

RESOLUTION OF THE BOARD OF EDUCATION RETAINING LEGAL COUNSEL AND A MUNICIPAL ADVISOR TO ASSIST WITH A PROPOSED FINANCE ISSUE

WHEREAS, the Board of Education (the "Board") of the Jackson County School District (the "District"), acting for and on behalf of the District, hereby finds and determines as follows:

1. It is in the District's best interest to pursue issuing one or more notes (each a "Financing") issued pursuant to the Board's Intent Resolution adopted on January 12, 2026.

2. It is necessary and in the public interest to retain legal counsel and a municipal or financial advisor to assist the District with any Financing.

NOW, THEREFORE, BE IT RESOLVED by the Board, as follows:

Section 1. The Board retains the firm of the Law Office of Jack C. Pickett to serve as issuer's counsel to assist with the issuance and closing of any Financing.

Section 2. The Board retains the firm of Young Law Group, PLLC as bond or loan counsel to, along with the Board Attorney, assist with the issuance and closing of any Financing.

Section 3. The Board retains MuniGroup, LLC as municipal or financial advisor to assist in the structuring and issuance of any Financing.

Section 4. The parties retained hereunder will be paid a usual and customary fee for any Financing actually closed and will also be reimbursed for reasonable out-of-pocket expenses in connection with any Financing, regardless of whether the Financing closes. The Superintendent is authorized to execute an engagement letter with each party in the forms attached hereto.

The motion to adopt the foregoing Resolution was made by Board Member _____ and duly seconded by Board Member _____. The motion then being put to a vote, the results were as follows:

Board Member Amy Peterson	Voted: _____
Board Member Deanna Smith	Voted: _____
Board Member Lea Bailey	Voted: _____
Board Member William Collier	Voted: _____

Having received the affirmative vote of the majority of the Board members, the Resolution was adopted on January 12, 2026.

BOARD OF EDUCATION OF THE
JACKSON COUNTY SCHOOL DISTRICT

By: _____
President

ATTEST:

Secretary

EXHIBIT A

Young Law Group, PLLC Engagement Letter

YOUNG LAW GROUP

PLLC

JACKSON, MS

James W. Young Jr.
V. Warren Greenlee

317 E. Capitol Street, Suite 500
Jackson, MS 39201
Phone: (601) 354-3660
Fax: (601) 354-3656

OCEAN SPRINGS, MS

Bonnie P. Granger*
**Also Licensed in Louisiana*

Ocean Springs, MS 39564
Phone: (228) 297-7222
Fax: (601) 354-3656
www.younglawms.com

January 12, 2026

Board of Education
Jackson County School District
4700 Colonel Vickrey Road
Vancleave, MS 39565

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services our firm will perform as bond or loan counsel to the Jackson County School District (the "District") in connection with the issuance of one or more notes (each a "Financing") issued pursuant to the Intent Resolution adopted by the District's Board of Education (the "Board") on January 12, 2026. We believe a clear understanding of the scope of our engagement and our proposed representation will give the District a better understanding of our role and help avoid misunderstandings. The authority for our engagement and this agreement is an employment resolution adopted and approved by the District's Board on January 12, 2026.

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties in regard to any Financing, as applicable:

1. Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Opinion") regarding the validity and binding effect of the Financing, the security for the Financing, and the excludability of interest on the Financing from gross income for federal and state income tax purposes.

Our Opinion will be delivered by us on the date the Financing is exchanged for the principal amount of the Financing (the "Closing"). The Opinion will be based on facts and law existing as of its date. In rendering our Opinion, we will expressly rely upon the certified proceedings and other certifications and opinions of public officials and other persons furnished to us, without undertaking to verify the same by independent investigation. We will assume continuing compliance by the District with applicable laws relating to the Financing. During the course of this engagement, we will rely on you to provide us with complete and timely information of which you become aware on all developments pertaining to any aspect of the Financing and its security. In rendering our opinion, we will rely on any opinion letter issued by your board attorney at the Closing.

