

**TOWN OF GOLDEN BEACH, FLORIDA**

**RESOLUTION NO. 2795.22**

**A RESOLUTION OF THE TOWN OF GOLDEN BEACH, FLORIDA APPROVING PROFESSIONAL SERVICES CONTRACT BETWEEN THE TOWN OF GOLDEN BEACH AND ESTRADA HINOJOSA & COMPANY, INC., CONCERNING FINANCIAL ADVISORY SERVICES; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Town Council (the "Town Council" or "Council") of the Town of Golden Beach, Florida (the "Town"), hereby determines that it is in the best interest of the Town to retain the professional financial advisory services of Estrada Hinojosa & Company, Inc. (the "Consultant") to review our funding needs for new projects and the possibility of restructuring the Town's debt; and

**WHEREAS**, the Town Council finds that approval of the attached agreement between the Consultant and the Town of Golden Beach is in the best interest of the Town;

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF GOLDEN BEACH, FLORIDA:**

**Section 1. Recitals Adopted.** Each of the recitals stated above is hereby adopted and confirmed

**Section 2. Agreement Approved.** The Contract, in substantially the form attached hereto as Exhibit "A", is hereby approved, and the Mayor and/or Town Manager are authorized to execute the Contract on behalf of the Town, after approval by the Town Attorney as to form and legal sufficiency.

**Section 3. Implementation.** The Mayor, Town Manager and Town Attorney are hereby authorized to take any necessary action to implement the Contract and this Resolution.

**Section 4. Effective Date.** This Resolution shall be effective immediately upon adoption.

The Motion to adopt the foregoing resolution was offered by Councilmember

Einstein, seconded by Vice Mayor Lusskin, and on roll call the following vote ensued:

Mayor Glenn Singer	<u>Aye</u>
Vice Mayor Judy Lusskin	<u>Aye</u>
Councilmember Kenneth Bernstein	<u>Absent</u>
Councilmember Jaime Mendal	<u>Absent</u>
Councilmember Bernard Einstein	<u>Aye</u>

**PASSED AND ADOPTED** by the Town Council of the Town of Golden Beach,

Florida, this 18<sup>th</sup> day of January, 2022.

ATTEST:

  
\_\_\_\_\_  
LISSETTE PEREZ  
TOWN CLERK

  
\_\_\_\_\_  
MAYOR GLENN SINGER

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

  
\_\_\_\_\_  
STEPHEN J. HELFMAN  
TOWN ATTORNEY

**EXHIBIT "A"**  
**FORM OF CONTRACT**



# TOWN OF GOLDEN BEACH

One Golden Beach Drive  
Golden Beach, FL 33160

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## MEMORANDUM

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**Date:** January 18, 2022

**To:** Honorable Mayor Glenn Singer and  
Town Council Members

**From:** Alexander Diaz, *Alex B*  
Town Manager

**Subject:** **Resolution No. 2795.22- Approving a Professional Services  
Contract between Town and Estrada Hinojosa & Company**

Item Number:

5

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### **Recommendation:**

It is recommended that the Town Council adopt the attached Resolution No. 2795.22 as presented.

### **Background:**

During the last few months, we have commenced the process of reviewing our funding needs for new projects and the possibility of restructuring the Town's debt. In the immediate planning horizon, the Administration has identified over \$8-million in potentially new projects for our Town. We are exploring all of our funding strategies and would like to work in materializing a few funding options.

Per SEC guidelines, in order to begin a more detailed analysis and study of our funding needs we must have a formal relationship with any potential Financial Advisors.

The enclosed agreement formalizes a relationship with Estrada Hinojosa and Company, the firm the Town has utilized for all recent financial consulting.

### **Fiscal Impact:**

Based on the hourly rates provided in the attached contract (Exhibit "A").

**TOWN OF GOLDEN BEACH, FL  
AGREEMENT  
FOR  
PROFESSIONAL SERVICES**

THIS AGREEMENT made and entered into as of the \_\_ day of January 2022, by and between the TOWN OF GOLDEN BEACH (the "TOWN") and ESTRADA HINOJOSA & COMPANY, INC., a Texas corporation which is authorized to do business in Florida, (the "MUNICIPAL ADVISOR").

**RECITALS:**

The TOWN wants to engage the MUNICIPAL ADVISOR to perform certain professional services for the TOWN, consisting of the services described herein and any necessary financial advisory services related to the potential authorization and issuance of indebtedness as required by the TOWN as specifically described below (the "Specified Services"). The MUNICIPAL ADVISOR wants to provide such Specified Services.

