

January 5, 2022

Mr. Danny Powers, Director
Whitestown Department of Public Works
Whitestown Municipal Complex
Room 600
6210 Veterans Drive
Whitestown, IN 46075

Re: Engagement Letter for Municipal Advisory Services

Dear Danny:

We are pleased to confirm our understanding of the services we are to provide for the Whitestown Municipal Sewage Works in connection with the proposed issuance of Sewage Works Revenue Bonds, Series 2022 (the “Bonds”), and, initially, bond anticipation notes (“BANs”) in anticipation of the issuance of the Bonds.

In our role as Municipal Advisors for this engagement, we will provide some, or all, of the following services to determine suitability of the bond offering for the Whitestown Municipal Sewage Works (the “Utility”):

- a. Evaluate options or alternatives with respect to the new Bonds and BANs including SRF pooled financing.
- b. Analyze financial and other information regarding the Utility, the proposed Bonds and any source of repayment of or security for the Bonds and BANs.
- c. Assist Utility in establishing the structure, timing, terms and other similar matter concerning the Bonds and BANs.
- d. Consult and meet with representatives of the Utility and its agents or consultants with respect to the Bonds and BANs.
- e. Advise the Utility on the manner of the sale of the Bonds and BANs.
- f. Assist in the gathering of information with respect to financial, statistical and factual information relating to the Utility in connection with the preparation of the offering documents and the coordination of the BAN and bond sale.
- g. Whether the BANs or Bonds are to be sold on a negotiated or competitive basis, assist the Utility in the preparation and review of the necessary offering documents, including Term Sheets and Due Diligence filings for financing through SRF.
- h. Make arrangements for printing, advertising and other vendor services necessary or appropriate in connection with the BANs and Bonds.

- i. Advise the Utility regarding to any continuing disclosure undertaking required to be entered into in connection with the BANs and Bonds.
- j. In a competitive sale, assist the Utility in collecting and analyzing bids and with the selection of a winning bidder.
- k. Respond to questions from bidders, underwriters and other potential investors.
- l. Work with bond counsel and other transaction participants to prepare and/or review necessary authorizing documentation of the Utility and other documents necessary to finalize and close the Bonds.
- m. Prepare a closing memorandum or transaction summary, update Gateway debt module, and provide general guidance for the Utility with respect to post-closing requirements relating to the use and investment of bond proceeds and the payment of debt service.
- n. Provide such other usual and customary financial advisory services as may be requested by the Utility.
- o. Prepare and issue bond parity report.

Municipal Advisor's Regulatory Duties

MSRB Rule G-42 requires that the Municipal Advisor make a reasonable inquiry as to the facts that are relevant to the Utility's determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Utility. The rule also requires that the Municipal Advisor undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. The Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about the Utility and the authority of each person acting on the Utility's behalf.

MSRB Rule G-42 also requires that municipal advisors provide to their clients, disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist by the municipal advisor, municipal advisors are required to provide a written statement to that effect. Compensation and other municipal advisor relationships could potentially be conflicts of interest under the Rule. As general mitigations of the Municipal Advisors conflicts, we mitigate such conflicts through an adherence to the fiduciary duty to our Clients, which includes a duty of loyalty to our Clients in performing all municipal advisory activities. This duty of loyalty obligates us to deal honestly and with the utmost good faith and to act in our Client's best interests without regard to our financial or other interests.

Compensation based conflicts: Fees in this agreement are in a not to exceed range. The amount is usually based upon an analysis of the expected duration and complexity of the scope of services to be performed. This form of compensation presents a potential conflict of interest because, if the scope of services requires more work than originally contemplated, the Municipal Advisor may suffer a loss. Thus, the Municipal Advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Other Municipal Advisor Relationships: We serve a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interest of our Clients. This conflict of interest is mitigated by the general mitigations described above.

The Utility agrees to cooperate, and to cause its agents to cooperate, with the Municipal Advisor in carrying out these regulatory duties, including providing to the Municipal Advisor accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Utility agrees that, to the extent the Utility seeks to have the Municipal Advisor provide advice with regard to any recommendation made by a third party, the Utility will provide to the Municipal Advisor written direction to do so as well as any information it has received from such third party relating to its recommendation.

MSRB Rule G-42 requires that municipal advisors provide, to their clients, certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, we have set 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 evaluation of our Firm, or the integrity of the Firm's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.

II. *How to Access Form MA and Form MA-I Filings.* The Firm'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/cgi-bin/browse-edgar?action=getcompany &CIK=0001621113](http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001621113).

III. *Most Recent Changes in Legal or Disciplinary Event Disclosures.* The Firm has not made any material or disciplinary event disclosure on Form MA or any Form MA-I filed with the SEC.

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflict of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of this agreement.

MSRB Rule G-10 requires that municipal advisors notify their clients of the availability of a client brochure on the MSRB's website that provides information on the processes for filing a client complaint. Accordingly, the Firm provides the required information below.

The Firm is registered as a Municipal Advisor with the Securities Exchange Commission (867-00766) and the Municipal Securities Rulemaking Board (K0378).

The website address for the Municipal Securities Rulemaking Board is www.msrb.org. The website for the Municipal Securities Rulemaking Board has a link to a brochure that describes (i) the protections that may be provided by the Municipal Securities Rulemaking Board rules and (ii) describes how to file a complaint with an appropriate regulatory authority.

Our Responsibilities

The objective of our engagement is to apply accounting and financial reporting expertise to assist you in the presentation of financial projections without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the projections in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence and due care.

We are not required to and will not verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial projections.

Our engagement cannot be relied upon to identify or disclose any financial reporting misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our compilation procedures regarding any wrongdoing within the entity or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the financial information in accordance with the accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial information.

2. The preparation and fair presentation of financial information in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America, if applicable.
3. To ensure that the organization complies with the laws and regulations applicable to its activities.
4. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
5. To provide us with:
 - a. Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial information, such as records, documentation, and other matters.
 - b. Additional information that we may request from you for the purpose of the compilation engagement.
 - c. Unrestricted access to persons within the organization of whom we determine it necessary to make inquiries.
6. Including our compilation report in any document containing financial information must indicate that we have performed a compilation engagement on such financial information and, prior to the inclusion of the report, ask our permission to do so.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial projections and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. If, for any reason, we are unable to complete the compilation of your financial projections, we will not issue a report on such financial information as a result of this engagement.

Other Relevant Information

Jarrold Hall is the engagement partner and is responsible for supervision of the engagement and signing the report or authorizing another individual to sign it.

We certify that there is no direct or indirect compensation made to any individuals at O.W. Krohn and Associates, LLP as a result of participation in this engagement. Further, we certify that there are no known conflicts of interest with respect to our participation on this engagement. To ensure that O.W. Krohn and Associates' independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any

substantive employment discussions with any of our personnel. And finally, we certify that there has been no termination with respect to our status as Municipal Advisors to the Town of Whitestown. Our invoices for professional services will be based upon hourly time charges and out of pocket expenses. Hourly time charges will fall within a range of \$100 to \$260 per hour, depending upon the level of experience necessary for the various tasks to be performed. Total fees for this engagement are estimated to fall within a range from \$15,000 to \$25,000 for the issuance of a BAN and between \$35,000 to \$45,000 for the issuance of the Bonds.

Krohn & Associates will continue to provide ongoing accounting, financial and consulting services for the Town that are outside of the scope of the BANs and Bonds noted above.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

O. W. Krohn & Associates LLP

By: *Jarrold Hall*

Name: Jarrod Hall

Title: Partner

Acknowledged:
Town of Whitestown

Date