

**CONTRACT FOR
GUARANTEED INVESTMENT CONTRACT BROKER SERVICES BETWEEN
FLORIDA HOUSING FINANCE CORPORATION
AND
CAINE MITTER & ASSOCIATES INCORPORATED**

This Contract for Guaranteed Investment Contract Broker (GIC) Services, 024-2023 (Contract) is entered into by and between the FLORIDA HOUSING FINANCE CORPORATION (Florida Housing), a public corporation and a public body corporate and politic, with headquarters located at 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301, and CAINE MITTER & ASSOCIATES INCORPORATED (GIC Broker), located at 225 West 35th Street, Suite 900, New York, NY 10001. Upon execution by both parties, this Contract shall become effective as of the date the last party signs (Effective Date).

RECITALS

- A. The GIC Broker represents that it is fully qualified and possesses the requisite skills, knowledge, qualifications and experience to provide GIC Broker Services identified herein and offers to perform those services described in Exhibit A, Request for Qualifications (RFQ) 2023-02 attached hereto and incorporated herein.
- B. Florida Housing has a need for such services and does hereby accept the offer of the GIC Broker upon the terms and conditions outlined in this Contract.
- C. Florida Housing has the authority pursuant to Florida law to direct disbursement of funds for compensation to the GIC Broker under the terms and provisions of this Contract.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

A. ATTACHMENTS

This Contract has the following attachments, which are incorporated herein:

Exhibit A, RFQ 2023-02
Exhibit B, Compensation

B. ENGAGEMENT OF THE GIC BROKER

The GIC Broker agrees to provide brokerage services in accordance with the terms and conditions hereinafter set forth. The GIC Broker agrees to perform the services set forth in Exhibit A, and as otherwise stated in this Contract. The GIC Broker understands and

agrees that all services under this Contract are to be performed solely by the GIC Broker, and may not be subcontracted or assigned without the prior written approval and consent of Florida Housing.

C. INCORPORATION OF LAWS, RULES, AND REGULATIONS

Applicable federal and state laws, rules, and regulations shall govern both the GIC Broker and Florida Housing.

D. TERM OF CONTRACT

The initial term of this Contract shall be for three years from the Effective Date. If the parties mutually agree in writing, the Contract may be renewed up to three times. Each renewal shall be for an additional one-year period. Renewals are at the discretion of Florida Housing, and shall be contingent upon satisfactory performance evaluations by Florida Housing.

E. MODIFICATION OF CONTRACT

Either party may request a modification of the provisions of this Contract. Modifications that are mutually agreed upon shall be valid only when reduced to writing and signed by the parties.

F. INVOICES

The GIC Broker shall submit invoices to the program contact person in Section J, Administration of Contract. Each invoice for fees shall be in a format that is clearly itemized so that the invoice states the specific services performed and when and where the services were performed. Payment of an undisputed invoice shall be made within a reasonable period of time not to exceed 30 days after receipt of the invoice. If the GIC Broker is found to be in non-compliance with Florida laws, federal laws, Florida Housing rules or Florida Housing policies governing its duties hereunder, or fails to perform its duties hereunder, any compensation received in connection with this Contract shall be subject to forfeiture to Florida Housing.

G. COMPENSATION

The GIC Broker shall be compensated as described in Exhibit B attached hereto. The GIC Broker shall provide a certificate of the GIC provider and a certificate of the GIC Broker at closing containing necessary information as required by Florida Housing's bond counsel to render its tax opinion, including a detailed statement as to the fees paid or compensation rendered to the GIC Broker.

H. LIABILITY: INDEPENDENT CONTRACTOR; COMPLIANCE WITH LAWS

1. Florida Housing shall not be deemed to have assumed any liability for the acts, omissions, or negligence of the GIC Broker, its agents, its servants, or employees, and the GIC Broker specifically accepts responsibility for its acts, omissions or negligence and for the acts, omissions or negligence of its agents, servants or employees, and shall defend and hold Florida Housing harmless from and against the claims of any party arising out of or claimed to arise out of any such acts, omissions, or negligence.

2. This Contract is executed on behalf of Florida Housing by the signatory only in his or her designated capacity as representative and on behalf of Florida Housing. Such individual shall neither have nor incur any individual or personal responsibility or liability under this Contract as a result of such execution.

3. Nothing herein shall be construed as a waiver of sovereign immunity by Florida Housing; it being the intent to reserve all such rights and immunities to the fullest extent of the law.

4. The GIC Broker, together with its agents, suppliers, subcontractors, officers, and employees, shall have and always retain under this Contract the legal status of an independent contractor, and in no manner shall they be deemed employees of Florida Housing or deemed to be entitled to any benefits associated with such employment. During the term of this Contract, the GIC Broker shall maintain at its sole expense those benefits to which its employees would otherwise be entitled to by law. The GIC Broker remains responsible for all applicable federal, state, and local taxes, and all FICA and Medicare contributions.

5. The GIC Broker shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state and local agencies having jurisdiction and authority. In addition, and by way of non-exhaustive example, the GIC Broker shall comply with Florida Housing policies while on Florida Housing premises and in the conduct of its business with Florida Housing personnel.

6. The GIC Broker specifically accepts responsibility for payment of all taxes, assessments, or contributions that may be required to be paid to any unit of government as a result of the payments being paid to or by the GIC Broker, if any, in conjunction with the services rendered pursuant to this Contract. At no time shall the GIC Broker make any commitments for or incur any charges or expenses for, or in the name of, Florida Housing.

7. The GIC Broker shall not be relieved of liability to Florida Housing for damages sustained by Florida Housing by virtue of any termination or breach of this Contract by the GIC Broker.