**In consideration of the mutual covenants set forth in this Agreement, the parties agree as follows:**

**1. SCOPE OF SERVICES**

A. The MUNICIPAL ADVISOR agrees to provide the Specified Services upon written request from the TOWN MANAGER. The MUNICIPAL ADVISOR shall provide the Specified Services as an independent contractor for the TOWN.

B. The Specified Services to be provided by MUNICIPAL ADVISOR shall include, but not be limited to each of the financial advisory tasks, including both planning and transactional services, as applicable, which are set forth in the Specified Services list, a copy of which is attached hereto and incorporated herein as Exhibit A.

C. The MUNICIPAL ADVISOR shall regularly provide status reports to the TOWN, as

requested by the TOWNMANAGER.

## **2. FEES FOR SERVICES**

A. The MUNICIPAL ADVISOR agrees to charge the TOWN for the performance of the Specified Services which are provided by MUNICIPAL ADVISOR, in accordance with the fee schedule which is set forth in Exhibit B, a copy of which is attached hereto and incorporated herein, plus reasonable and necessary costs as approved by the TOWN MANAGER.

B. Except as otherwise provided in Exhibit B as to costs and fees for specific debt issuance transactions, any additional fees and costs shall be invoiced in the month following performance of service and expenditure of costs by MUNICIPAL ADVISOR, pursuant to advance written work authorizations from the TOWN MANAGER. The work authorizations shall describe the specific requested work tasks, the applicable fees and the estimated costs. Other than the services covered by the Agreement, no work shall be undertaken by MUNICIPAL ADVISOR unless authorized in writing by the TOWN MANAGER pursuant to a work authorization.

C. Invoices shall also reflect a record of time expended by MUNICIPAL ADVISOR in providing the Specified Services, for TOWN's information and for those services which are provided at hourly billing rates.

## **3. TERM**

This agreement shall become effective at the date of acceptance by the TOWN set out herein below for a period of three years from the date of acceptance. The Town Manager, at their sole discretion, may renew the agreement on behalf of the Town for an additional two-year period, under the same

terms as described in this agreement, by providing written authorization to the MUNICIPAL ADVISOR. and will be subject to automatic annual renewal thereafter. Provided, however, this Agreement may be terminated with or without cause by the TOWN or the MUNICIPAL ADVISOR upon thirty (30) days' written notice. In the event of such termination, it is understood and agreed that only the amount due to the MUNICIPAL ADVISOR for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. This Agreement is submitted in triplicate originals. When accepted by the TOWN, it, together with all Appendices attached hereto, will constitute the entire Agreement between the TOWN and the MUNICIPAL ADVISOR for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the TOWN together with the date of acceptance on all three copies and the return of two executed copies to the MUNICIPAL ADVISOR.

**4. ASSIGNMENT**

This Agreement involves skilled professional services and shall not be assignable by the MUNICIPAL ADVISOR.

**5. PROHIBITION AGAINST CONTINGENT FEES; OTHER MATTERS**

The MUNICIPAL ADVISOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the MUNICIPAL ADVISOR, to solicit or secure this Agreement, and that it has not paid or agreed to pay any person(s), company, corporation, individual or firm, other than a bona fide employee working solely for the MUNICIPAL ADVISOR any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

**6. TERMINATION**

This Agreement may be terminated by the TOWN upon thirty (30) days written notice with or without cause and by the MUNICIPAL ADVISOR upon thirty (30) days written notice with or without cause. If this Agreement is terminated, the MUNICIPAL ADVISOR shall be paid in accordance with the provisions of Paragraph 2 above, for all acceptable work performed up to the date of termination.

**7. NONEXCLUSIVE AGREEMENT**

The services to be provided by the MUNICIPAL ADVISOR pursuant to this Agreement shall be nonexclusive and nothing herein shall preclude the TOWN from engaging other firms to perform the same or similar services for the benefit of the TOWN within the TOWN'S sole and absolute discretion.

**8. RECORDS**

All original reports, documents, analysis and materials (the "Materials") that result from the MUNICIPAL ADVISOR providing Specified Services shall be the property of the TOWN. Upon termination of this Agreement or upon request of the TOWN during the term of this Agreement, any and all such Materials shall be delivered to the TOWN by the MUNICIPAL ADVISOR.

**9. ENTIRE AGREEMENT**

The parties hereby agree that this is the entire agreement between the parties. This Agreement cannot be amended or modified without the express written consent of the parties. The TOWN MANAGER shall act for TOWN hereunder, subject to review and approval of such written consent by the TOWN Attorney as to form and legal sufficiency.



