

**IDAHO STATE BUILDING AUTHORITY**  
**MINUTES OF THE SPECIAL MEETING OF THE**  
**BOARD OF COMMISSIONERS**

**DATE: May 29, 2018**

**LOCATION: 950 W. Bannock Street**  
**Suite 490**  
**Boise, Idaho 83702**

**Commissioners Present**

V.L. "Bud" Tracy, Chairman (via telephone)  
James Hammond, Vice Chairman (via telephone)  
John Ewing (via telephone)  
Greg Schade (in person)  
Shelly Enderud (via telephone)  
Candice Allphin (via telephone)  
Tim Anderson (via telephone)

**Others Present**

Wayne Meuleman, Executive Director  
Eric Heringer, Financial Advisor, Piper Jaffray

**1. Call to Order**

Chairman Tracy called the meeting to order at 10:30 a.m.

- 2. Determine Amount of Principal Redemption of 2008A variable rate bonds:**  
At the request of Chairman Tracy, Mr. Heringer reviewed his May 6, 2018 report of the available funds for redemption of bonds.

**MOTION TO APPROVE:**

Following discussion, Commissioner Anderson moved to approve the optional redemption of the 2008A variable rate bonds in the amount of \$2,695,000. Commissioner Hammond seconded the motion and, upon vote, the motion was unanimously approved.

- 3. Award of Contract for Independent Testing and Inspection Services for State Board of Education/INL Project:** Mr. Meuleman presented the results of bids received from Strata, Inc. and Materials Testing & Inspection, Inc. by the Owner's Representative Paradigm of Idaho, Inc. (Paradigm) for inspection and testing services for the SBOE/INL projects. Paradigm recommends award of the contracts to Strata, Inc. based upon the proposed fee of \$90,023 for the

Collaborative Computing Center (C3) and \$778,826 for the Cybercore Integration Center (Cybercore).

**MOTION TO APPROVE:**

Following discussion, Commissioner Hammond moved to authorize the Executive Director to award and execute contracts for testing and inspection services to Strata, Inc. as proposed. Commissioner Allphin seconded the motion and, upon vote, the motion was unanimously approved.

4. **Award of Contract for Commissioning Agent Services for State Board of Education/INL Project:** Mr. Meuleman reviewed the competitive proposals received by Paradigm for commissioning services for the SBOE/INL project. Three proposals were requested with only two responding. The low proposal was received from Affiliated Engineers, Inc. (AEI) in the total amount of \$448,012 for both the C3 and Cybercore facilities.

**MOTION TO APPROVE:**

Following discussion, Commissioner Hammond moved to authorize the Executive Director to award and execute contracts for commissioning services to AEI. Commissioner Schade seconded the motion and, upon vote, the motion was unanimously adopted.

5. **Consent to Assignment by State Board of Education of Eastern Idaho Technical College nursing facility to College of Eastern Idaho:** Mr. Meuleman explained that this item is withdrawn for the reason that the structure and documentation of the proposed transaction is not yet sufficiently resolved to move forward at this time.
6. **Authorize Execution of Revised Sale and Purchase Agreement, Grant Deed and Temporary Construction Easement with Ada County Highway District – Chinden State Office Campus:** Mr. Meuleman reviewed changes to the proposed sale of property and grant of easement for ACHD's project to expand Cloverdale Road along the Chinden Campus property.

**MOTION TO APPROVE:**

Following discussion, Commissioner Hammond moved to approve the revised Sale and Purchase Agreement, Grant Deed and Temporary Construction Easement, and authorize the Executive Director to execute the agreements and deed in substantially the form presented. Commissioner Allphin seconded the motion and, upon vote, the motion was unanimously adopted.

7. **Renewal of Piper Jaffray Contract as Financial Advisor:** Mr. Heringer was invited to review his proposed contract (copy attached) to continue providing financial advisory services to the Authority for a term of 3 years. He discussed the three categories of services covered by the contract as described in the attached contract and the proposed pricing of services for each category. He

also presented a summary (also attached) of the proposed adjustment to compensation and comparison to other similar contracts with other Idaho bond issuing entities.