2. Review enabling legislation and legal issues relating to the Financing structure.

3. Prepare and review necessary resolutions.

4. Prepare and coordinate the execution of the necessary authorizing and closing documents.

5. Assist your Board attorney in pursuing validation proceedings, if applicable.

6. If a Preliminary Official Statement and an Official Statement (collectively, "Official Statement") are prepared in regard to the Financing, we will assist the District in completing the Official Statement, but will rely on the District to provide the substantive information for the Official Statement. We will not be responsible for independently investigating the validity of any information provided by the District or any other third party for the Official Statement. We will review those sections of the Official Statement to be disseminated in connection with the sale of the Financing that describe the Financing, the security for the Financing and the tax-exempt status of interest paid on the Financing.

7. Provide information to bond rating agencies and bond insurers, if applicable, regarding legal issues relating to any Financing for which a rating is obtained.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties in regard to any Financing do not include:

- Preparing blue sky filings or investment surveys.
- Verifying or investigating the District's financial status or ability to repay the Financing, or verifying any other financial information the District provides us, or advising the District about operating or business matters.
- Giving financial advice or recommendations subject to Securities and Exchange Commission ("SEC") rules or serving as a municipal or financial advisor to the District.
- Finding, securing, or negotiating with a purchaser/lender or otherwise acting as a placement agent. We will assist the District in preparing and distributing a Request for Bids, if requested, but we are not responsible for securing a purchaser/lender. The District is ultimately responsible for securing a purchaser/lender.
- Reviewing sections of the Official Statement other than those set forth above or performing any investigation to determine the accuracy, completeness or sufficiency of the Official Statement or other offering document or rendering any advice or opinion that the Official Statement or other disclosure document, if applicable, does not contain any untrue statement of a material fact or omit to state a material fact.
- Advising the District regarding actions necessary to comply with State, Internal Revenue Service ("IRS") or SEC laws and regulations, monitoring tax law and securities law compliance by the District, making continuing disclosure filings or tax filings by the District under State, IRS and SEC requirements, or making arbitrage rebate calculations.

- Representing the District in any post-issuance examinations, investigations or proceedings with the IRS, the SEC or other state or federal agency.
- Pursuing test cases or other litigation, such as contested validation proceedings.
- Addressing any challenges to a Financing or addressing any other matters not specifically set forth above that are not required to be addressed in our opinion.

We understand that the District is represented by its Board attorney. We further understand that the District may select other professionals, including an underwriter, bank or other lender who are responsible for certain aspects relating to the Financing. You agree that such professionals are not acting under our control and that we are not responsible for such professionals' work product.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the District will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in a Financing. We further assume that all other parties understand that in any Financing we represent only the District as bond or loan counsel. We are not counsel to any other party and we are not acting as an intermediary among the parties. Our representation of the District will not affect, however, our responsibility to render an objective Opinion. Our services as bond or loan counsel are limited to those contracted for in this engagement letter. The District's execution of this engagement letter will constitute an acknowledgment of those limitations.

Our representation of the District and the attorney-client relationship created by this engagement letter as to any Financing will be concluded upon the Closing of that Financing. Provided, however, either party may terminate this agreement at any time prior to the Closing of any financing by giving written notice to the other party.

AUTHORIZED REPRESENTATIVE

Unless you instruct us otherwise, the Superintendent will be the District's representative who will serve as the primary individual to whom our firm will communicate regarding the subject matter of this engagement. This designation is intended to establish a clear line of communication and to minimize potential uncertainty, but not to preclude communication between our firm and other representatives of the District.

