

STIFEL

2325 E. Camelback Road, Suite 750, Phoenix, Arizona 85016

September 22, 2015

Mr. Phil Williams, Interim Executive Director
Arizona School Facilities Board
1700 W. Washington Street, Suite 104
Phoenix, AZ 85007

Re: Financial Advisor Services Letter of Agreement

Dear Mr. Williams:

In accordance with the State of Arizona contract for Financial Advisor Services (No. ADSPO14-080035), Stifel, Nicolaus & Company, Inc., is pleased to serve as Financial Advisor for the Arizona School Facilities Board (SFB) through September 11, 2016, for any new money or refunding transactions authorized by the Arizona Legislature through that date and any other advisory services the SFB seeks our assistance with.

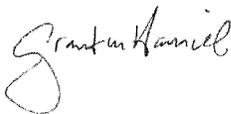
This letter establishes an agreement that does not obligate either party with respect to execution of a future municipal securities transaction. Pursuant to this letter, the SFB acknowledges intent or reasonable expectation to formally approve, by action of the Governing Body, the selection of Stifel as Financial Advisor for specific bond or indebtedness transactions, if any, ultimately contemplated during the period of this agreement.

Through this letter Stifel acknowledges it will be serving in the role of municipal advisor as defined in the SEC Municipal Advisor Rule and consequently is not eligible to serve in the role of Underwriter for transactions, if any, ultimately contemplated during the period of this agreement (under any circumstances and without regard to any future termination of this agreement). Additionally, Stifel acknowledges that during the period in which this agreement is in effect, the SFB may represent, for purposes of the SEC Municipal Advisor Rule, that the Agency has retained Stifel as an independent registered municipal advisor and will rely on Stifel to, among other things, advise regarding proposals from financial services firms concerning the issuance of municipal securities (as authorized by the Arizona Legislature through September 11, 2016) and municipal financial products (including investments of bond proceeds and escrow investments).

All compensation pursuant to this agreement is payable only upon the successful issuance of bonds or other types of indebtedness by the SFB, for which advisory services are rendered by Stifel. Such fees are payable only from the proceeds of such bonds and will be determined in accordance with the Stifel State Financial Advisor Contract.

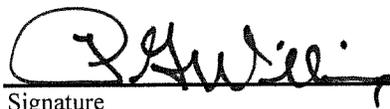
This agreement is nonbinding and may be terminated immediately at any time for any reason by either party upon written notice. Please sign, date and return a copy of this letter to acknowledge this agreement between the SFB and Stifel for Financial Advisor Services through September 11, 2016 in accordance with State Contract No. ADSPO14-080035.

Sincerely,



Grant Hamill, Managing Director
Stifel, Nicolaus & Company, Inc.

For the Arizona School Facilities Board:
Phil Williams, Interim Executive Director



Signature

10/28/15

Date

cc: Debra Sterling, Esq. – Office of the Attorney General
Randie Stein, Director – Stifel, Nicolaus & Company, Inc.