**MOTION TO APPROVE:**

Following discussion, Commissioner Allphin moved to renew the contract with Piper Jaffray as financial advisor. Commissioner Enderud seconded the motion and, upon vote, the motion was unanimously adopted.

**8. Approval of Minutes of April 11, 2018 Meeting**

Chairman Tracy requested consideration of the meeting minutes.

**MOTION TO APPROVE:**

Commissioner Enderud moved for approval of the meeting minutes as presented. Commissioner Allphin seconded the motion and, upon vote, the motion was unanimously adopted

**9. Other Business**

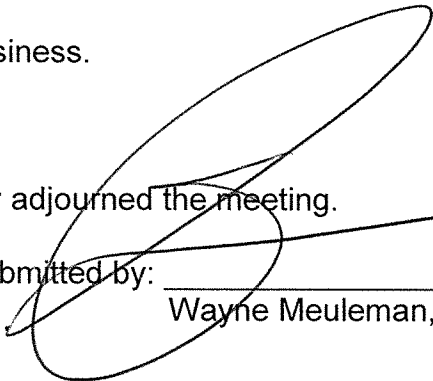
Mr. Meuleman provided a brief status report on the following:

- ISBA Website Development
- Progress on the SBOE/INL Project
- Progress on improvements at the Chinden State Office Campus
- Review of proposals for design of the Department of Health and Welfare Skilled Nursing Project

There was no other business.

**ADJOURNMENT:**

At 11:05 a.m. Chairman Tracy adjourned the meeting.

Submitted by:   
Wayne Meuleman, Executive Director

Approved by:   
V.L. Bud Tracy, Chairman

## FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the Agreement) is entered into on May 25, 2018 by and between Idaho State Building Authority (the Client) and Piper Jaffray & Co. (Piper Jaffray or the Financial Services Provider). This Agreement will serve as our mutual agreement with respect to the terms and conditions of our engagement as your financial services provider, effective on the date this Agreement is executed (the Effective Date).

**Scope of Services.** Piper Jaffray is engaged by the Client to provide the following services:

(A) **Scope of Services – General Advisory Services.** General Advisory Services may consist of the following, if directed by the Client:

1. Evaluate options or alternatives with respect to the planned or proposed new issuance of bonds;
2. Review recommendations made by other parties to the Client with respect to the issuance of bonds;
3. Consult with and/or advise the Client on actual or potential changes in market place practices, market conditions or other matters that may have an impact on the Client's outstanding bonds;
4. Advise the Client with regard to continuing disclosure matters, as requested;
5. Advise the Client on potential refunding or other refinancing opportunities of its outstanding bonds;
6. If directed by the Client, review recommendations made by third parties with respect to outstanding bonds.

(B) **Scope of Services – Monitor Series 2008A Cash Flows.** While the Series 2008A Bonds remain outstanding, Piper Jaffray will provide the following services during the term of this Agreement:

1. Monitor and report monthly, on the performance of cash flows related to the Authority's Series 2008A Bonds and the associated swap contract;
2. Complete an annual cash flow report and cash flow projection to determine the principal amount of the Series 2008A Bonds that can be redeemed at the end of the applicable Fiscal Year;
3. Complete an annual report that summarizes the prior Fiscal Year cash flows related to the Series 2008A Bonds and the associated swap contract.

(C) **Scope of Services – Services related to the new issuance of the Client's bonds.** The Scope of Services to be provided respecting the new issuance of bonds (the Issue or Issues) will consist of the following:

1. Assist the Client in establishing a plan of financing for the Issue;
2. Assist the Client in establishing the structure, timing, terms and other similar matters concerning the Issue;
3. Prepare the financing schedule;
4. Consult and meet with representatives of the Client and its agents or consultants with respect to the Issue;
5. Attend meetings of the Client's governing body, as requested;
6. Advise the Client on the manner of sale of the Issue;
7. In a competitive bid sale, prepare the bid package, obtain CUSIP numbers, assist the Client in collecting and analyzing bids submitted by underwriters and in connection with the Client's selection of a winning bidder;
8. At the time of sale, provide the Client with relevant data on comparable issues recently or currently being sold nationally and by comparable Clients;
9. In a negotiated sale, coordinate pre-pricing discussions, supervise the sale process, advise the Client on matters relating to retail or other order periods and syndicate priorities, review