8. For all claims against the Contractor under any contract or purchase order, and regardless of the basis on which the claim is made, the Contractor's liability for direct damages under a contract or purchase order shall be limited to the greater of \$100,000, the dollar amount of the contract or purchase order, or two times the charges rendered by the Contractor under the purchase order. The limitation of liability contemplated herein does not apply to any claim arising under an indemnity section of the agreement or any section of the agreement relating to insurance for the provision of Professional Services defined in section 287.055, Florida Statutes, unless otherwise agreed to by the parties to the contract. Unless otherwise specifically enumerated in the contract or in the purchase order, no party shall be liable to another for special, indirect, punitive, or consequential damages, including lost data or records (unless the contract or purchase order requires the Contractor to back up data or records), even if the party has been advised that such damages are possible. No party shall be liable for lost profits, lost revenue, or lost institutional operating savings. The State and Customer may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due the Contractor as may be necessary to satisfy any claim for damages, penalties, costs, and the like asserted by or against them. The State may set off any liability or other obligation of the Contractor or its affiliates to the State against any payments due the Contractor under any contract with the State.

I. DEFAULT AND REMEDIES

1. If any of the events listed in subparagraph 2. of this section occur, all obligations on the part of Florida Housing to continue doing business with the GIC Broker or assign any future transaction to the GIC Broker shall, if Florida Housing so elects, terminate and Florida Housing may, at its option, exercise any of its remedies set forth herein, or as otherwise provided by law. However, Florida Housing may continue doing business with the GIC Broker as a participant after the happening of any event listed in subparagraph 2. of this section without waiving the right to exercise such remedies, without constituting a course of dealing, and without becoming liable to include the GIC Broker in the transaction or any future transaction.

2. The Events of Default shall include, but not be limited to, the following:

a. If any report, information or representation provided by the GIC Broker in this Contract is inaccurate, false or misleading in any respect;

b. If any warranty or representation made by the GIC Broker in this Contract or any other outstanding agreement with Florida Housing is deemed by Florida Housing to be inaccurate, false or misleading in any respect;

c. If the GIC Broker fails to keep, observe, or perform any of the terms or covenants contained in this Contract, or is unable or unwilling to meet its obligations as defined in this Contract;

d. If, in the sole discretion of Florida Housing, the GIC Broker has failed to perform or complete any of the services identified in the attachments;

e. If the GIC Broker has not complied with all Florida laws, federal laws, Florida Housing rules or Florida Housing policies applicable to the work;

f. If the GIC Broker has discriminated on the grounds of race, color, religion, sex, national origin, or disability in performing any service identified in the attachments;

g. If the GIC Broker does not comply with the terms and conditions set forth in Section 420.512(5), Fla. Stat.;

h. If the GIC Broker commits fraud in the performance of its obligations under this Contract; or

i. If the GIC Broker refuses to permit public access to any document, paper, letter, computer files, or other material subject to disclosure under Florida's Public Records Law.

Upon the occurrence of any Event of Default listed in subparagraph 2. above, Florida Housing will provide written notice of the Default detailing the grounds that constitute the Event of Default (Notice of Default), delivered by courier service or electronic mail to the address set forth in Section J, Administration of Contract, herein.

3. Upon the occurrence of any Event of Default listed in subparagraph 2. above, Florida Housing may provide the GIC Broker a reasonable period of time to cure the Event of Default (Cure Period). If Florida Housing provides a Cure Period, Florida Housing will notify the GIC Broker of the length of the Cure Period in the Notice of Default.

4. If Florida Housing provides a Cure Period and if the GIC Broker is unable or unwilling to cure the Event of Default within the Cure Period, Florida Housing may exercise any remedy permitted by law. The pursuit of any one of the following remedies shall not preclude Florida Housing from pursuing any other remedies contained herein or otherwise provided at law or in equity. The remedies include, but are not limited to the following:

a. Florida Housing may terminate the Contract on the tenth (10th) day after the GIC Broker receives the Notice of Default or upon the conclusion of any applicable Cure Period, whichever is later;

b. Florida Housing may commence an appropriate legal or equitable action to enforce performance of the terms and conditions of this Contract;

c. Florida Housing may exercise any corrective or remedial actions including, but not limited to, requesting additional information from the GIC Broker to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the GIC Broker to suspend, discontinue or refrain from incurring fees or costs for any activities in question or requiring the GIC Broker to reimburse Florida Housing for the amount of costs incurred; or

d. Florida Housing may exercise any other rights or remedies that may be otherwise available under law.

J. TERMINATION

1. Florida Housing may terminate the contract, without cause, at any time upon 10 days written notice delivered by courier service or electronic mail to the GIC Broker at the address set forth in Section J, Administration of Contract, herein.

2. The GIC Broker may terminate this Contract, without cause, at any time upon 90 days written notice delivered by courier service or electronic mail to Florida Housing at the physical or electronic address, as applicable, set forth in Section J, Administration of Contract, herein. The GIC Broker shall be responsible for all costs arising from the resignation of the GIC Broker and the costs associated with the appointment of and transition to a successor GIC Broker.

K. ADMINISTRATION OF CONTRACT

1. Florida Housing's contract administrator for this Contract is:

Contract Administrator
Florida Housing Finance Corporation
227 North Bronough St., Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Contract.Admin@floridahousing.org

2. The Florida Housing program contact for this Contract is:

Melanie Weathers
Finance Director
Florida Housing Finance Corporation
227 North Bronough St., Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Melanie.Weathers@floridahousing.org
or the designated successor.

3. The GIC Broker's contract administrator for this Contract is:

Ansel Caine
Vice President
Caine Mitter & Associates Incorporated
225 West 35th Street, Suite 900
New York, New York 10001
Office: 919.475.4165
E-mail: ACaine@cainemitter.com
or the designated successor.

4. All written approvals referenced in this Contract shall be obtained from the parties' contract administrator or their respective designees.

