

Municipal Advisory Services Agreement

This Municipal Advisory Services Agreement (the “Agreement”) is between **ROSS, SINCLAIRE & ASSOCIATES, LLC** (the “Advisor”) and **BREATHITT COUNTY SCHOOL DISTRICT** (“Client”), who has appointed Advisor to perform the municipal advisory services described herein to and for Client. In consideration of the mutual covenants made in this Agreement, and intending to be legally bound by this Agreement, the Advisor and Client agree as follows:

1. **Effective Date.** The effective date of this Agreement (the “Effective Date”) is August 8, 2019.

2. **Appointment.** Client appoints and retains the adviser as a “municipal adviser” as that term is defined in Section 15B(e)(4)(A)(i) of the Securities Exchange Act of 1934 (the “Act”). The Advisor accepts such appointment and retention, all on the terms and conditions set forth in this Agreement.

3. **Municipal Advisory Services.** Advisor will provide the services set forth on the attached **Schedule A** (the “Municipal Advisory Services”). Advisor will provide the Municipal Advisory Services to Client on an as-requested basis by Client; provided, however, that Advisor’s obligations under this Agreement will be expressly limited to the Municipal Advisory Services. Notwithstanding the foregoing, if Client requests Advisor to provide services in connection with a particular municipal issuance-related matter and the parties agree that the services that will be required to be provided in connection therewith differ in scope from the Municipal Advisory Services, the parties will negotiate a mutually agreeable set of services that will be provided by Advisor to Client. Upon the parties’ agreement to a particular set of alternative services, Advisor will deliver to Client an addendum to this Agreement (an “Addendum”). Any such Addendum will set forth the scope of Advisor’s engagement with respect to such municipal issuance-related matter, as well as any alterations to the terms of this Agreement that may have been agreed to by the parties in connection with such alternate services.

4. **Representations by Advisor.** Advisor represents and warrants as follows:

A. It is registered as a municipal advisor pursuant to Section 15B of the Act.

B. It has the power and authority to enter into and perform this Agreement.

C. In providing the Municipal Advisory Services it has a fiduciary duty to Client pursuant to Section 15B(c)(1) of the Act, as well as a duty of loyalty and a duty of care pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42.

5. **Representations by Client.** Client represents and warrants as follows:

A. It is a municipal entity as that term is defined in Section 15B(e)(8) of the Act.

B. The person signing this Agreement on behalf of Client has all necessary authority to do so.

C. The execution of this Agreement and the performance thereof has been duly authorized in accordance with applicable law and is enforceable against Client pursuant to applicable law.

6. Provision of Information by Client. Client will make available to Advisor in connection with its provision of the Municipal Advisory Services, at reasonable times as requested by the Advisor, any information and material pertaining to Client, any prospective financing, bond issuance, or otherwise municipal issuance-related, as well as any other information determined necessary by the Advisor for the provision of the Municipal Advisory Services. Client acknowledges that all opinions and advice given by Advisor pursuant to this Agreement are intended solely for the benefit and use of Client. The Client acknowledges and understands that it will be responsible for the accuracy and completeness of all information provided by Client to Advisor pursuant to this Agreement.

7. Disclosure.

A. Conflicts of Interest. Set forth on the attached Schedule B is disclosure by Advisor of any conflicts of interest relating to Advisor's provision of the Municipal Advisory Services.

B. Disciplinary History. Set forth on the attached Schedule C is a description of any legal events or disciplinary history of Advisor and any relevant Advisor personnel.

C. Acknowledgment of Receipt of Disclosure. Client undertakes to review and consider the disclosure made by Advisor pursuant to this Section 7. Client acknowledges receipt of these disclosures prior to the execution of this Agreement.

8. Limitation on Liability. Advisor undertakes to perform only those duties that are specifically set forth in this Agreement. Both Advisor and Client acknowledge that no other person or entity will have any rights or obligations hereunder except as expressly provided herein. Except for bad faith, intentional misconduct or gross negligence in regard to Advisor's performance of its duties under this Agreement, neither Advisor nor any of its directors, officers, employees and agents will be liable for any acts or omissions or for any loss suffered by Client. Advisor and its directors, officers, employees and agents will be entitled to rely, and will be protected from liability in relying, upon any information or instructions furnished to it (or any of them as individuals) which, after reasonable inquiry by Advisor, is believed in good faith to be accurate and reliable. The parties agree that a good faith and unintentional error or mistake in judgment or discretion by Advisor or any of its directors, officers, employees or agents in the performance of its or their duties under this Agreement will not in and of itself constitute negligence.