**10. WARRANTIES OF MUNICIPAL ADVISOR**

A. The MUNICIPAL ADVISOR hereby warrants and represents that at all times during the term of this Agreement it shall maintain in good standing all required licenses, certifications and permits required under Federal, State and local laws necessary to perform the Specified Services and will timely file all required reports.

B. B. The MUNICIPAL ADVISOR shall exercise the same degree of care, skill and diligence in the performance of the Specified Services as is ordinarily provided by a consultant under similar circumstances.

**11. INSURANCE**

A. The MUNICIPAL ADVISOR shall at all times carry comprehensive general liability and contractual liability insurance, workers' compensation insurance (if applicable), and automotive liability insurance, with minimum policy limits for each coverage in the amount of at least One Million (\$1,000,000.00) Dollars per occurrence, combined single limit, for property damage and bodily injury, including death, except that the dollar amount of workers compensation coverage (if applicable) shall be as provided by Chapter 440, Fla. Stat. The TOWN shall be named as an additional insured on all of the above insurance policies, to the extent permitted by law. Each insurance policy shall state that it is not subject to cancellation or reduction in coverage without written notice to the TOWN 30 days prior to the effective date of cancellation or reduction of coverage.

B. The MUNICIPAL ADVISOR shall indemnify and hold harmless the TOWN, its officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness or intentional wrongful conduct

of the MUNICIPAL ADVISOR and persons employed or utilized by the MUNICIPAL ADVISOR in the performance of the Agreement.

**12. PUBLIC RECORDS**

A. MUNICIPAL ADVISOR agrees to keep and maintain public records in MUNICIPAL ADVISOR's possession or control in connection with MUNICIPAL ADVISOR's performance under this Agreement. The Town Manager or his designee shall, during the term of this Agreement and for a period of three (3) years from the date of termination of this Agreement, have access to and the right to examine and audit any records of the MUNICIPAL ADVISOR involving transactions related to this Agreement. MUNICIPAL ADVISOR additionally agrees to comply specifically with the provisions of Section 119.0701, Florida Statutes. MUNICIPAL ADVISOR shall ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed, except as authorized by law, for the duration of the Agreement, and following completion of the Agreement until the records are transferred to the Town.

B. Upon request from the Town's custodian of public records, MUNICIPAL ADVISOR shall provide the Town with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided by Chapter 119, Florida Statutes, or as otherwise provided by law.

### 13. NOTICES

All notices and communications to the TOWN or MUNICIPAL ADVISOR shall be in writing by mail, email or hand delivery. All notices and communications shall be effective upon receipt. Notices shall be addressed as follows:

TOWN:	Alexander Diaz Town Manager 1 Golden Beach Drive Golden Beach, FL 33160 <a href="mailto:alexdiaz@goldenbeach.us">alexdiaz@goldenbeach.us</a>
With a copy to:	Stephen Helfman Town Attorney 1 Golden Beach Drive Golden Beach, FL 33160 <a href="mailto:shelfman@wsh-law.com">shelfman@wsh-law.com</a>
Municipal Advisor:	Estrada Hinojosa & Company, Inc. 55 Merrick Way, Suite 216 Miami, FL 33134 Attention: Lourdes Reyes Abadin <a href="mailto:abadin@ehmuni.com">abadin@ehmuni.com</a>
	Estrada Hinojosa & Company, Inc. 600 N. Pearl Street, Suite 2100 South Tower Dallas, TX 75201 Attention: Robert A. Estrada <a href="mailto:rae@ehmuni.com">rae@ehmuni.com</a>


**14. GOVERNING LAW**

This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for litigation hereunder shall be in Miami-Dade County, Florida.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms and conditions above stated on the day and year first above written.

MUNICIPAL ADVISOR:

ESTRADA HINOJOSA &  
COMPANY, INC.

By:   
Lourdes Reyes Abadin  
Senior Managing Director

By: \_\_\_\_\_  
Corporate Secretary

TOWN:

TOWN OF GOLDEN BEACH  
1 Golden Beach Drive  
Golden Beach, FL 33160

By: \_\_\_\_\_  
Alexander Diaz  
Town Manager

Attest: \_\_\_\_\_  
Lissette Perez  
Town Clerk

Approved as to Form and Legal Sufficiency:

By: \_\_\_\_\_  
Stephen Helfman  
Town Attorney

## **EXHIBIT A**

### **SPECIFIED SERVICES TO BE PROVIDED BY MUNICIPAL ADVISOR**

#### **A1. Evaluation and Planning Services**

1. Municipal Advisor will advise as to the financing alternatives and its elements for various capital improvement projects.
2. Municipal Advisor will assist with analyzing the financial impact of the financing mechanisms. This analysis will include how the issuance of additional debt will impact current revenue streams, anti-dilution tests, debt service coverage ratios and future debt flexibility for the Town.
3. Municipal Advisor will assist the Town with the preparation of any upcoming financings to meet the Town's capital improvement needs. It is understood and agreed that the Municipal Advisor will charge, in addition to its Financial Advisory fee, a transaction execution fee to be negotiated in advance on a case-by-case basis.