5. All notices shall be given to the parties' contract administrator.

L. PUBLIC RECORDS; CONFIDENTIALITY; COPYRIGHT, PATENT, TRADEMARK; FILES

1. Public Records

Files Subject to Florida's Public Records Law: Any file, report, record, document, paper, letter, or other material received, generated, maintained or sent by the GIC Broker in connection with this Contract is subject to the provisions of Section 119.01-.15, Fla. Stat., as may be amended from time to time (Florida's Public Records Law). The GIC Broker represents and acknowledges that it has read and understands Florida's Public Records Law and agrees to comply with Florida's Public Records Law.

Pursuant to Section 119.0701(2)(b), Fla. Stat., the GIC Broker will be required to comply with public records laws, specifically to:

a. Keep and maintain public records required by the public agency to perform the service.

b. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.

c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.

d. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor upon termination of the contract or keep and maintain public records required by the public agency to perform the

service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

Notwithstanding anything contained herein to the contrary, the provisions and requirements of this paragraph shall only apply if and when the GIC Broker is acting on behalf of Florida Housing.

If the Contractor has questions regarding the application of Chapter 119, Florida Statutes, to the Contractor's duty to provide public records relating to this contract, contact the Corporation Clerk at:

**Corporation Clerk
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Corporation.Clerk@floridahousing.org**

2. Confidentiality

a. If the GIC Broker asserts that any information or materials intended to be delivered or provided under this Contract constitute a trade secret, or are otherwise confidential or exempt from the public records disclosure requirements of Florida's Public Records Law, such assertion must be made in writing to Florida Housing's Contracts Administrator upon submitting them to Florida Housing.

b. It is the GIC Broker's obligation and responsibility to maintain the secrecy of trade secrets and the confidentiality of other confidential information by adequately marking such materials as confidential or exempt before forwarding such information or materials to Florida Housing.

c. In the case of work product furnished to Florida Housing pursuant to this Contract that is confidential, the GIC Broker will treat such materials as confidential and will not reveal or discuss such materials or any other information learned as a result of this Contract with any other person or entity, except as authorized or directed by Florida Housing.

d. Working papers, copies, internal documents, procedures, methods and related materials considered confidential and/or proprietary shall be treated as confidential and/or proprietary and shall not be revealed or discussed with any other person or entity, except as authorized or directed by Florida Housing. All such records and materials will remain the property of Florida Housing.

e. If the GIC Broker is required to disclose or publish the existence or terms of transactions under this Contract pursuant to Florida's Public Records Law, then the GIC Broker shall notify Florida Housing in writing of such disclosure within two (2) days after receipt of the Public Records request.

3. Copyright, Patent and Trademark

a. If the GIC Broker brings to the performance of this Contract a pre-existing copyright, patent or trademark, the GIC Broker shall retain all rights and entitlements to that pre-existing copyright, patent or trademark unless the Contract provides otherwise.

b. If any discovery or invention arises or is developed in the course of or as a direct result of work or services performed under this Contract, the GIC Broker shall refer the discovery or invention to Florida Housing for a determination whether patent protection will be sought in the name of Florida Housing. Any and all patent rights accruing under or in connection with the performance of this Contract are hereby reserved to Florida Housing. In the event that any books, manuals, films, or other copyrightable material are produced, the GIC Broker shall notify Florida Housing in writing. Any and all copyrights or trademarks created by or in direct connection with the performance under this Contract are hereby reserved to Florida Housing.

c. All subcontracts or other arrangements entered into, by the GIC Broker, with prior written approval and consent of Florida Housing, for the purpose of developing or procuring copyrightable materials (e.g. audiovisuals, computer programs, software, publications, curricula, research materials or training materials, etc.) shall specifically reference and reserve Florida Housing's exclusive rights to use and exploit copyrights and licenses to the extent permitted by copyright law and Florida Statutes.

4. Files

a. Contents of the Files: The GIC Broker shall maintain files containing documentation to verify all compensation to the GIC Broker in connection with this Contract, as well as reports, records, documents, papers, letters, computer files, or other material received, generated, maintained or filed by the GIC Broker in connection with this Contract. The GIC Broker shall also keep files, records, computer files, and reports that reflect any compensation it receives or will receive in connection with this Contract.

b. Retaining the Files: The GIC Broker shall maintain these files for five years after the fiscal year in which the files become inactive, except that, if any litigation, claim or audit is commenced with respect to the transactions documented by such files before the end of the aforementioned five-year period and extends beyond the expiration of the five-year period, these files will be retained until all litigation, claims, or audit findings involving the files have been resolved.

c. Access to the Files: Upon reasonable notice, the GIC Broker and its employees shall allow Florida Housing or its agent(s) access to its files during normal business hours, 9:00 a.m. to 5:00 p.m., Monday through Friday, provided such day is not a holiday.

d. Return of the Files: In the event this Contract is terminated, all finished or unfinished documents, data, studies, computer files, correspondence, and other products prepared by or for the GIC Broker under this Contract shall be submitted to Florida Housing within 15 days of such termination at the expense of the GIC Broker.

M. PERSONALLY IDENTIFIABLE INFORMATION (PII); SECURITY

1. If the GIC Broker or any of its subcontractors may or will create, receive, store or transmit PII under the terms of this Contract, the GIC Broker shall provide for the security of such PII, in a form acceptable to Florida Housing, without limitation, non-disclosure, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections and audits. The GIC Broker shall take full responsibility for the security of all data in its possession or in the possession of its subcontractors, and shall hold Florida Housing harmless for any damages or liabilities resulting from the unauthorized disclosure of loss thereof.

2. If the GIC Broker or any of its subcontractors may or will create, receive, store or transmit PII under the terms of this Contract, the GIC Broker shall provide Florida Housing with insurance information for stand-alone cyber liability coverage, including the limits available and retention levels. If the GIC Broker does not carry stand-alone cyber liability coverage, the GIC Broker agrees to indemnify costs related to notification, legal fees, judgments, settlements, forensic experts, public relations efforts, and loss of any business income related to this Contract.

3. The GIC Broker agrees to maintain written policies and procedures for PII and/or data classification. This plan must include disciplinary processes for employees that violate these guidelines.