9. Indemnification; Sole Remedy. Advisor and Client each hereby agree to indemnify, defend and hold the other harmless from and against any and all losses, claims, damages, expenses, including without limitation, reasonable attorney's fees, costs, liabilities, demands and causes of action (collectively referred to herein as "Damages") which the other may suffer or be subjected to as consequence of any breach of the terms of this Agreement by the indemnifying party. Notwithstanding the foregoing, no party will be liable to the other for Damages suffered by the other to the extent those Damages are the consequence of: (a) events or conditions beyond the

control of the indemnifying party, including without limitation, changes in economic conditions; (b) actions of the indemnifying party which were reasonable based on facts and circumstances existing at the time and known to the indemnifying party at the time the service was provided; or (c) errors made by the indemnifying party due to its reliance on facts and materials provided to the indemnifying party by the indemnified party. Whenever Advisor or Client becomes aware of a claim with respect to which it may be entitled to indemnification hereunder, it will promptly provide written notice to the other, which will include a description of the nature of the claim. If the claim arises from a claim made against the indemnified party by a third party, the indemnifying party will have the right, at its expense, to assume the defense thereof, to employ legal counsel in connection therewith, and to compromise or settle the same, provided that any compromise or settlement by the indemnifying party of such claim will be deemed an admission of liability hereunder. The remedies set forth in this Section 9 will be the sole remedies available to either party against the other in connection with any Damages suffered by it.

10. Fees and Expenses. The compensation of Advisor for the performance of the Municipal Advisory Services under this Agreement and for the payment of expenses is described on the attached Schedule of Fees found on Schedule D. Unless agreed to in writing by the parties, Advisor will not receive any other compensation, direct or indirect, for its services under this Agreement.

11. Assignment. This Agreement is not assignable by either party hereto without the prior written consent of the other party.

12. Term of Agreement and Termination. This Agreement will be effective as of the Effective Date and will remain in effect until terminated by either party for any reason upon thirty (30) days' prior written notice to the other party. A termination of this Agreement will not relieve Client of its obligations to pay Advisor for any and all Municipal Advisory Services rendered and expenses incurred prior to the effective date of termination.

13. Notices. Unless otherwise specified herein, all notices, instructions and advice with respect to any matter contemplated by this Agreement will be deemed duly given when received in writing by Advisor at the address specified below or when deposited by first class mail addressed to (or delivered by hand to) Client at the address specified below. Advisor may rely on such notice from any person reasonably believed by it to be genuine and authorized. For purposes of this section and any other notices contemplated in this Agreement, the following addresses will be used until modified in writing:

For Advisor: Ross, Sinclair and Associates, LLC

 325 W. Main Street, Ste. 300

 Lexington, Kentucky 40507

 Attention: Mr. Dwight Salsbury

For Client:

**Breathitt County School District
Attn: Phillip Watts
420 Court St.
PO Box 750
Jackson, KY 41339
(606) 666-2491**

14. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to Advisor's provision of Municipal Advisory Services and, except as otherwise provided in this Agreement, can be amended only by a written document signed by the parties.

15. **Governing Law; Venue.** This Agreement will be construed and the rights and obligations of the parties under this Agreement enforced, in accordance with the laws of the Kentucky. The venue for resolving any dispute arising out of or relating to this Agreement are the state and federal courts located in Fayette County, Kentucky.

16. **Survival of Provisions.** In the event of termination of this Agreement pursuant to Section 12, operation of law or otherwise, the provisions of Section 10, 12 and **Schedule D** will remain in effect so as to ensure the payment of fees and expenses owed to Advisor, as well the provisions of Sections 8, 9, 13, 14 and 15 as necessary to give effect thereto.

The parties have caused this Agreement to be executed by their duly authorized officers as of the Effective Date.

Ross, Sinclaire and Associates, LLC

Breathitt County School District

By: _____

By: _____

Printed Name: Dwight Salsbury

Printed Name: _____

Title: Vice President

Title: _____