

## FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the Agreement) is entered into the 8<sup>th</sup> day of June, 2016, by and between Idaho Falls School District No. 91 (the "District"), and Piper Jaffray & Co. (Piper).

### RECITALS

WHEREAS, the District requires the provision of financial advisory services in connection with the authorization and issuance by the District of new issues of municipal bonds authorized by an election prior to December 31, 2017 (the "Financing Project").

WHEREAS, the District desires to engage Piper to render the services.

NOW THEREFORE, in consideration of the mutual covenants and stipulations hereinafter set forth, the parties agree as follows:

Section 1. Scope of Services. The Scope of Services shall include assistance in the following areas with respect to the Financing Project.

1. Develop and recommend a timeline for the Financing Project;
2. Provide alternative debt retirement schedules including relevant cash flows and tax rate analysis;
3. Comment on the value and use of credit ratings or credit enhancement; coordinate the process of securing credit rating or credit enhancement;
4. Propose relevant bond terms appropriate for the type of security being sold;
5. Provide the Board of Trustees and the District's staff and other interested parties with the information needed to develop and carry out the Financing Project;
6. Attend meetings of the Board of Trustees and other meetings in person as requested;
7. Provide final debt service schedules for the Financing Project and updated tax rate projections as required;
8. Assist the District in obtaining Certificates of Eligibility in the Idaho School Bond Guaranty Program and Credit Enhancement Program;
9. Work with bond counsel to develop legal documents;
10. Make recommendations on the method of sale for the Financing Project (competitive sale, negotiated sale, direct purchase);
11. Upon completion of the official statement by the District, distribute the District's official statement to potential bidders via I-Deal (or a similar form of electronic distribution);
12. If competitive sale, assist the District in the District's conduct of the competitive bid process by evaluating the bids received and making a recommendation on the acceptance or rejection of bids to the Board of Trustees of the District;
13. If the bonds are sold on a negotiated basis; help the District's staff select an underwriter through a selection process;
14. Work with bond counsel, the successful bidder or underwriter and others to close the bond sale.

Extent of Duties Arising under this Agreement.

The District and Piper intend and agree that, to the extent the performance of services by Piper constitutes municipal advisory activities within the meaning of proposed rule 15Ba1 of the Securities Exchange Act of 1934 or otherwise creates a duty of Piper under Section 15B(c) (1) of the Securities Exchange Act of 1934 or Rule G-23 of the Municipal Securities Rulemaking Board, such duty does not extend beyond the services to be provided under this Agreement.

Section 2. Compensation.

The basis for compensation under the Agreement is described in Exhibit A.

Section 3.

[Reserved]

Section 4. Expenses. The District will reimburse Piper in addition to the fees outlined in Exhibit A for the preparation, printing and mailing costs associated with the preliminary and final official statement, including the application for CUSIP numbers and any other related costs, for the Project to be implemented as contemplated herein at a cost of \$7,500 per issue. Piper will be responsible for all of Piper's out-of-pocket expenses, including communication, cost of financial analysis and reports prepared in fulfilling its duties outlined herein.

If travel to places other than the City of Idaho Falls is directed by the District, the District will reimburse Piper for their expenses. The District will be responsible for the payment of all fees and expenses commonly known as Costs of Issuance, including but not limited to: publication expenses, local legal counsel, bond counsel, ratings, credit enhancement, travel associated with securing any rating or credit enhancement, printing of bonds, printing and distribution of required disclosure documents, trustee fees, paying agent fees, CUSIP registration, and the like.

Section 5. Term of Agreement. The term of this Agreement shall begin on the date of execution set forth above and continue through December 31, 2018 unless earlier terminated as described herein. The District or Piper may terminate this Agreement at any time on written notice to the other party and all fees due to Piper shall be due and payable upon termination by the District. The provisions of Sections 4, 10, 11, 14 and 15 shall survive termination of this Agreement.