4. The GIC Broker agrees to maintain reasonable network security at all times that, at a minimum, includes a network firewall.

5. The GIC Broker agrees to protect and maintain the security of data with protection security measures that include maintaining secure environments that are patched and up-to-date with all appropriate security updates as designated by a relevant authority (e.g. Microsoft notifications, Common Vulnerabilities and Exposures (CVE) database, etc.) The GIC Broker agrees that PII shall be appropriately destroyed based on the format stored upon the expiration of any applicable retention schedules.

6. The GIC Broker agrees that any and all transmission or exchange of system application data with Florida Housing and/or any other parties shall take place via secure Advanced Encryption Standards (AES), e.g. HTTPS, FTPS, SFTP or equivalent means. All data stored as a part of backup and recovery processes shall be encrypted, using AES.

7. If the GIC Broker reasonably suspects that a cybersecurity event or breach of security has occurred, they must notify Florida Housing's Contract Administrator within 48 hours.

8. In the event of a breach of PII or other sensitive data, the GIC Broker must abide by provisions set forth in section 501.171, Fla. Stat. Additionally, the GIC Broker must immediately notify Florida Housing in writing of the breach and any actions taken in response to such a breach. As the information becomes available the statement must include, at a minimum, the date(s) and number of records affected by unauthorized access, distribution, use, modification or disclosure of PII; the GIC Broker's corrective action plan; and the timelines associated with the corrective action plan.

N. OTHER PROVISIONS

1. This Contract shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Contract shall lie in Leon County.

2. No waiver by Florida Housing of any right or remedy granted hereunder or failure to insist on strict performance by the GIC Broker shall affect or extend or act as a waiver of any other right or remedy of Florida Housing hereunder, or affect the subsequent exercise of the same right or remedy by Florida Housing for any further or subsequent default by the GIC Broker. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing.

3. Any power of approval or disapproval granted to Florida Housing under the terms of this Contract shall survive the terms and life of this Contract as a whole.

4. The Contract may be executed in any number of counterparts, any one of which may be taken as an original.

5. The GIC Broker understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), Fla. Stat.

6. The GIC Broker understands and agrees to comply with the provisions of Section 448.095, Fla. Stat.

7. The Contractor attests, under penalty of perjury, that it does not meet any of the criteria in Section 287.138(2)(a) – (c), Fla. Stat. (2023).

O. LOBBYING PROHIBITION

No funds compensation or other resources received in connection with this Contract may be used directly or indirectly to influence legislation or any other official action by the Florida or Federal Legislature or any state or Federal agency. The GIC Broker further acknowledges that it has not retained the services of any lobbyist or consultant to assist in the procurement and negotiation of this Contract.

P. LEGAL AUTHORIZATION

The GIC Broker certifies with respect to this Contract that it possesses the legal authority to enter into this Contract and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Contract with all covenants and assurances contained herein. The GIC Broker also certifies that the undersigned possesses the authority to legally execute and bind the GIC Broker to the terms of this Contract.

Q. PUBLIC ENTITY CRIME

Pursuant to Section 287.133(2)(a), Fla. Stat.: “A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.”

Any contract in violation of this provision shall be null and void.

R. CONFLICTS OF INTEREST

1. Pursuant to Section 420.512(5), Fla. Stat.:

Service providers shall comply with the following standards of conduct as a condition of eligibility to be considered or retained to provide services. For purposes of paragraphs (a), (b), and (c) only, the term ‘service provider’ means and is limited to

a law firm, an investment bank, or a credit underwriter, and the agents, officers, principals, and professional employees of the service provider.

- (a) A service provider may not make contributions in any amounts, directly or indirectly, for or on behalf of candidates for Governor, nor shall any service provider make a contribution in excess of \$100 to any candidate for a member of the State Board of Administration other than the Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of 2 years thereafter or for a period through the next general election for Governor.
- (b) The service provider shall not participate in fundraising activities for or on behalf of candidates for Governor in Florida while the service provider is included in an applicant pool from which service providers are selected to provide services to the corporation, while the service provider provides services to the corporation, and for the longer of a period of 2 years thereafter or for a period through the next general election for Governor.
- (c) Service providers shall provide to the corporation a statement that the service provider has not contributed to candidates for Governor or contributed in excess of the amounts allowed by this section for a member of the State Board of Administration or engaged in fundraising activities for or on behalf of candidates for Governor in Florida since the effective date of this section or during the 24 months preceding the service provider's application to provide services to the corporation, whichever period is shorter.
- (d) The service provider may not engage in prohibited business solicitation communications with officers, members, or covered employees of the corporation.
- (e) If a service provider is in doubt as to whether its activities, or the activities of its principals, agents, or employees, violate the provisions of this section, it may request a declaratory statement in accordance with the applicable rule and s. 120.565, Fla. Stat.
- (f) If the corporation determines that a service provider has failed to meet the provisions of this section, it shall consider the magnitude of the violation and whether there has been a pattern of violations in determining whether to terminate or decline to enter into contracts with the service provider.

2. Section 420.503(34), Fla. Stat., states:

“Prohibited business solicitation communication” means a private written or verbal communication between a member, officer, or covered employee of the corporation and a service provider regarding the merits of the service provider

and whether the corporation should retain the services of the service provider. The term does not include:

- (a) A verbal communication made on the record during a public meeting;
- (b) A written communication provided to each member and officer of the corporation and made part of the record at a public meeting;
- (c) A written proposal or statement of qualifications submitted to the corporation in response to a corporation advertisement seeking proposals or statements of qualifications as part of a competitive selection process.
- (d) A verbal or written communication related to the contractual responsibilities of a service provider who was selected to provide services or who was included in a pool of service providers eligible to provide services as a result of a competitive selection process, so long as the communication does not relate to solicitation of business.
- (e) A verbal or written communication related to a proposed method of financing or proposed projects, so long as the communication does not relate to solicitation of business.