COMPENSATION

We will agree on a fair and customary fee with the District for any Financing based on: (i) our understanding of the terms, structure, size and schedule of the financing; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the transaction; and (iv) the responsibilities we will assume in connection therewith. We typically charge one percent (1%) of the principal amount on issues of \$1,750,000 or less, with a minimum fee of \$6,500. Our fee will decrease below one percent (1%) as the principal amount of a Financing exceeds \$1,750,000. Our fee may vary if material changes in the structure or schedule of a

Financing occur; or if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. The actual amount of the fee will depend on the factors described above, and on other factors, such as whether the Financing is underwritten or bank-placed and whether it is sold through the Mississippi Development Bank. If at any time we believe that circumstances arise which require a significant adjustment of our original fee estimate, we will advise you and provide you an amendment to this engagement letter. We will charge a fee only when a Financing Closes.

Furthermore, we expect to be reimbursed for all client charges made or incurred on your behalf, such as travel costs, photocopying, deliveries, filing fees, computer-assisted research and other expenses. We will request reimbursement of expenses regardless of whether the Financing is Closed. Our fee is usually paid at the Closing. We may submit an additional statement for client charges following the Closing.

CONFLICTS

We are not aware of any actual conflict that would prevent Young Law Group PLLC ("Young Law Group") from providing competent and diligent representation to the District. It is possible that during the time that we are representing the District, one or more of our present or future clients will have transactions with the District. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of a Financing. We do not believe that such representation, if it occurs, will adversely affect our ability to represent you as provided in this engagement letter, either because such matters will be sufficiently different from the Financing so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of a Financing. Execution of this engagement letter will signify the District's consent to our representation of others consistent with the circumstances described in this paragraph.

A principal of Young Law Group is also a principal of The Excellence Group, LLC, which may provide consulting services to the District from time to time. We want to remind you of that relationship, although we do not believe that relationship will create any actual conflict that would prevent Young Law Group from providing competent and diligent representation to the District.

We have advised the District that principals of MuniGroup LLC ("MuniGroup") are principals and employees of Young Law Group. We understand the District has retained MuniGroup as its municipal or financial advisor regarding the issuance of any Financing. Although Young Law Group and MuniGroup are separate legal entities, the common ownership of the two firms could create a potential conflict of interest. We do not believe, however, that the relationship creates any conflicts of interest that would prevent Young Law Group from providing objective, unbiased, competent and diligent representation of the District as bond or loan counsel.

The District acknowledges that it has received the disclosures set forth herein. The District further acknowledges that it has been given the opportunity to raise questions and discuss such disclosures with our firm and independent counsel and that it fully appreciates the nature of such disclosures

and any and all conflicts noted therein. The District hereby waives all such conflicts and authorizes Young Law Group to provide services pursuant to this engagement letter.

FINANCIAL ADVISOR

The SEC enacted regulations on July 1, 2014 (the "MA Rule"), to prohibit any person or firm from providing municipal or financial advice to a public entity issuing a security, unless the person or entity is registered with the SEC as a municipal advisor. Because of the MA Rule, our law firm cannot provide advice or recommendations that are primarily financial in nature.

In light of the MA Rule, the District's options are to make all financial decisions regarding the structuring, alternatives and method of sale of the Financing in-house or to retain a financial or municipal advisor to assist the District with these matters. The District may retain MuniGroup as the municipal or financial advisor if it wants Jim Young and Warren Greenlee to continue providing these services or it may hire another financial advisor to perform those services. Jim Young and Warren Greenlee are the principals of MuniGroup. There is no legal connection, however, between Young Law Group and MuniGroup. The District is under no obligation to retain MuniGroup. Regardless of whether the District retains MuniGroup or another financial or municipal advisor, it will need to sign a separate engagement letter with the financial or municipal advisor. The work performed by the financial or municipal advisor will be distinct from the responsibilities of bond or loan counsel and the financial or municipal advisor will charge a separate fee for its services. We understand that the District has retained MuniGroup as financial or municipal advisor in connection with the issuance of any Financing. Please let us know if you have any questions regarding the law firm's role as bond or loan counsel and the role of a municipal or financial advisor.