Section 6. Independent Contractor. Piper is an independent contractor and nothing herein contained shall constitute or designate Piper or any of its employees or agents as employees or agents of the District.

Section 7. Assignment. Neither Piper nor the District shall have the right or power to assign this Agreement or parts thereof, or its respective duties, without the express written consent of the other party. Acquisition of Piper by a third party firm shall not constitute an assignment of this Agreement.

Section 8. Entire Agreement/Amendments. This Agreement, including any amendments hereto which are expressly incorporated herein, constitute the entire Agreement between the parties hereto and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both Piper and the District.

Section 9. Legal Advice. Piper is not legal counsel or an accountant and is not providing legal or accounting guidance. None of the Services contemplated in this Agreement shall be construed as or a substitute for legal services.

**Section 10. Indemnification** To the extent authorized by law, the District will indemnify and hold harmless Piper, each individual, corporation, partnership, trust, association or other entity controlling Piper, any affiliate of Piper or any such controlling entity and their respective directors, officers, employees, partners, incorporators, shareholders, trustees and agents (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that any information in the Preliminary Official Statement or Final Official Statement (other than the Excluded Sections, as defined below) contained (as of any relevant time) an untrue statement of a material fact or omitted (as of any relevant time) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The Excluded Sections include the information appearing under the following general captions: DTC; Rating Agencies; Trustee/Registrar/Paying Agent; Insurance Providers; and Financial Advisor.

The District acknowledges and understands that state and federal laws relating to disclosure in connection with municipal securities, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the District and that the failure of Piper to advise the District respecting these laws shall not constitute a breach by Piper or any of its duties and responsibilities under this Agreement.

**Section 11. Notices.** Any written notice or communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal services, when deposited in the United States' mail, first-class postage prepaid, addressed to the District at:

Idaho Falls School District No. 91  
George Boland, Superintendent  
690 John Adams Parkway  
Idaho Falls, Idaho 83401

Or to Piper at:

Piper Jaffray & Co.  
Eric Heringer, Managing Director  
101 South Capitol Blvd, Suite 603  
Boise, Idaho 83702

**Section 12. Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of any State or Federal court sitting in Bonneville County, Idaho with respect to any actions and proceedings arising out of or relating to this Agreement, (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in a State or Federal court sitting in Bonneville County, Idaho and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**Section 13. Counterparts; Severability.** This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this

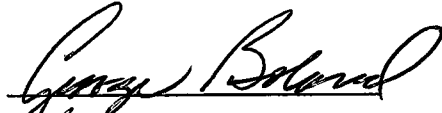
Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

Section 14. Parties in Interest. This Agreement, including rights to indemnity and contribution hereunder, shall be binding upon and inure solely to the benefit of each party hereto, any Indemnitee and their respective successors, heirs and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 15. Waiver of Jury Trial. THE PARTIES EACH HEREBY AGREES TO WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTERCLAIM OR ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

IDAHO FALLS SCHOOL DISTRICT NO. 91

By:   
Its: Superintendent  
Dated: 6-8-2016

PIPER JAFFRAY & CO.


By:   
Its: Managing Director  
Dated: May 16, 2016

Exhibit A  
Fees and Expenses

Financial Advisory Fees will be due and payable upon the completion and closing of the Financing Project based upon the fee matrix listed below. If work on the Financing Project has been initiated, but the Financing Project is not approved or completed, no compensation will be due to Piper.

**Fee Proposal**

**Long-Term Financing (i.e. G.O. Bond Sales):**

\$2.00 per \$1,000 of the bond amount, subject to \$12,500 minimum and \$65,000 maximum.

**Short-Term Financing (TANs & BANS):**

\$5,000 plus \$0.50 per \$1,000 of the bond amount, subject to \$5,000 minimum and \$20,000 maximum.

**Drafting & Distributing Official Statement:** \$7,500 (per Section 4 of this agreement).

**Overhead and Travel:** Expenses related to travel to places other than the City of Idaho Falls and with prior approval of the District, will be billed on an actual cost basis.