3. By executing this contract, the GIC Broker certifies that it shall comply with, and is currently in compliance with, Section 420.512(5), Fla. Stat., as amended.

4. In addition to the conflict of interest rules imposed by the Florida Statutes, should the GIC Broker become aware of any actual, apparent, or potential conflict of interest or should any such actual, apparent, or potential conflict of interest come into being subsequent to the effective date of this Contract and prior to the conclusion of the Contract, the GIC Broker will provide an e-mail notification to Florida Housing's Contract Administrator within 10 working days. If Florida Housing, in its sole discretion, finds the GIC Broker to be in non-compliance with this provision, without prior written consent from Florida Housing's Executive Director, any compensation received in connection with this Contract shall be subject to forfeiture to Florida Housing and all obligations on the part of Florida Housing to continue doing business with the GIC Broker or assign any future transaction to the GIC Broker shall, if Florida Housing so elects, terminate.

S. ENTIRE AGREEMENT

This Contract, including any and all attachments, embodies the entire agreement of the parties. There are no other provisions, terms, conditions or obligations between the parties. This Contract supersedes all previous oral or written communications, representations or agreements on this subject.

T. SEVERABILITY

If any provision of this Contract is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict or unenforceability, and shall be deemed severable, but shall not invalidate any other provision of this Contract.

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IN WITNESS WHEREOF, the parties have executed this Contract Number 024-2023, each through a duly authorized representative, effective on the Effective Date.

CAINE MITTER & ASSOCIATES INCORPORATED


By: 

Name/Title: ANSEL CAINE

Date: 6/5/2023

FEIN: 04-3440964

FLORIDA HOUSING FINANCE CORPORATION

By: 

Name/Title: Executive Director

Date: 6/23/23

Approved as to form and legal sufficiency, subject only to the full and proper execution by the Parties

OFFICE OF THE GENERAL COUNSEL
FLORIDA HOUSING FINANCE CORPORATION

By: 

Name: Betty Zachen

Date: 6/19/2023

EXHIBIT A

REQUEST FOR QUALIFICATIONS (RFQ) 2023-02

**GUARANTEED INVESTMENT CONTRACT BROKER SERVICES
FOR THE SINGLE FAMILY BOND PROGRAM**

for

FLORIDA HOUSING FINANCE CORPORATION

February 13, 2023

**SECTION ONE
INTRODUCTION**

Florida Housing Finance Corporation (“Florida Housing”) is soliciting competitive, sealed responses from qualified firms to provide Guaranteed Investment Contract (GIC) Broker services for its single-family bond program in accordance with the terms and conditions set forth in this Request for Qualifications (RFQ), and any other term and condition in any contract subsequently awarded. Respondents will be selected and determined through Florida Housing’s review of each response, considering the factors identified in this RFQ. Florida Housing expects to select one or more Respondents that propose to provide all of the services specified in this RFQ.

**SECTION TWO
DEFINITIONS**

For purposes of this document, the following terms will be defined as follows:

“Board”	The Board of Directors of Florida Housing Finance Corporation.
“Committee”	The review committee composed only of employees of Florida Housing that is established pursuant to Rule 67-49.007, Fla. Admin. Code.
“Contractor”	A person or entity providing the professional services described in Section Four of this RFQ.
“Days”	Calendar days, unless otherwise specified.
“Effective Date”	The date the last party signs the contract that is awarded as a result of this RFQ.
“Financing Team”	The team of professionals associated with a bond issue by Florida Housing Finance Corporation. This team may include, but is not limited to: bond counsel, co-bond counsel, special counsel, disclosure counsel, bond underwriter, financial advisor, and cash flow manager.
“Florida Housing”	Florida Housing Finance Corporation, a public corporation and public body corporate and politic created by Section 420.504, Fla. Stat.
“GIC Broker”	A person or entity providing the Guaranteed Investment Contract Broker services described in Section Four of this RFQ.

“Respondent”	Any person or entity who has the capability in all respects to perform fully the requirements contained in this RFQ, and submits a response to this RFQ.
“Response”	The written submission by an Respondent to this RFQ.
“RFQ”	This RFQ, including all exhibits referenced in this document and all other documents incorporated by reference.
“Single Family Program”	The Single Family Mortgage Revenue Bond program that Florida Housing administers pursuant to Sections 420.507 and 420.509, Fla. Stat., and Fla. Admin. Code Chapter 67-25.
“Website”	The Florida Housing Finance Corporation website, the URL of which is www.floridahousing.org .

**SECTION THREE
PROCEDURES AND PROVISIONS**

A. Respondents will submit their Response to:

<https://www.floridahousing.org/legal/procurements/RFQ-2023-02-Document-Upload>

Florida Housing must receive the entire Response on or before 2:00 p.m., Eastern Time, on March 22, 2023, as Responses will be opened at that time. Any Responses received after the deadline will be considered non-responsive. One complete copy of the response in PDF format is preferred, unless specified otherwise in Section Six below, and the file name ought to contain a reference to both the solicitation number (RFQ 2023-02) and the name of the Respondent. Please note that the site will ask for the Respondent's contact information and the solicitation number prior to being able to upload the Response. Florida Housing will not accept a mailed or faxed Response.

B. This RFQ does not commit Florida Housing to award a contract to any Respondent or to pay any costs incurred in the preparation or mailing of a Response.

C. All services under the contract awarded are to be performed solely by the Contractor, unless subcontracted or assigned with the prior written approval and consent of Florida Housing.

D. Florida Housing reserves the right to:

1. Waive minor deficiencies and informalities;
2. Accept or reject any or all Responses received as a result of this RFQ;
3. Obtain information concerning any or all Respondents from any source;

4. Request an oral interview before the Board from any or all Respondents;
5. Select for contract negotiation or for award a Response other than (or in addition to) that with the highest score in order to serve the best interests of Florida Housing and the public; and
6. Negotiate with the successful Respondent with respect to any additional terms or conditions of the contract.