COMMUNICATIONS

We are always mindful of our obligation to preserve our clients' secrets and confidences; accordingly, it is important that we agree from the outset what kinds of communication technology we will employ in the course of the Financing. Unless you specifically direct us to the contrary, for the purposes of the Financing, we agree that it is appropriate for us to use fax machines and e-mail, as well as cellular communication devices in the course of our engagement without any encryption or other special protections. Please notify us if you have any other requests or requirements in connection with the methods of communication, or persons to be included or copied in the circulation of documents relating to our services hereunder.

RECORDS

Our firm maintains its client files electronically. We normally do not keep separate paper files. We will scan documents you or others send to us related to your matter to our electronic file for that matter and will retain only the electronic version while your matter is pending. Unless you instruct us otherwise, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us. If you send us original documents that need to be maintained as originals while the matter is pending, we ordinarily will scan those to our client file and return the originals to you for safekeeping. Alternatively, you may request that we maintain such originals

while the matter is pending. If we agree to do that, we will make appropriate arrangements to maintain those original documents.

Papers and property furnished by you will be returned promptly upon your request. We will retain our own files pertaining to our service, including lawyer work product. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials after the termination of this engagement.

While we would like to have a signed copy of this engagement letter before beginning work on this matter, we will start working on the project before receiving the signed letter, if necessary. We will consider the performance of our services with your knowledge consistent with the terms of this letter until or unless we hear to the contrary from you. Regardless of when this engagement letter is signed, its effective date will be retroactive to the date our firm first performed services. If the foregoing terms are acceptable to you, return a copy of this engagement letter signed by an authorized officer, retaining the original for your files.

We appreciate the opportunity to work with you and the District on this matter.

Sincerely,

YOUNG LAW GROUP PLLC

BY: 

JACKSON COUNTY SCHOOL DISTRICT

BY: 

Superintendent

EXHIBIT B

MuniGroup, LLC Engagement Letter

James W. Young, Jr.
V. Warren Greenlee

MuniGroup, LLC
317 E. Capitol Street, Suite 501
Jackson, MS 39201
601-326-0042

January 12, 2026

Board of Education
Jackson County School District
4700 Colonel Vickrey Road
Vancleave, MS 39565

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services MuniGroup, LLC ("MuniGroup") will perform as Municipal Advisor to the Jackson County School District (the "District"), in connection with the issuance of one or more limited-tax notes (each a "Financing") issued pursuant to the Intent Resolution adopted January 12, 2026 by the District's Board of Education (the "Board"). The authority for our engagement and this agreement is an employment resolution adopted by the District's Board on January 12, 2026.

SCOPE OF ENGAGEMENT

Our services as Municipal Advisor are limited to those contracted for in this engagement letter. The District's execution of this engagement letter will constitute an acknowledgment of the limitations set forth below.

In this engagement, we expect to perform the following duties as necessary or desirable for any Financing (collectively, the "Project"):

1. Assist the District in sizing and structuring the Financing.
2. If a Preliminary Official Statement and an Official Statement (collectively, "Official Statement") are prepared, we will assist the District in completing the Official Statement. We will not be responsible for independently investigating the validity of any information provided by the District for the Official Statement. We will review those sections of the Official Statement to be disseminated in connection with the sale of the Financing that describe the structure, payment dates and amounts and the source of repayment of the Financing.
3. Coordinate the solicitation and evaluation of bids for the purchase of the District's Financing or loan represented by the Financing. On negotiated issues with an underwriter selected by the District, we will review and advise the District on pricing offered by the underwriter.