- the order book, and if directed by the Client, advise on the acceptability of the underwriter's pricing and offer to purchase;
10. Assist the Client in identifying an underwriter in a negotiated sale or other deal participants such as an escrow agent, accountant, feasibility consultant, etc. to work on the Issue;
  11. Respond to questions from underwriters;
  12. Arrange and facilitate visits to, prepare materials for, and make recommendations to the Client in connection with credit ratings agencies, insurers and other credit or liquidity providers;
  13. Coordinate working group sessions, closing, delivery of the new Issue and transfer of funds;
  14. Consult with and/or advise Client on actual or potential changes in market place practices, market conditions or other matters that may have an impact on the Issue(s).

**For Services Respecting Official Statement.** Piper Jaffray will assist in performing a review of certain information in the preliminary or final official statement at your direction. Piper Jaffray is not responsible for the preparation of the preliminary or final official statement or for verifying or certifying as to the overall accuracy or completeness of any statements therein.

**II. Limitations on Scope of Services.** In order to clarify the extent of our relationship, Piper Jaffray is required under MSRB Rule G-42<sup>1</sup> to describe any limitations on the scope of the activities to be performed for you. Accordingly, the Scope of Services are subject to the following limitations:

The Scope of Services is limited solely to the services described herein and is subject to limitations set forth within the descriptions of the Scope of Services. Any duties created by this Agreement do not extend beyond the Scope of Services or to any other contract, agreement, relationship, or understanding, if any, of any nature between the Client and the Financial Services Provider.

To assist us in complying with our duties to our regulators, you agree that if we are asked to evaluate the advice or recommendations of third parties, you will provide us written direction to do so.

The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any Issue or Product or in connection with any opinion or certificate rendered by counsel or any other person at closing does not include review or advice on any feasibility study.

**III. Amending Scope of Services.** The Scope of Services may be changed only by written amendment or supplement. The parties agree to amend or supplement the Scope of Services promptly to reflect any material changes or additions to the Scope of Services.

**IV. Compensation.** Compensation related to the Scope of Services shall be as follows:

- (A) For the General Advisory Services outlined in Section I, subsection (A) of this Agreement, Piper Jaffray will be paid an annual fee of \$10,000 due and payable within 60 days of the beginning of the Client's fiscal year.
- (B) For the Monitor Series 2008A Cash Flows outlined in Section I, subsection (B) of this Agreement, Piper Jaffray will be paid a quarterly fee of \$2,000 due and payable at the end of the applicable quarter starting with the quarter ending September 30, 2018
- (C) For the Services related to the new issuance of the Client's bonds outlined in Section I, subsection (C), compensation paid to Piper Jaffray shall be calculated as follows: \$1.75 per \$1,000 on first \$20 million par amount plus 0.50 per \$1,000 on amounts above \$20 million and subject to \$30,000 minimum and \$65,000 maximum fee. The fee for multiple series of bonds that are sold at the same time will be calculated based on the total of all series being sold (not calculated separately). Compensation for the new issuance of bonds is contingent on the size of the bond issue or nominal value of product and contingent on closing of the bond issue. Compensation for new issuance of bonds shall be due and payable following the closing of a particular bond issue.

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<sup>1</sup> See MSRB Rule G-42(c)(v).

**V. IRMA Matters.** If the Client has designated Piper Jaffray as its independent registered municipal advisor ("IRMA") for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption"), the extent of the IRMA exemption is limited to the Scope of Services and any limitations thereto. Any reference to Piper Jaffray, its personnel and its role as IRMA in the written representation of the Client contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) is subject to prior approval by Piper Jaffray and Client agrees not to represent, publicly or to any specific person, that Piper Jaffray is Client's IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, outside the Scope of Services without Piper Jaffray's prior written consent.