E. Any interested party may submit any question regarding this RFQ in writing via e-mail to the Contract Administrator at Contract.Admin@floridahousing.org. All questions must be submitted no later than 2:00 p.m., Eastern Time, on March 1, 2023. Phone calls will not be accepted. Florida Housing expects to respond to all questions in writing by 5:00 p.m., Eastern Time, on March 8, 2023. Florida Housing will post a copy of all questions received and the corresponding answers on Florida Housing's website at:

<http://www.floridahousing.org/legal/procurements/request-for-qualifications>

Only written responses or statements from the Contract Administrator that are posted on our website will bind Florida Housing. No other means of communication, whether oral or written, may be construed as an official response or statement from Florida Housing.

e. Between the release of the solicitation and the end of the 72-hour period following the posting of the notice of intended award, respondents to this solicitation or persons acting on their behalf may not contact any member of Florida Housing's Board of Directors or any Florida Housing employee concerning any aspect of this solicitation, except in writing to the Contract Administrator. Violation of this provision may be grounds for rejecting a response.

G. Any person who wishes to protest the specifications of this RFQ must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, Fla. Admin. Code. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., will constitute a waiver of proceedings under Chapter 120, Fla. Stat.

H. The term of the contract will be for three years, subject to satisfactory performance at the sole discretion of Florida Housing. If the parties mutually agree in writing, the contract may be renewed once for an additional three years.

I. Florida Housing is not required to use the services of any selected Contractor or to assign any work to such provider, and may terminate the contract with any selected Contractor without cause and without penalty.

J. Pursuant to Rule 67-49.004, Fla. Admin. Code, Florida Housing may modify the terms of the RFQ at any point prior to the due date for Responses. A notice of such modification will be posted on Florida Housing's Website. Any Respondent will have at least seven days from the date of the posting of the notice of the modification to submit or modify its Response.

K. The terms of this RFQ, and any modifications thereto, will be incorporated into any contract offered as a result of this RFQ. Failure of a successful Respondent to accept these obligations in the final contract may result in cancellation of the award.

SECTION FOUR SCOPE OF SERVICES

Pursuant to Part V, Chapter 420, Florida Statutes, Florida Housing issues revenue bonds, to make funds available to people in Florida to help them buy a home, to refinance prior bond issues of Florida Housing, and for such other purposes as may be permitted by law. Florida Housing issues bonds that are exempt from federal income tax and bonds that are not exempt from federal income tax. Florida Housing typically issues Single Family bonds through negotiated sales.

Depending on market conditions, Florida Housing has a need to utilize the services of GIC brokers from time to time in connection with the management of its single family bond program. On average, Florida Housing transacts approximately two or three bond deals annually covering Single Family issues, and anywhere from none to all of these deals may use the services of a GIC Broker. In all cases, the Financing Team will determine the required specifications for the guaranteed investment contract bids, and Florida Housing will be the primary contact for all bond issues utilizing the services of the GIC Broker(s).

When needed, the GIC Broker shall perform and render the services reflected below as an independent contractor and not as an agent, representative, or employee of Florida Housing. The services and requirements shall include, but are not limited to, the following:

A. Perform an analysis of the bond issue's financial structure and the language in the financing and bond documents stipulating the permitted investments. This analysis will include a review of all funds that will be subject to bid, including, but not limited to: the program account, debt service reserve fund, float fund, capitalized interest account and derivative product funds, if used. Currently, Florida Housing issues fixed rate Single Family bonds. Should Florida Housing opt to sell variable rate bonds, the GIC Broker is expected to request bids for all the necessary funds.

1. After analysis of the financing structure, the GIC Broker and the Financing Team will jointly determine the strategy to obtain the optimal investment product. Based on this strategy, the GIC Broker must prepare a request for bids that describes the parameters for investment. The GIC Broker must then distribute the request for bids to the Financing Team for that issue for their review and comments.

C. The GIC Broker must prepare a preliminary bid list of potential investment contract providers for approval from the Financing Team. The GIC Broker will ensure that the potential providers meet the credit criteria of Florida Statutes and the rating agencies.

D. The GIC Broker must distribute the approved request for bids with any other requested information to potential bidders. The GIC Broker will coordinate questions and answers between bidders and the Financing Team.

E. The GIC Broker must receive bids on behalf of Florida Housing from all bidders, evaluate any conditions to the bids and ensure all bids conform to the bid specifications. The GIC Broker must then prepare a summary of the bids and present to the Financing Team. The GIC Broker must coordinate the awarding of each bid with the Financing Team.

F. The GIC Broker must receive and review the investment contract and work with the winning bidder's attorney and the Financing Team to ensure the investment contract conforms to the specifications of the requested financing structure.

SECTION FIVE CERTIFICATION

Do not reproduce the language of Section Five in the Response. By inclusion and execution of the statement provided in Section Six, subsection I, of this RFQ, each Respondent certifies that:

1 The Respondent submits this Response without prior understanding, agreement, or connection with any person or entity submitting a separate Response for the same services. However, any agreement with a person or entity with whom the Response is jointly filed and such joint filing is made clear on the face of the Response will be an exception so long as the Response is in all respects fair and without collusion or fraud.

B. Any material submitted in response to this RFQ is a public record pursuant to Chapter 119, Fla. Stat., and subject to examination upon request, but only after Florida Housing provides a notice of decision pursuant to Section 120.57(3), Fla. Stat., or within 30 days after the Response is opened, whichever is earlier.

C. The Respondent, if awarded a contract under this RFQ, will comply with Section 420.512(5), Fla. Stat. For the purpose of Section 420.512(5), Fla. Stat., "Prohibited Business Solicitation Communications" is defined by Section 420.503(34), Fla. Stat.