4. Assist the District in obtaining a bond rating or bond insurance, if appropriate.
5. Prepare the computations necessary to complete the appropriate IRS Form 8038.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties regarding any Financing do not include:

- Selecting or recommending an underwriter or placement agent.
- Reviewing or advising the District regarding allocation of bonds by the underwriter, if any.
- Preparing blue sky filings or investment surveys.
- Reviewing sections of the Official Statement other than those set forth above.
- Performing any investigation to determine the accuracy, completeness or sufficiency of the Official Statement or other offering document or rendering any advice or opinion that the Official Statement or other disclosure document, if applicable, does not contain any untrue statement of a material fact or omit to state a material fact.
- Investigating or expressing any opinions on the creditworthiness of the District or its ability to repay the Financing or advising the District about operating or business matters.
- After the closing on the Financing, advising the District regarding actions necessary to comply with State, Internal Revenue Service ("IRS") or Securities and Exchange Commission ("SEC") laws and regulations, monitoring tax law and securities law compliance by the District, making continuing disclosure filings or tax filings by the District under SEC and IRS requirements, or making arbitrage rebate calculations.
- Soliciting, finding, or securing a purchaser or lender for any Financing or otherwise acting as a placement agent for any Financing issue as defined under SEC rules.
- Representing the District in any post-issuance examinations, investigations or proceedings with the IRS, the SEC or other state or federal agency.
- Addressing any other matters not specifically set forth above.

We understand that the District may select other professionals, including an underwriter or other lender, bond counsel and others who are responsible for certain aspects relating to the issuance of any Financing. You agree that such professionals are not acting under our control and that we are not responsible for such professionals' work product. We have not been engaged and have not undertaken to advise the District regarding the selection, compensation or duties of any parties the District may retain in connection with any Financing.

MUNICIPAL ADVISOR-CLIENT RELATIONSHIP

The District is a Municipal Entity and MuniGroup is a Municipal Advisor as such terms are defined within the Securities Exchange Act of 1934, as amended.

MuniGroup is a registered municipal advisor in good standing with both the SEC (ID: 867-01025-00) and the MSRB (ID: K0911). As part of this registration, we are required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving MuniGroup. Pursuant to MSRB Rule G-42, MuniGroup is required to disclose any legal or disciplinary event that is material to the District's evaluation of MuniGroup or the integrity of its management or advisory personnel.

We have determined that no such event exists.

Copies of MuniGroup's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either MuniGroup or for our CIK number which is 0001622761.

Except as stated in the following sentence, our representation of the District and the Municipal Advisor-client relationship created by this engagement letter as to any Financing will be concluded upon the issuance of the Financing. Provided, however, either party may terminate this engagement letter and our services hereunder at any time upon giving written notice to the other party.

COMPENSATION

We propose to be paid a fixed fee from the proceeds of each Financing that is closed, except as otherwise provided below. Based upon: (i) our current understanding of the nature and scope of the Project; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the Project; and (iv) the responsibilities we will assume in connection therewith, we will charge a flat fee in an amount not to exceed 0.4% of the principal amount of any Financing. Our fee may vary if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility or if there are changes in the principal amount or timing for issuance of the Financing. However, alternative fee structures are available and are explained in Exhibit A attached hereto along with a discussion of any potential conflicts of interest associated with such fee structure. If so desired, the District may choose a different fee structure which we will be happy to discuss with you.

The District will receive an invoice from MuniGroup for the Municipal Advisor services upon the closing of each Financing.

Regardless of whether or not any Financing is actually closed, we will expect to be reimbursed for all client charges made or incurred on your behalf, such as travel costs, photocopying, deliveries, and long distance telephone charges. Reimbursement for expenses is usually billed

and paid upon closing the issuance of a Financing. We customarily do not submit any statement until the Financing is closed unless there is a substantial delay in completing the Financing. If a transaction is delayed significantly, we reserve the right to present for payment interim statements for expense reimbursement. We may submit an additional statement for client charges following the closing of a Financing.

CONFLICTS

SEC and MSRB regulations require us to notify you of any conflicts of interest that MuniGroup may have. We have determined, after exercising reasonable diligence, that we have no known material conflicts of interest that would impair our ability to provide advice to the District in accordance with our fiduciary duty to municipal entity clients. Nevertheless, we want to notify you of the following potential conflicts and how we will mitigate any potential conflict.