**VI. Piper Jaffray's Regulatory Duties When Servicing the Client.** MSRB Rule G-42 requires that Piper Jaffray undertake certain inquiries or investigations of and relating to the Client in order for Piper Jaffray to fulfill certain aspects of the fiduciary duty owed to the Client. Such inquiries generally are triggered: (a) by the requirement that Piper Jaffray know the essential facts about the Client and the authority of each person acting on behalf of the Client so as to effectively service the relationship with the Client, to act in accordance with any special directions from the Client, to understand the authority of each person acting on behalf of the Client, and to comply with applicable laws, regulations and rules; (b) when Piper Jaffray undertakes a determination of suitability of any recommendation made by Piper Jaffray to the Client, if any or by others that Piper Jaffray reviews for the Client, if any; (c) when making any representations, including with regard to matters pertaining to the Client or any Issue or Product; and (d) when providing any information in connection with the preparation of the preliminary or final official statement, including information about the Client, its financial condition, its operational status and its municipal securities or municipal financial products. Specifically, Client agrees to provide to Piper Jaffray any documents on which the Client has relied in connection with any certification it may make with respect to the accuracy and completeness of any Official Statement for the Issue.

Client agrees to cooperate, and to cause its agents to cooperate, with Piper Jaffray in carrying out these duties to inquire or investigate, including providing to Piper Jaffray accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties.

In addition, the Client agrees that, to the extent the Client seeks to have Piper Jaffray provide advice with regard to any recommendation made by a third party, the Client will provide to Piper Jaffray written direction to do so as well as any information it has received from such third party relating to its recommendation.

**VII. Expenses.** Piper Jaffray will be responsible for all of Piper Jaffray's out-of-pocket expenses unless otherwise agreed upon or if travel is directed by Client. If travel is directed by the Client, Client will reimburse Piper Jaffray for their expenses. In the event a new issue of securities is contemplated by this Agreement, Client 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.

**VIII. Term of Agreement.** The term of this Agreement shall begin on the Effective Date and ends, unless earlier terminated as provided below, on June 30, 2021.

This Agreement may be terminated with or without cause by either party upon the giving of at least thirty (30) days prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. All fees due to Piper Jaffray shall be due and payable upon termination. Upon termination, the obligations of Piper Jaffray under this Agreement, including any amendment shall terminate immediately and Piper Jaffray shall thereafter have no continuing fiduciary or other duties to the Client. The provisions of Sections IV, VII, XII, XIV, XV and XVII shall survive termination of this Agreement.

**IX. Independent Contractor.** The Financial Services Provider is an independent contractor and nothing herein contained shall constitute or designate the Financial Services Provider or any of its employees or agents as employees or agents of the Client.

**X. Entire Agreement/Amendments.** This Agreement, including any amendments and Appendices 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 the Financial Services Provider and Client.

**XI. Required Disclosures.** MSRB Rule G-42 requires that Piper Jaffray provide you with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in Piper Jaffray's Disclosure Statement attached as Appendix A to this Agreement.

**XII. Official Statement.** The Client 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 Client and that the failure of the Financial Services Provider to advise the Client respecting these laws shall not constitute a breach by the Financial Services Provider or any of its duties and responsibilities under this Agreement. The Client acknowledges that any Official Statement distributed in connection with an issuance of securities are statements of the Client and not of Piper Jaffray.

**XIII. 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 Client at:

Idaho State Building Authority  
950 West Bannock Street, Suite 490  
Boise, ID 83702

Wayne Meuleman, Executive Director  
208-472-0066  
[meuleman@idahobuildingauthority.org](mailto:meuleman@idahobuildingauthority.org)

Or to the Financial Services Provider at:

Piper Jaffray & Co.  
101 South Capitol Boulevard, Suite 603  
Boise, ID 83702

Eric Heringer  
Managing Director  
208-344-8561  
[Eric.A.Heringer@pic.com](mailto:Eric.A.Heringer@pic.com)

With a copy to:

Piper Jaffray & Co.  
Legal Department  
800 Nicollet Mall, Suite 1000  
Minneapolis, MN 55402

**XIV. Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of any State or Federal court sitting in the City of Boise for the resolution of any claim or dispute with respect to or arising out of or relating to this Agreement or the relationship between the parties (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 the City of Boise 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.