D. The Respondent further affirms it is in compliance with Section 420.512(5)(c), Fla. Stat.

E. The Respondent is in compliance with Section 287.133(2)(a), Fla. Stat.

F. The Respondent is in compliance with Section 448.095, Fla. Stat.

G. The Respondent understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), Fla. Stat.

H. Pursuant to Section 119.0701(2)(b), Fla. Stat., the Respondent, if awarded a contract under this RFQ, will be required to comply with public records laws, specifically to:

A. Keep and maintain public records required by Florida Housing to perform the service.

2. Upon request from Florida Housing's custodian of public records, provide Florida Housing with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.

3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to Florida Housing.

4. Upon completion of the contract, transfer, at no cost, to Florida Housing all public records in possession of the contractor or keep and maintain public records required by Florida Housing to perform the service. If the contractor transfers all public records to Florida Housing upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Florida Housing, upon request from Florida Housing's custodian of public records, in a format that is compatible with Florida Housing's information technology systems.

If the Contractor has questions regarding the application of Chapter 119, Florida Statutes, to the Contractor's duty to provide public records relating to this contract, contact the Corporation Clerk at:

**Corporation Clerk
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Corporation.Clerk@floridahousing.org**

Notwithstanding anything contained herein to the contrary, the provisions and requirements of this paragraph will only apply if and when the Contractor is acting on behalf of Florida Housing.

I. The Respondent acknowledges that if awarded a contract it will be prohibited from engaging in activities in connection with services related to Florida Housing transactions that produce direct or indirect financial gain for the Respondent other than for the compensation agreed upon in the contract that results from this RFQ, unless that Respondent has Florida Housing's written consent after Florida Housing has been fully informed of such activities in writing.

J. The Respondent acknowledges that if awarded a contract it will be prohibited from engaging in any actual, apparent, or potential conflict of interest. Should any such actual, apparent,

or potential conflict of interest come into being subsequent to the effective date of the contract and prior to the conclusion of the contract, the Respondent will provide written notification (Notice of Conflict of Interest) to Florida Housing's Contract Administrator within 10 working days for review by Florida Housing's Executive Director in consultation with the Ethics Officer. If the Respondent is found to be in non-compliance with this provision, any compensation received in connection with this contract will be subject to forfeiture to Florida Housing.

K. By submitting a Response, the Respondent affirms that they are in compliance with all current regulatory requirements and must maintain compliance with all regulatory requirements as they are implemented or amended. Awarded Contractors must provide an annual certification to this effect covering the calendar year through December 31st and must be remitted to Florida Housing by January 15th. The first certification will be due upon contract execution.

L. The Respondent, in submitting this Response, acknowledges and agrees that the terms and conditions of this RFQ, as well as any modifications thereto, will be incorporated into any contract offered as a result of this RFQ.

L. CERTIFICATION STATEMENT:

THE FOLLOWING WILL BE REPEATED IN THE RESPONDENT'S RESPONSE AND SIGNED BY AN INDIVIDUAL AUTHORIZED TO BIND THE RESPONDENT. THIS IS A MANDATORY ITEM. FAILURE TO INCLUDE THE CERTIFICATION STATEMENT BEARING AN ORIGINAL SIGNATURE, EXACTLY AS STATED AND WITHOUT ANY ADDITIONS, DELETIONS OR CAVEAT LANGUAGE, WILL RESULT IN REJECTION OF THE RESPONSE.

"I agree to abide by all conditions of RFQ 2023-02 and certify that all information provided in this Response is true and correct, that I am authorized to sign this Response as the Respondent and that I am in compliance with all requirements of the RFQ, including but not limited to, the certification requirements stated in Section Five of this RFQ."

Authorized Signature (Original)

Print Name and Title

SECTION SIX INFORMATION TO BE PROVIDED IN RESPONSE

In providing the following information, restate each item and sub-item (with its letter and number), limit your Response to one attachment. Responses to the items must be included immediately after the restated items without any reference to any appendix.

A. COVER LETTER

Each proposal must be accompanied by a cover letter that contains a general statement of the purpose of submission and includes the following information.

1. The name, job title, address, office and cellular telephone numbers, and e-mail address of a primary contact person, who will be responsible for day-to-day contact with Florida Housing, and any backup personnel who would be accessible if the primary contact cannot be reached.

2. Legal business status (individual, partnership, corporation, etc.) and address and telephone number of the Respondent.

B. GENERAL INFORMATION

1. Provide an overall description of the services provided by the Respondent. Include any and all types of services provided by the Respondent, not just Guaranteed Investment Contract Brokering, and what percentage of the Respondent's overall business each of those services composes. Include the length of time the Respondent has been in business and the length of time each of the services has been provided by the Respondent.

2. Describe the Respondent's ability to provide the services requested in Section Four of this RFQ immediately upon award of the Contract.

3. Submit evidence of the Respondent's business qualifications and experience in acting as a GIC Broker. Include licensing information from the National Association of Securities Dealers or the Financial Industry Regulatory Authority "FINRA" or explain if there is no licensing. Provide detail for all licenses held by the Respondent. If no licenses are held, provide an explanation.

4. Provide evidence that the Respondent is qualified to do business in the State of Florida.

5. Provide proof of current professional liability errors and omissions insurance to include the following:

- Name of carrier and policy number;
- Effective date and termination date of insurance;
- Policy exclusions, if any;

- Current coverage amounts;
- Staff covered; and
- Type of coverage.

C. EXPERIENCE/QUALIFICATIONS OF PERSONNEL

1. Provide a list of transactions for which the Respondent has acted as GIC Broker in the past four years. Include date, issuer, bond size, winning investment provider and types of funds. List the transactions in chronological order starting with the most recent transaction. Clearly indicate if any of the transactions have been done on behalf of state or local housing agencies.

2. Provide details on the Respondent's three most recent single family transactions. Include the names of providers contacted and the details on the resulting bids and awards (including the number of bids received, names of providers and their bids). Include the name of the issuers, the type of agreement structures, the transaction dates, dollar amounts, maturities, anticipated average life and the name of the Respondent's staff member that was involved.

