

August 27, 2025

Mr. Jay Ravins
The City of Clearwater
Finance Director
100 S. Myrtle Avenue
Clearwater, FL 33756

RE: Financial Planning and Analysis

Dear Mr. Ravins:

The purpose of this letter is to document the task order between Public Resources Advisory Group, Inc. ("PRAG") and the City of Clearwater (the "City") to provide financial planning and analysis services related to the establishment of a municipal electric utility (the "Project"). PRAG serves as the City's independent registered municipal advisor pursuant to the "Agreement for Financial Advisor Services" dated March 7, 2024 between PRAG and the City (the "Agreement").

Pursuant to the Agreement, financial advisory or consulting services beyond debt issuance can be performed by PRAG but must be mutually agreed upon in writing prior to commencement of such services. The City desires to utilize the services of PRAG on the Project. PRAG is a registered municipal advisor with the Municipal Securities Rulemaking Board (MSRB) and the SEC.

Scope of Services: The scope of services for this task order will include:

1. Develop preliminary financing scenarios and debt schedules for the Project;
2. Identify key assumptions and sensitivities that may impact financing costs;
3. Identify and review credit ratings of comparable entities and relevant peer benchmarks;
4. Research the impact of legal and governance structure on credit ratings or financing cost;
5. Work with the City's staff and external consultants and legal counsels to gather necessary data and information to support our analyses;
6. Participate in conference calls and attend meetings, as requested.

Term and Fees: The City requests that work begin on the scope of services identified above begin immediately. The term to provide the scope of services described herein will expire on December 31, 2025, unless earlier terminated by either party.

Per the Agreement, PRAG shall be compensated for work for the City not directly related to bond issues on an hourly basis as follows:



| Title | Hourly Rate |
|--|-------------|
| Senior Managing Director | \$300 |
| Managing Director | \$250 |
| Vice President/ Assistant Vice President | \$190 |
| Analyst/Associate | \$170 |

PRAG agrees that the fees for the scope of services under this task order may be credited against the per bond transaction fee for a future debt issuance related to the Project. PRAG will invoice monthly for actual work performed and will include a description of tasks and associated time. PRAG bills in quarter hour increments. Out-of-pocket expenses under this authorization will be reimbursed at cost. Any additional services and fees will require written direction from the City.

Contacts: The PRAG contacts that will work with the City on this task order include:

Natalie Sidor, Senior Managing Director, 813-898-4151, nsidor@pragadvisors.com

Matthew Sansbury, Managing Director, 813-970-2853, msansbury@pragadvisors.com

Wendell Gaertner, Senior Managing Director, 813-898-4183, wgaertner@pragadvisors.com

Other Matters: PRAG is not providing any legal advice or counsel under this task order. Without limiting the foregoing, PRAG is not providing any interpretation of any laws or regulations that may be applicable to the City or the Project or that are otherwise related to the work hereunder.

Disclosures: Please see PRAG's Disclosure Statement as shown in Exhibit A for important disclosures, as required by MSRB Rules G-42 and G-10 regarding PRAG's Municipal Advisory Services – advisory services related to the issuance of municipal securities and municipal financial products.

Please acknowledge receipt and agreement with this task order by signing and returning to the PRAG contacts identified herein.

Sincerely,

Public Resources Advisory Group, Inc.

A handwritten signature in blue ink that reads "Wendell G. Gaertner". The signature is written in a cursive style with a horizontal line underneath it.

By: Wendell Gaertner

Title: Senior Managing Director



ACCEPTED AND AGREED:

CITY OF CLEARWATER, FLORIDA

By: _____

Title: _____

Date: _____

Enclosures:

Exhibit A; Required Disclosure Pursuant to MSRB Rule G-42

Exhibit A-1: Required Disclosure Pursuant to MSRB Rule G-10



Exhibit A
Required Disclosure Pursuant to MSRB Rule G-42

1. Scope of Services

(a) Services to be provided: The scope of services with respect to PRAG's task order with the City (the "Scope of Services") are as described in the task order letter dated August 27, 2025.

2. Term. PRAG anticipates beginning work on the scope of services identified in this task order to begin immediately. The term of this task order to provide the scope of services described herein will be complete on December 31, 2025, unless extended in writing by the City, and that the task order may be terminated with or without cause by either party. In case of any termination, we believe that the terminating party should endeavor to provide reasonable notice of such termination to the other party so as to permit an orderly transition.