**XV. Choice of Law.** This Agreement shall be construed and given effect in accordance with the laws of the state of Idaho.

**XVI. 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.

**XVII. 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 OR THE RELATIONSHIP BETWEEN THE PARTIES. PARTIES AGREE TO WAIVE CONSEQUENTIAL AND PUNITIVE DAMAGES.

**XVIII. No Third Party Beneficiary.** This Agreement is made solely for the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

**XIX. Authority.** The undersigned represents and warrants that they have full legal authority to execute this Agreement on behalf of the Client. The following individual(s) at the Client have the authority to direct Piper Jaffray's performance of its activities under this Agreement:


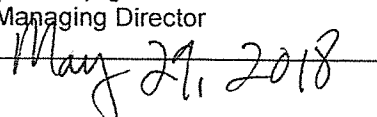
Wayne Meuleman, Executive Director

The following individuals at Piper Jaffray have the authority to direct Piper Jaffray's performance of its activities under this Agreement:

Eric Heringer, Managing Director

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.

PIPER JAFFRAY & Co.

By:   
Eric Heringer  
Its: Managing Director  
Date: 

ACCEPTED AND AGREED:



IDAHO STATE BUILDING AUTHORITY

By: 

Wayne Meuleman  
Its. Executive Director

Date: 5/29/18

Piper Jaffray & Co. is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board ("MSRB"). A brochure is posted on the website of the MSRB, at [www.msrb.org](http://www.msrb.org) that describes the protections that may be provided by MSRB rules and how to file a complaint with an appropriate regulatory authority.

## APPENDIX A – DISCLOSURE STATEMENT

Municipal Securities Rulemaking Board Rule G-42 (the Rule) requires that Piper Jaffray provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Accordingly, this Appendix A provides information regarding conflicts of interest and legal or disciplinary events of Piper Jaffray required to be disclosed to pursuant to MSRB Rule G-42(b) and (c)(ii).

(A) **Disclosures of Conflicts of Interest.** The Rule requires that Piper Jaffray provide to you disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in the Rule, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by us, Piper Jaffray is required to provide a written statement to that effect.

Accordingly, we make 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 we address or intend to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, we mitigate such conflicts through our adherence to our fiduciary duty to you in connection with municipal advisory activities, which includes a duty of loyalty to you in performing all municipal advisory activities for the Client. This duty of loyalty obligates us to deal honestly and with the utmost good faith with you and to act in your best interests without regard to our financial or other interests. In addition, as a broker dealer with a client oriented business, our success and profitability over time is based on assuring the foundations exist of integrity and quality of service. Furthermore, Piper Jaffray's supervisory structure, utilizing our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Piper Jaffray 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.

**Compensation-Based Conflicts.** Some of the fees due under the Agreement are based on the size of the Issue and the payment of such fees is contingent upon the successful delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present the appearance of a conflict or the potential for a conflict because it could create an incentive for Piper Jaffray to recommend unnecessary financings or financings that are disadvantageous to the Client, or to advise the Client to increase the size of the issue. We believe that the appearance of a conflict or potential conflict is mitigated by our duty of care and fiduciary duty and the general mitigations related to our duties to you, as described above.

Some of the fees due under the Agreement are in a fixed amount established at the outset of the Agreement. The amount is usually based upon an analysis by the Client and Piper Jaffray of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Piper Jaffray. This form of compensation presents the appearance of a conflict or a potential conflict of interest because, if the transaction requires more work than originally contemplated, Piper Jaffray may suffer a loss. Thus, Piper Jaffray may have an incentive to recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. In addition, contingent-based compensation, i.e. based upon the successful delivery of the Issue while customary in the municipal securities market, may present the appearance of a conflict or the potential for a conflict because it could create an incentive for Piper Jaffray to recommend unnecessary financings or financings that are disadvantageous to the Client. This conflict of interest is mitigated by our duty of care and fiduciary duty and the general mitigations related to our duties to you, as described above.