The fees to be paid by the District to us are contingent on the successful closing of a Financing and are partially based on the amount of the Financing. Although this form of compensation may be customary, it presents a conflict because we may have an incentive to recommend unnecessary Financings or Financings that are disadvantageous to the District. For example, when facts or circumstances arise that could cause a Financing or other transaction to be delayed or fail to close, we may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the Financing or other transaction. We manage and mitigate this conflict primarily by adherence to the fiduciary duty which we owe to municipal entities such as the District which requires us to put the interests of the District ahead of our own. Additionally, we mitigate this conflict of interest by using our experience to establish a fee schedule that reasonably reflects the expected time, costs and risk associated with our representation and by reviewing those fees in accordance with our responsibilities under MSRB Rule G-42.

The principals of MuniGroup are principals and/or employees of Young Law Group, PLLC, which may serve or has served as bond counsel for the District. Although MuniGroup and Young Law Group, PLLC are separate legal entities, MuniGroup's relationship with Young Law Group, PLLC represents a potential conflict of interest in that, in addition to the forms of compensation referenced in Exhibit A, we have an incentive to recommend the issuance of a Financing by the District and to exclude due consideration of other options or alternatives. We manage and mitigate this conflict primarily by adherence to the fiduciary duty which we owe to Municipal Entities such as the District which require us to put the interests of the District ahead of our own. This potential conflict is partially mitigated in that the District made the determination to issue one or more Financings prior to retaining MuniGroup.

We also have an incentive for the District to retain Young Law Group, PLLC as bond counsel on any Financing. The District is not required to use Young Law Group, PLLC as bond counsel, and we manage and mitigate this conflict primarily by adherence to the fiduciary duty which we owe to Municipal Entities such as the District which require us to put the interests of the District ahead of our own. This potential conflict is also partially mitigated in that the District has already made the decision to retain Young Law Group, PLLC as bond counsel for any Financings.

In addition to the above, Young Law Group, PLLC occasionally serves as underwriter's counsel and bank's counsel to various underwriters and banks. This represents a potential conflict of interest in that we may have an incentive to recommend an underwriter or bank that may be a prospective client of Young Law Group, PLLC on unrelated transactions. We manage and mitigate this conflict primarily by adherence to the fiduciary duty which we owe to Municipal Entities such as the District which require us to put the interests of the District ahead of our own. Additionally, the District has the option to select a lender or underwriter by a competitive bid process in order to mitigate this conflict. If the District requests MuniGroup to recommend a lender or underwriter, we will address any additional conflicts at such time.

A principal of MuniGroup is also a principal of The Excellence Group, LLC, which may provide consulting services to the District from time to time. This represents a potential conflict of interest in that MuniGroup may have an incentive for the District to retain The Excellence Group, LLC, and/or The Excellence Group, LLC may have an incentive for the District to pursue a financing and/or retain MuniGroup. We manage and mitigate this conflict primarily by adherence to the fiduciary duty which we owe to Municipal Entities such as the District which require us to put the interests of the District ahead of our own.

There are no additional conflicts of interest of which we are currently aware after exercising reasonable diligence with respect to our representation of the District. The District acknowledges that it has received the disclosures set forth above and on **Exhibit A** attached hereto and incorporated herein by reference. The District further acknowledges that it has been given the opportunity to raise questions and discuss such disclosures with MuniGroup and independent counsel and that it fully appreciates the nature of such disclosures and any and all conflicts noted therein. The District hereby waives all such conflicts and authorizes MuniGroup to provide services pursuant to this engagement letter. From time to time, MuniGroup may provide additional disclosures to the District. In this regard, the District hereby authorizes its Superintendent of Schools to acknowledge any such additional disclosures on behalf of the District.