#### **A2. Transaction Execution Services**

1. Municipal Advisor will attend any and all meetings of governing body of the Town, its staff, representatives or committees as requested by the Town, at all times when Municipal Advisor may be of assistance or service and the subject of financing is to be discussed.
2. Municipal Advisor will advise the Town and its staff of changes, proposed or enacted, in Federal and State laws and regulations which would affect the municipal bondmarket.
3. Municipal Advisor will work with the Town, its staff and any Municipal Advisors employed by the Town in developing financial feasibility studies and analyzing alternative financing plans.
4. Municipal Advisor will conduct a survey of the financial resources of the Town to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Town. In the event revenues of existing or projected facilities operated by the Town are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues, as projected by consulting engineers employed by the Town, resulting from improvements to be financed by the Debt Instruments under consideration. Municipal Advisor will also take into account future financing needs and operations as projected by the Town's staff and consulting engineers or other experts, if any, employed by the Town.
5. On the basis of the information developed by the survey described above, and other information and experience available to Municipal Advisor, Municipal Advisor will submit to the Town its

recommendations on the Debt Instruments under consideration including such elements as the date of issue, interest payment dates, schedule of principal maturities, portions of prior payment, security provisions, and any other additional provisions designed to make the issue attractive to investors. All recommendations will be based upon its professional judgment with the goal of designing Debt Instruments which can be sold under terms most advantageous to the Town and at the lowest interest cost consistent with all other considerations.

6. Municipal Advisor will advise the Town of current bond market conditions, forthcoming bond issues and other general information and economic data which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a time which, in Municipal Advisor's opinion, will be favorable.
7. Municipal Advisor understands the Town has retained, or will retain, firms of municipal bond attorneys (the "Bond Counsel") whose fees will be paid by the Town. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, Municipal Advisor will assist in coordinating the assembly and transmittal to Bond Counsel of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices, and certificates in connection with the election.
8. Municipal Advisor will recommend the method of sale of the Debt Instruments that, in its opinion, is in the best interest of the Town and will proceed, as directed by the Town, with one of the following methods:
  - a. **Competitive Sale**: Municipal Advisor will advise the Issuer regarding the sale of the Debt Instrument whereby we coordinate the submission of competitive bids from prospective buyers for the Debt Instruments in accordance with established procedures.
  - b. **Negotiated Sale**: Municipal Advisor will recommend one or more investment banking firms as managers of an underwriting syndicate for the purposes of negotiating the purchase of Debt Instruments and in no event will Municipal Advisor participate either directly or indirectly in the underwriting of the Debt Instruments. Municipal Advisor will collaborate with any senior managing underwriter selected and Counsel to the underwriters in the preparation of the Official Statement or Offering Memorandum. Municipal Advisor will cooperate with the underwriters in obtaining any Blue-Sky Memorandum and Legal Investment Survey, preparing the Bond Purchase Contract, Underwriters' Agreement and any other related documents. The costs thereof, including the printing of the documents, will be paid by the underwriters.
9. Subject to the approval of the Town, Municipal Advisor will organize and make arrangements for such information meetings as, in its judgment, may be necessary.

**EXHIBIT B**  
**FEE SCHEDULE**

In consideration for the services rendered by Estrada Hinojosa, our fee for financial advisor services will be as follows:

A. **Evaluation and Planning Services (Exhibit A1)** - The Hourly Fees listed below would apply to the services rendered as described in A1. Exhibit "A".

**Hourly Fees:**

Managing Directors	\$320 per hour
Senior Bankers	\$275 per hour
Associates	\$185 per hour
Administrative	\$ 65 per hour

## DISCLOSURE STATEMENT REQUIRED

BY

### MUNICIPAL SECURITIES RULEMAKING BOARD

This Disclosure Statement is provided by Estrada Hinojosa & Co., Inc. (“Municipal Advisor”) to the Town of Golden Beach (“Client”) in connection with the Municipal Advisor Engagement contract to which this disclosure document pertains (the “Agreement”) and is dated as of the same date as the Agreement. This Disclosure Statement provides information regarding conflicts of interest pursuant to MSRB Rule G-42(b) and the events required to be disclosed to Client pursuant to MSRB Rule G-42 (c)(ii).

