

RESOLUTION 08-50

**A RESOLUTION TO ACCEPT
ENGAGEMENT LETTER
OF STEPHENS, INC.**

WHEREAS, Stephens, Inc. Public Finance has been selected to serve as financial advisory agency for the City of Spring Hill, Tennessee;

WHEREAS, the engagement letter sets out the specific services to be provided as financial advisory agency and outlines the services which are excluded from such service; and

WHEREAS, the fee is to be estimated at \$12,000.00 if the transaction is consummated. If the fee is to exceed such payment this Board must specifically authorize such additional fees to be paid prior to closing.

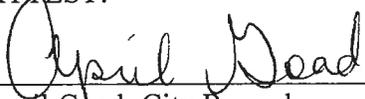
NOW, THEREFORE, BE IT RESOLVED, by the Spring Hill Board of Mayor and Aldermen that the Mayor be granted authority and authorization to execute the attached engagement letter from Stephens, Inc. Public Finance.

Passed and adopted by the Spring Hill Board of Mayor and Aldermen on the 17th day of November, 2008.



Danny M. Leverette, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Timothy P. Underwood, City Attorney

Stephens Inc.

Public Finance

October 17, 2008

Mr. Danny Leverette
Mayor
City of Spring Hill
P. O. Box 789
Spring Hill, TN 37174

Re: \$2,500,000
City of Spring Hill, Tennessee
General Obligation Road Improvement Capital Outlay Notes
Series 2008

Mayor Leverette,

In accordance with our normal procedure, we are confirming our financial advisory engagement in writing. It will be the role of Stephens Inc. to assist the City of Spring Hill (the "City") in the execution of this transaction and help the City to raise the funds needed for paving and improvements to roads within the City. The financing transaction is expected to involve the preparation, negotiated sale, issuance, and documentation of \$2,500,000 City of Spring Hill, Tennessee General Obligation Road Improvement Capital Outlay Notes, Series 2008 (the "Notes"). In compliance with State of Tennessee regulations and Municipal Securities Rulemaking Board rules, we are submitting for your approval and signature this financial advisory agreement.

Scope of Services

As your Financial Advisor and Fiscal Agent, we will work with City officials to coordinate all activities in a good faith effort to successfully complete this financing. Specifically, working with Bass, Berry & Sims PLC ("Bond Counsel") and the rest of our financing team, we will perform or cause to be performed the following services:

1. Attending meetings as necessary and communicating with City officials and with Bond Counsel concerning the planning, structuring, authorization, sale and delivery of the Notes;
2. Review of all resolutions required for the sale and issuance of the Notes in accordance with state and federal law;

Investment Bankers

3. Submitting the resolution to the Director of Local Finance in the Office of the Comptroller of the Treasurer of the State of Tennessee seeking approval for the issuance of the Notes in compliance with applicable State of Tennessee statutes
4. Gathering, duplicating, and distributing information about the City and the Notes to potential investors (financial institutions) that might be interested in submitting a proposal to purchase the Notes;
5. Making contact with potential investors to answer questions and review the proposal procedures;
6. Working with the City's Finance Director to review proposals received and determine the most favorable proposal or proposals to be accepted;
7. Arranging for the preparation of type written note certificates in a form that is in accordance with the terms of the resolution authorizing the Notes;
8. Coordinating the preparation and delivery of all documents required for the closing and delivery of the Notes;
9. Preparation of a debt retirement schedule showing the amount of principal and interest due each fiscal year and the timing of all payments;
10. Preparation of a legal transcript containing a complete record of all necessary documents related to the financing transaction;
11. Assisting with the investment of note proceeds during the construction period, if requested; and
12. Assisting with continuing disclosure, if applicable.

Fees and Expenses

Stephens Inc. agrees to provide all the necessary services as outlined above for a total cost of \$12,000. We expect the breakdown of this total cost to be approximately as follows:

General Financial Advisory fee	\$10,000
Preparation and Distribution of Information for Prospective Investors	1,500
Miscellaneous expenses (travel, closing, etc.)	<u>500</u>
TOTAL	\$12,000

This price quotation is based upon a general obligation capital outlay note issue in the amount of \$2,500,000. We understand that Bass, Berry & Sims PLC will serve as bond counsel on this transaction for a fee of \$6,000. Their fee and details of their engagement will be provided in a separate engagement letter. It is our understanding that the City does not plan to prepare an official statement but will make available to prospective investors information about the City and the Notes. It is our understanding that the City does not plan to apply for a credit rating for the Notes and does not plan to use credit enhancement for the Notes. It is our understanding that the City plans to offer the Notes discussed herein for negotiated sale as permitted by applicable State of Tennessee statutes. We understand that the City will restrict the sale of the Notes to financial institutions only and will require the winning bidder to sign an investment certificate in a form satisfactory to Bond Counsel and Stephens Inc. indicating, among other things, that the purchaser of the notes has the ability to assess and bear the risks involved and is purchasing the notes for their own investment purposes and not for resale.

The City agrees that should the notes described herein not be issued and delivered for any reason, Stephens Inc. will be entitled to just and equitable compensation for any work satisfactorily completed including, but not limited to, reimbursement for all directly related out of pocket expenses.

Mayor Danny Leverette
City of Spring Hill, Tennessee
October 17, 2008
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This agreement will remain in effect until this financing is completed or December 31, 2008, whichever comes first, and is subject to automatic renewals for 90 day periods thereafter unless canceled in writing by either party hereto prior to the beginning of any such extension period. This agreement shall be governed by the laws of the State of Tennessee.

If you have any questions, please contact me at 615.279.4335. If the terms and conditions of this agreement meet with your approval, please indicate your acceptance by signing and returning one original copy to us. We appreciate having this opportunity to serve the City of Spring Hill, and, we look forward to continuing to work with you in the future.

Sincerely,



Lawrence G. Brown
Senior Vice President

AGREED AND ACCEPTED AS OF THE DATE FIRST ABOVE WRITTEN:

City of Spring Hill, Tennessee

By:



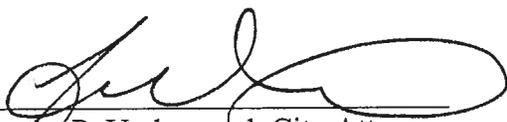
Danny Leverette, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED BY:



Timothy P. Underwood, City Attorney