COVENANT TO UPDATE DISCLOSURE INFORMATION

We further covenant and agree to provide to the District disclosures of conflicts of interest and certain legal or disciplinary events of the type described above and required by Municipal Securities Rulemaking Board Rule G-42 (the "Disclosures") to the extent any arise after the date of this letter. The Disclosures, and each delivery thereof, as provided from time to time, shall be incorporated by reference as of the date thereof into this letter to the same extent as if set forth herein.

AMENDMENTS AND SUPPLEMENTS

We agree to promptly amend or supplement this letter to reflect any material changes or additions to the agreement evidenced by this letter.

COMMUNICATIONS

We are always mindful of our obligation to preserve our clients' secrets and confidences; accordingly, it is important that we agree from the outset what kinds of communications technology we will employ in the course of the Project. Unless you specifically direct us to the contrary, for purposes of the Project, we agree that it is appropriate for us to use fax machines and e-mail, as well as cellular communication devices, in the course of our engagement without any encryption or other special protections. Please notify us if you have any other requests or requirements in connection with the methods of communication, or persons to be included or copied in the circulation of documents relating to the Project.

RECORDS

At your request, papers and property furnished by you will be returned promptly. We will retain our own files, including work product pertaining to the Financing. For various reasons, including the minimization of unnecessary storage expense, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

While we would like to have a signed copy of this letter in our file before beginning work on this matter, we will start working on the project before receiving the signed letter, if necessary. We will consider the performance of our services with your knowledge consistent with the terms of the letter until or unless we hear to the contrary from you. Regardless of when this engagement letter is signed, its effective date will be retroactive to the date our firm first performed services. If the foregoing terms are acceptable to you, please so indicate by returning this engagement letter dated and signed by an authorized officer, retaining the original for your files.

We appreciate the opportunity to work with you and the District on this matter.

MUNIGROUP, LLC

BY: 

JACKSON COUNTY SCHOOL DISTRICT

BY: _____

TITLE: Superintendent

EXHIBIT A
VARIOUS FORMS OF COMPENSATION AND ASSOCIATED CONFLICTS OF INTEREST

The forms of compensation for municipal advisors vary according to the nature of the engagement and requirements of the District, among other factors. Various forms of compensation present actual or potential conflicts of interest because they may create an incentive for an advisor to recommend one course of action over another if it is more beneficial to the advisor to do so. This document discusses various forms of compensation and the timing of payments to the advisor.

Fixed fee. Under a fixed fee form of compensation, the municipal advisor is paid a fixed amount established at the outset of the transaction. The amount is usually based upon an analysis by the District and the advisor of, among other things, the expected duration and complexity of the transaction and the agreed-upon scope of work that the advisor will perform. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the advisor may suffer a loss. Thus, the advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. There may be additional conflicts of interest if the municipal advisor's fee is contingent upon the successful completion of a financing, as described below.

Hourly fee. Under an hourly fee form of compensation, the municipal advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the District and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (e.g., a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described below.

Fee contingent upon the completion of a financing or other transaction. Under a contingent fee form of compensation, payment of an advisor's fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the District, it presents a conflict because the advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the District. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Fee paid under a retainer agreement. Under a retainer agreement, fees are paid to a municipal advisor periodically (e.g., monthly) and are not contingent upon the completion of a financing or other transaction. Fees paid under a retainer agreement may be calculated on a fixed fee basis (e.g., a fixed fee per month regardless of the number of hours worked) or an hourly basis (e.g., a minimum monthly payment, with additional amounts payable if a certain number of hours worked is exceeded). A retainer agreement does not present the conflicts associated with a contingent fee arrangement (described above).

Fee based upon principal or notional amount and term of transaction. Under this form of compensation, the municipal advisor's fee is based upon a percentage of the principal amount of an issue of securities (e.g., bonds) or, in the case of a derivative, the present value of or notional amount and term of the derivative. This form of compensation presents a conflict of interest because the advisor may have an incentive to advise the District to increase the size of the securities issue or modify the derivative for the purpose of increasing the advisor's compensation.