**Other Relationships.** Piper Jaffray referred the Client to SNW Asset Management (the Adviser) who may provide certain advice to or on behalf of the Client under a separate agreement. Pursuant to a Solicitation Agreement dated September 30, 2015 between Piper Jaffray and Adviser, Adviser agreed to pay Piper Jaffray a referral fee of thirty five (35) per cent of the investment advisory fees

actually paid to Adviser. The Advisor's business with the Client could create an incentive for Piper Jaffray to recommend to the Client a course of action designed to increase the level of the Client's business activities with the Adviser or to recommend against a course of action that would reduce or eliminate the Client's business activities with the Adviser. This conflict of interest is mitigated by the general mitigations described above. In addition, in the event that Piper Jaffray makes a recommendation to the Client that could influence the level of business with Adviser, Piper Jaffray will consider alternatives to such recommendation, which will be disclosed to the Client along with the impact that the recommendation and its alternatives would have on the business activities of the Client with the Adviser. Furthermore, this potential conflict is mitigated by the fact that the Adviser is subject to its own comprehensive regulatory regime as an investment advisor subject to the applicable federal laws under which they operate.

**Transactions in Client's Securities.** As a municipal advisor, Piper Jaffray cannot act as an underwriter in connection with the same issue of bonds for which Piper Jaffray is acting as a municipal advisor. From time to time, Piper Jaffray or its affiliates may submit orders for and acquire your securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own trading account or for the accounts of its customers. Again, while we do not believe that this activity creates a material conflict of interest, we note that to mitigate any perception of conflict and to fulfill Piper Jaffray's regulatory duties to the Client, Piper Jaffray's activities are engaged in on customary terms through units of Piper Jaffray that operate independently from Piper Jaffray's municipal advisory business, thereby eliminating the likelihood that such investment activities would have an impact on the services provided by Piper Jaffray to you under the Agreement.

(B) **Disclosures of Information Regarding Legal Events and Disciplinary History.** The Rule requires that all municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to a client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. Accordingly, Piper Jaffray sets out below required disclosures and related information in connection with such disclosures.

- I. **Material Legal or Disciplinary Event.** There are no legal or disciplinary events that are material to the Client's evaluation of Piper Jaffray or the integrity of Piper Jaffray's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.
- II. **Most Recent Change in Legal or Disciplinary Event Disclosure.** Piper Jaffray has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

(B) **How to Access Form MA and Form MA-I Filings.** Piper Jaffray's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <http://www.sec.gov/edgar/searchedgar/companysearch.html>. The Form MA and the Form MA-I include information regarding legal events and disciplinary history about municipal advisor firms and their personnel, including information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. 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 Piper Jaffray in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Piper Jaffray on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Piper Jaffray's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Piper Jaffray's CRD number is 665.

(C) **Future Supplemental Disclosures.** As required by the Rule, this Section 5 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 Piper Jaffray. Piper Jaffray will provide you with any such supplement or amendment as it becomes available throughout the term of the Agreement.

Idaho State Building Authority  
 Contract renewal pricing proposal (for period beginning July 1, 2018)

**Annual monitoring fee**

Prior Contract	\$1,750 per quarter
Proposed Contract	\$2,000 per quarter

**Issuance of Bonds**

Prior Contract	Fee Structure \$20,000 plus \$.50 per \$1,000 on first \$10 million and 0.25 per \$1,000 on amounts > \$10 million Fee capped at \$45,000	45,000	32,500	27,500	25,000	22,500
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Representative cost on the following amounts						
	\$90 million	\$40 million	\$20 million	\$10 million	\$5 million	
Proposed Contract	\$1.75 per \$1,000 on first \$20 million plus 0.50 per \$1,000 above \$20 million Subject to \$30,000 minimum and \$65,000 maximum	65,000	45,000	35,000	30,000	30,000

Comparison to 6 Sample Contracts/RFP responses: (BSU, UI(x3), Idaho Falls SD 91, West Ada SD 2)						
	Average	83,125	60,000	42,083	28,750	27,083
	Low	75,000	45,000	30,000	20,000	17,500
	High	92,500	90,000	57,500	52,500	50,000