3. Provide the names and brief resumes of all personnel who will be assigned to Florida Housing's account and describe their responsibility in the transaction. Indicate the individual who will be designated as the primary person responsible for Florida Housing's account and detail the experience and licensing that each individual has regarding the investment market.

4. Describe the steps the Respondent would go through in procuring Guaranteed Investment Contracts for Florida Housing's Single Family bond issues.

5. Provide information on any contract in the last five years entered into by the Respondent to provide services similar to those described in Section Four of this RFQ that was terminated prior to completion. Provide details of such circumstances.

D. FEES

Indicate all fees to be charged to the transaction according to the following bases, as applicable:

1. Provide a GIC Broker fee to bid an all or nothing full flex bid for Single Family bonds or notes issued with the following issue size:

- a. Up to \$10,000,000
- b. \$10,000,001 up to \$50,000,000
- c. \$50,000,001 up to \$100,000,000

2. Provide a GIC Broker fee for a full flex separate bid for a Single Family program fund with an initial deposit of \$100,000,000 and a float fund assuming the following draw schedule from the program fund:

Activity Dates	Running Balance	Anticipated Draws
3/1/2023	\$100,000,000	\$0
4/1/2023	\$80,000,000	\$20,000,000
5/1/2023	\$60,000,000	\$20,000,000
6/1/2023	\$50,000,000	\$10,000,000
7/1/2023	\$40,000,000	\$10,000,000
8/1/2023	\$30,000,000	\$10,000,000
9/1/2023	\$20,000,000	\$10,000,000
10/1/2023	\$10,000,000	\$10,000,000
11/1/2023	\$0	\$10,000,000

3. State if a minimum fee per transaction will be charged.

NOTE: In no case will any fee be accepted that exceeds the safe harbor limitations.

FINAL FEE SCHEDULE FOR EACH TRANSACTION SHALL BE SUBJECT TO NEGOTIATION WITHIN THE MINIMUM AND MAXIMUM RANGE.

E. LEGAL PROCEEDINGS

1. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) are now, or within the last 10 years, has been a party to or the subject of any litigation, arbitration, disciplinary, censure or other action or proceeding arising from or related to the firm’s municipal finance-related or investment contract activities.

2. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) are now, or have been within the last 10 years, the subject of an investigation by the Securities and Exchange Commission, the National Association of Securities Dealers, Municipal Securities Rulemaking Board, U.S. Department of the Treasury, Internal Revenue Service or any other governmental or securities based regulatory agencies.

3. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) has been interviewed by the Federal Bureau of Investigation, testified before a grand jury, or been interviewed by any state or federal securities enforcement entity with regard to the Respondent’s municipal finance or investment contract brokering practice.

F. DRUG-FREE WORKPLACE

If the Respondent has implemented a drug-free workplace program, the Respondent must submit the following certification indicating that it meets all of the requirements of Section 287.087, Fla. Stat.:

I hereby certify on behalf of the Respondent, under the terms of RFQ 2023-02, that the Respondent has implemented a drug-free workplace program pursuant to Section 287.087, Fla. Stat.

Authorized Signature: _____
Print Name: _____
Print Title: _____

G. MINORITY BUSINESS ENTERPRISE

If the Respondent is a minority business enterprise as defined in Section 288.703, Fla. Stat., the Respondent must submit the following certification:

I hereby certify on behalf of the Respondent, under the terms of RFQ 2023-02 that the Respondent is a "minority business enterprise" as defined in Section 288.703(3), Fla. Stat.

Authorized Signature: _____
Print Name: _____
Print Title: _____

H. CERTIFICATION (Mandatory Item)

FAILURE TO INCLUDE THE CERTIFICATION STATEMENT LOCATED IN SECTION FIVE OF THIS RFQ BEARING AN ORIGINAL SIGNATURE WILL RESULT IN REJECTION OF THE RESPONSE.

**SECTION SEVEN
EVALUATION PROCESS**

The individual Committee members will independently evaluate the Responses by reviewing the answers to each of the items identified in Section Six of this RFQ and assigning points up to the maximum points allowed for each item. The points available for items in Section Six are to be evaluated are as follows:

<u>Item Reference</u>	<u>Maximum Points</u>
B.1. – B.3. General Information	50
C. Experience/Qualification of Personnel	60
D. Fees	50
 Total Points Available.....	 160

In the event of a tie, Florida Housing will give preference in the award process to the Response certifying a drug-free workplace has been implemented in accordance with Section 287.087, Fla. Stat. If a tie continues to exist, Florida Housing will give preference to minority business enterprises as defined in Section 288.703, Fla. Stat.

The Committee will conduct one or more public meetings during which members will discuss their evaluations and develop a recommendation or series of recommendations to the Board. The Committee’s recommendation will be based on the cumulative scoring and information gathered from the non-scored items. The Board may use the Responses, the Committee’s scoring, the non-scored items in the Responses, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Respondents to whom to award a contract.

**SECTION EIGHT
AWARD PROCESS**

Florida Housing will provide notice of its decision, or intended decision, for this RFQ on Florida Housing’s Website the next business day after the applicable Board vote. After posting, an unsuccessful applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat. or failure to post the bond or other security required by law within the time allowed for filing a bond will constitute a waiver of proceedings under Chapter 120, Fla. Stat.

EXHIBIT B COMPENSATION

The GIC Broker shall be compensated by the GIC provider for the services rendered by the GIC Broker in accordance with the following provisions:

1. IRS Regulations have established a safe harbor for determining that brokerage fees may be considered as “qualified administrative costs”, and as such can be excluded from yield on the investment for arbitrage rebate purposes. That safe harbor is the lesser of (a) \$46,000 and (b) 0.2% of the computational base of each investment (or \$5,000 if that is higher than such amount), per fund.

2. For a given bond transaction, the “qualified administrative costs” described above are subject to a maximum of \$130,000 per bond issuance.