#### **Part A (Disclosures of Conflicts of Interest)**

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

Accordingly, Municipal Advisor makes the following disclosures 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. To that end, 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, because Municipal Advisor is a broker-dealer with significant capital due to the nature of its overall business, 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 strict adherence to its fiduciary duty. Furthermore, Municipal Advisor’s 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. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

1. **Compensation-Based Conflicts.** If fees due under this Agreement are partially based on the size of a bond Issue and contingent upon the delivery of the bonds, this form of compensation has the potential to create a conflict of interest. While customary in the municipal securities market, the potential conflict of interest arises from the incentive for a Municipal Advisor to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.
2. **Other Municipal Advisor or Underwriting 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. For example, Municipal Advisor serves as municipal advisor to other municipal advisory clients and, in such cases, owes a duty to such other clients just as it does to Client under this 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 could potentially face a conflict of interest arising from these competing client interests. In other cases (such as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities), the interests of Municipal Advisor to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Municipal Advisor serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Municipal Advisor's ability to fulfill its duties to Client.

3. **Broker-Dealer Business.** Municipal Advisor is a broker-dealer that provides underwriting services to its clients, in addition to serving as a municipal advisor. Such underwriting activities may be undertaken on behalf of, or as counterpart to, 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. Any potential conflict arising from Municipal Advisor effecting or otherwise assisting such other clients in connection with underwriting transactions is mitigated by means of such activities being engaged in on customary terms under an active and long-standing regulatory structure, 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 this Agreement.

At this time, there are no *actual* material conflicts of interest known to Municipal Advisor in connection with the current Agreement. Municipal Advisor has listed the *potential* conflicts of interest to comply with MSRB Rule G-42.

#### **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. The following legal or disciplinary events may be material to Client's evaluation of Municipal Advisor or the integrity of Municipal Advisor's management or advisory personnel:

1. In March 2012, the Municipal Advisor paid a \$10,000 fine to settle a FINRA enforcement matter arising from the late filing of Final Official Statements.
2. In July 2015, the Municipal Advisor paid a \$17,500 fine to settle a FINRA enforcement matter arising from the late and/or inaccurate reporting of municipal bond trades.
3. In September 2015, the Municipal Advisor settled an enforcement action brought by the United States Securities and Exchange Commission as a result of their Municipal Continuing Disclosure Initiative (MCDC). As part of the settlement, the Municipal Advisor paid a \$40,000 fine.

A full report of the Municipal Advisor's disciplinary history, including the events summarized above, can be found on the Municipal Advisor's Form MA and Form MA-I filings. These filings are available online in the EDGAR database maintained by the United States Securities and Exchange Commission at this location:

<https://www.sec.gov/cgi-bin/browse-edgar?company=estrada+hinojosa&owner=exclude&action=getcompany>

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 as applicable. The disclosures filed on Form MA and Form MA-I were all filed on Form BD or U4 for the applicable event. Detailed information provided by Municipal Advisor on Form BD or Form U4 is publicly accessible through reports generated by FINRA's BrokerCheck at <http://brokercheck.finra.org>. For purposes of accessing such BrokerCheck reports, Municipal Advisor's CRD number is 19299.

The disclosure items listed above were all related to the Underwriting business segment of Estrada Hinojosa & Co., Inc.; not from any activity relating to our Municipal Advisory business segment. The events themselves were technical in nature and did not involve any investor harm or market disruption. **The Municipal Advisor last materially updated Form MA on September 1, 2016.**

**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.

Sincerely,

*Estrada Hinojosa + Company, Inc.*

Estrada Hinojosa & Company, Inc.

NOTIFICATION REQUIRED BY MUNICIPAL SECURITIES RULE MAKING BOARD RULE G-10  
INVESTOR EDUCATION AND PROTECTION

The rule referred to requires us to provide you with information related to municipal advisory services provided by Estrada Hinojosa & Co., Inc. (“EH”). Please note that EH is registered with the United States Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). As such, EH is subject to the regulations and rules established by the SEC and MSRB which apply to municipal advisory activities.

The website for the SEC is [www.sec.gov](http://www.sec.gov) and the website for the MSRB is [www.msrb.org](http://www.msrb.org). In addition to having educational materials about the municipal securities market, the MSRB website has an investor brochure that describes the protections that may be provided by the MSRB Rules and how to file a complaint against EH or an EH representative with the FINRA Investor Complaint Center.