



TOWN OF WEST SENECA

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TOWN ATTORNEY
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TOWN SUPERVISOR
SHEILA M. MEEGAN
TOWN COUNCIL
EUGENE P. HART
JOHN M. RUSINSKI

TO: Town Board

FROM: Shawn P. Martin

DATE: April 12, 2012

RE: Contract for Financial Services Advisor

At our last meeting we accepted the proposal from Capital Markets for Financial Advisor Services. Kindly authorize the Supervisor to sign the attached contract as it is in conformity with the proposal that was accepted.

APR 16 2012
4.



Capital Markets Advisors, LLC

Independent Financial Advisors
4211 N. Buffalo Road - Suite 19
Orchard Park, NY 14127

FINANCIAL ADVISORY SERVICES AGREEMENT

This Financial Advisory Services Agreement has been entered into this ____ day of _____, 2012 by and between **Town of West Seneca, Erie County, NY** ("Client") and **Capital Markets Advisors, LLC** ("Advisor") a limited liability company created under the laws of the State of New York and having its principal place of business at One Great Neck Road, Great Neck, New York 11021 with additional offices in New York City, Hopewell Junction, Elmira and at 4211 North Buffalo Road, Suite 19, Orchard Park, NY 14127.

Section 1 Financial Advisory Services

Advisor will provide the following services in connection with the issuance of public securities such as **Serial Bonds** and **Bond, Revenue and Tax Anticipation Notes** (the "Issue") undertaken by Client during the term of this Agreement.

- 1.01 Prepare a plan of financing which will include Advisor's analysis and recommendations to Client regarding structuring alternatives, marketing, method of sale, security features, call provisions, credit ratings, credit enhancement, term, federal tax implications and such other matters which Client and Advisor agree should be included in the plan of financing.
- 1.02 Make a presentation to the Town Board and members of the public, at the Board's request, concerning the debt issuance process, credit rating process and market conditions.
- 1.03 Prepare or assist in the preparation of financing documents, as required by Client, including: official statement, notice of sale and bid sheet, cash flow statement, request for a credit rating, DTC Letter of Representation, request for municipal bond insurance, preparation of debt statement and pre-sale or post-sale analysis.
- 1.04 Upon the request of Client, Advisor will assist in the selection of other service providers necessary to conduct each Issue including but not limited to bond counsel, rating agencies, bond insurers, underwriters, trustee and financial printer, if appropriate.
- 1.05 Prepare and maintain a financing schedule, a budget for costs of issuance, list of participants, and take such other actions requested by Client to efficiently manage each Issue.
- 1.06 Participate in the sale of the debt, confirm net or true interest cost calculation, verify underwriter's compensation and make recommendation for award.
- 1.07 Assist Client with the delivery of proceeds of each Issue, payment of issuance costs and other matters related to closing each Issue.
- 1.08 Assist with the closing of the Issue and verify receipt of Issue proceeds.



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Section 2 Compensation

2.01 For Advisor's performance of services on behalf of Client as described in Sections 1.01 through 1.08 hereof, Advisor's fee will be as follows:

For general obligation **Serial Bond issues with an Official Statement**: a base fee of \$5,000 plus \$0.50 per each \$1,000 of the par amount of bonds issued.

For **Bond, Tax and Revenue Anticipation Note issues with an Official Statement**: a base fee of \$3,500 plus \$.25 per each \$1,000 of the par amount of notes issued.

For **Refunding Serial Bond issues with an Official Statement**: a base fee of \$5,000 per series of bonds refunded plus \$0.85 per each \$1,000 of the par amount of bonds issued.

For **Serial or Statutory Installment Bonds less than \$1,000,000 using a Term Sheet** (no Official Statement): \$1,900.

For **Tax and Revenue Anticipation Note issues less than \$1,000,000 using a Term Sheet** (no Official Statement): \$1,500.

For **Bond Anticipation Note issues less than \$1,000,000 using a Term Sheet** (no Official Statement): \$1,200.

Continuing Secondary Market Disclosure: Annual Fee of \$800 in a fiscal year if CMA has prepared a current Official Statement or \$1,800 if no official statement was prepared. Notices of Changes in Material Events are \$500 each.

All other work for services rendered to the Client at the Client's request but unrelated to a specific bond or note issue, at the blended hourly rate of \$150.

Out of Pocket Expenses will be billed to the Town at our direct cost and might include photocopying, printing of presentation materials, overnight delivery charges, an internet distribution fee, and if necessary, out-of-town travel and mileage reimbursable at current IRS rates.

2.02 Client will pay normal issuance costs such as the printing of preliminary and final official statements, notices of sale, postage, overnight delivery charges, bond counsel, rating agency, legal advertising and other associated issuance expenses.

2.03 Payment of Advisor's compensation is due within 45 days of receipt of Advisor's invoice following the closing of the financing or completion of services invoiced.

Section 3 Term of Agreement

This Agreement shall be effective upon the execution of same by both parties and shall continue for an initial term of two (2) years, and then shall continue on a year-to-year basis, unless terminated earlier by either party as follows. Either party may terminate this agreement



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at any time without cause by giving the other party advance written notice not less than 30 days prior to such termination. Either party may terminate this Agreement in the event of a breach by the other party of any of the covenants contained herein if such breach continues uncured for a period of ten (10) working days after written notice of such breach has been given.

Section 4 Disclosure

Advisor does not assume the responsibilities of Client, or the responsibilities of the other professionals and vendors representing Client, in the provision of services and the preparation of financing documents for financings under this agreement. Advisor accepts the relationship of trust and confidence established between it and the Client. Advisor 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 Client. Information obtained by the Advisor, either through its own efforts or provided by the Client, included in the financing documents, or otherwise provided to the Client, is by reason of experience and professional judgment, believed to be accurate; however, such information is not guaranteed by the Advisor. However, nothing in this paragraph shall relieve Advisor from liability due to negligence or want of due diligence in the performance of its services.

Section 5 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 and any governmental approvals necessary for the performance of this agreement have been obtained.

Section 6 Governing Law

This Agreement shall be construed in accordance with the laws of the State of New York.

Section 7 Entire Agreement, Modification and Assignment

This Agreement represents the entire agreement of the parties hereto. It may be not be amended in whole or in part without the written mutual consent of both parties. It may not be assigned by either party without the express written permission of the other party.

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

CAPITAL MARKETS ADVISORS, LLC

TOWN OF WEST SENECA, NY

By: [Signature] Michael J. Neumeister Sr. Vice President and Principal

By: [Signature] Sheila M. Meegan Town Supervisor