Representative(s) ("IAR"). In consideration of the mutual benefits to be derived from this agreement, Investment Adviser and Client agree to the following terms and conditions.

**1. Services General.** Investment Adviser through its IAR shall provide Client the Services set forth in the Scope of Services as outlined on the first two pages of this letter agreement.

**2. Compliance with Laws.** Investment Adviser, IAR and Client shall comply with the Investment Advisers Act of 1940, as amended (the "Act"), regulations enacted thereunder, and state and federal laws, rules; regulations applicable to their respective duties and obligations under this Agreement; and those of the Municipal Securities Rulemaking Board.

**3. Acknowledgement of Disclosure Brochure Delivery.** If required by Section 204-3 under the Act, Client acknowledges receipt of Investment Adviser's Form ADV Disclosure Brochure (Part 2A) and Brochure Supplement(s) (Part 2Bs). By signing this agreement, Client acknowledges receipt of Investment Adviser's Form ADV Brochure, Brochure Supplement for David Sutton and this Agreement. Such disclosure documents were provided either at the time of or prior to entering into this Agreement. Client acknowledges that Client has received, read, understood, and agreed to abide by the applicable terms set forth in this agreement, the Investment Adviser's Form ADV Brochure and the Brochure Supplement for David Sutton.

**4. Confidentiality and Information sharing.** All information and investment advice furnished by either party to the other, including their agents and employees, shall be treated as confidential and not disclosed to third parties except as agreed upon in writing as reasonably necessary to comply with the requirements of applicable regulations and laws, except as otherwise required by law (i.e. Open Meetings Act and Open Records Act).

# Solicitor Disclosure Form

## **RAYMOND JAMES®**

### **Public Finance Investment Strategies Group**

(A business unit of Raymond James & Associates, Inc.)

We wish to inform you that **Gabe Agan** is acting as a solicitor  
(Name of representative)

on behalf of the Public Finance Investment Strategies Group (a business unit within the Public Finance/Debt Investment Banking Department of Raymond James & Associates, Inc.), which is a registered investment adviser. The solicitor has referred this relationship to the Public Finance Investment Strategies Group. The solicitor will be compensated based upon the total advisory fees charged to the client. A fee schedule is listed below explaining the solicitor's compensation based upon a portion of the Total Advisory Fee that will be transferred to the applicable business unit within the Public Finance/Debt Investment Banking Department.

#### **Total Advisory Fee**

\$39,000\*

#### **Solicitor's Fee**

50%


Not to exceed\*

Client Name: Carroll County

#### **Acknowledgements & Signatures**

The total advisory fee charged to the client will be the same regardless of whether a solicitor is used or not.

The client acknowledges that Form ADV Part II disclosure brochure for Raymond James and Associates has been received as part of this disclosure and that the client has been given the opportunity to fully review this brochure.

Client Signature	Date	Client Signature (if applicable)	Date
Solicitor's Representative Signature 	Date 4/21/2022		