3. Municipal Advisor's Regulatory Duties When Servicing the City. MSRB Rule G-42 requires that PRAG make a reasonable inquiry as to the facts that are relevant to the City's determination whether to proceed with a course of action or that form the basis for the advice provided by PRAG to the City with respect to municipal financial products or the issuance of municipal securities, including with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues, based on all the facts and circumstances. The rule also requires that PRAG undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. PRAG is also required under the rule to use reasonable diligence to know the essential facts about the City and the authority of each person acting on the City's behalf.

Accordingly, PRAG will seek the City's assistance and cooperation, and the assistance and cooperation of the City's agents, with the carrying of these regulatory duties, including providing to PRAG accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, if the City provides direction to PRAG to review a recommendation made by a third party, PRAG requests that the City provide any information it has received from such third party relating to its recommendation.

4. Compensation. The form and basis of compensation for PRAG's services is set forth in this task order letter.

5. Disclosures of Conflicts of Interest. MSRB Rule G-42 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. Accordingly, PRAG makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under this task order, together with explanations of how PRAG addresses or intends to manage or mitigate each conflict.

With respect to all of the conflicts disclosed below, PRAG mitigates such conflicts through its adherence to its fiduciary duty to the City, which includes a duty of loyalty to the City in performing all municipal advisory activities for the City. This duty of loyalty obligates PRAG to deal honestly and with the utmost good faith with the City and to act in the City's best interests without regard to PRAG's financial or other interests.

(a) Compensation-Based Conflicts: (i) Fees paid to PRAG without regard to the execution of any financing transaction, but solely on the basis of hours worked. While such an arrangement is not uncommon, it could cause PRAG to do excessive or unnecessary work in order to obtain more fees. (ii) Fees paid to PRAG that have a fixed maximum amount established at the outset of an engagement. These amounts are usually based upon an analysis by PRAG of, among other things, the expected duration and complexity of the transaction. This form of compensation presents a potential conflict of interest because if the transaction requires more work than originally



contemplated, PRAG may have the incentive to recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. (iii) Fees paid to PRAG which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. This form of compensation presents a potential conflict of interest because PRAG may have incentive to recommend a larger transaction than necessary. (iv) Fees paid to PRAG that are based on hours worked on an engagement. This form of compensation presents a potential conflict of interest because PRAG may have incentive to spend more time than necessary on an engagement.

(b) Other Municipal Advisor Relationships: PRAG serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the City. For example, PRAG serves as municipal advisor to other municipal advisory clients, including Pinellas County, and, in such cases, owes a regulatory duty to such other clients just as it does to the City under this task order. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, PRAG could potentially face a conflict of interest arising from these competing client interests.

With respect to all of the conflicts disclosed above, PRAG mitigates such conflicts through its adherence to its fiduciary duty to the client, which includes a duty of loyalty to the in performing all municipal advisory activities. This duty of loyalty obligates PRAG to deal honestly and with the utmost good faith with you and to act in your best interests without regard to PRAG's financial or other interests.

If PRAG becomes aware of any additional potential or actual conflict of interest prior to, or during an engagement, PRAG will disclose the detailed information in writing within a timely manner.

6. Disclosures of Information Regarding Legal Events and Disciplinary History. MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal events or disciplinary history material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. Accordingly, PRAG sets out below required disclosures and related information in connection with such disclosures.

On September 17, 2024, PRAG filed an amendment to its Form MA disclosing PRAG's settlement with the U.S. Securities and Exchange Commission (the "SEC") of matters relating to failure to maintain and preserve text communications. The Form MA filing may be electronically accessed at the following link:
https://www.sec.gov/Archives/edgar/data/1612223/000161222324000008/xslFormMA_X01/primary_doc.xml

7. Future Supplemental Disclosures. As required by MSRB Rule G-42, this disclosure may be supplemented or amended, from time to time as necessary, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of PRAG. PRAG will provide the City with any such supplement or amendment as it becomes available throughout the term of this task order.



Exhibit A-1

Required Disclosure Pursuant to MSRB Rule G-10

Public Resources Advisory Group, Inc. is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board (“MSRB”).

As a Municipal Advisor, we are required to provide the following written information to our municipal entity and obligated person clients in accordance with MSRB Rule G-10.

The MSRB website at www.msrb.org, includes the Municipal Advisory client brochure that describes the protections that may be provided by the MSRB Rules and how to file a complaint with an appropriate regulatory authority.