

## **CLOSING MEMORANDUM**

**TO** Distribution List  
**FROM** Lee Birchall  
**DATE** January 23, 2020  
**SUBJECT** Closing and Wire Instructions

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**\$11,570,000**  
**Baldwin County**  
**General Obligation Warrants**  
**Series 2020**

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**Dated and Delivered on January 23, 2020**

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### **I. SOURCES AND USES OF FUNDS**

The following is a summary of the total sources and uses of funds:

<u>Sources</u>	
Principal	\$11,570,000.00
Original Issue Premium	<u>1,554,706.75</u>
Total	<u>\$13,124,706.75</u>
<u>Uses</u>	
Current Refunding of Series 2010 Warrants	\$5,353,538.36
Series 2020 Improvements	7,600,000.00
Issuance Expenses	<u>171,168.39</u>
Total	<u>\$13,124,706.75</u>

### **II. CLOSING**

The transaction shall close on January 23, 2020 (the "Closing Date") as follows:

#### **A. Delivery of the Warrants**

Regions Bank (the "Custodian") shall deliver the Warrants by the FAST System to the Depository Trust Company ("DTC") on the Closing Date.

#### **B. Payment for the Warrants**

Raymond James & Associates, Inc. (the "Underwriter") shall simultaneously pay the Issuer the following amount (the "Amount Due at Closing"):

Par Amount	\$11,570,000.00
Plus Original Issue Premium	1,554,706.75
Less Underwriter's Discount	<u>(40,495.00)</u>
AMOUNT DUE AT CLOSING	<u>\$13,084,211.75</u>

C. Transfer of Funds

1. The Underwriter shall wire-transfer to the Custodian the Amount Due at Closing on the morning of the Closing Date pursuant to the following wire instructions:

REGIONS WIRE INSTRUCTIONS

2. Upon deposit the Amount Due at Closing shall without delay be applied by the Custodian and allocated as follows:

(a) \$5,353,538.36 shall be deposited into the Series 2010 Warrant Fund and applied to the current refunding and redemption of the outstanding Series 2010 Warrants on or about February 22, 2020, by purchasing \$5,353,533.00 of State and Local Government Series (SLGS) securities and retaining the sum of \$5.36 as an initial cash deposit, as set forth in the Verification Report.

(b) \$7,600,000 shall be deposited in a separate, segregated construction fund in the name of the County pursuant to the following wire instructions and applied to the Series 2020 Improvements in accordance with the Non-Arbitrage Certificate:

COUNTY WIRE INSTRUCTIONS

(c) The sum of \$130,673.39 shall be deposited in the Series 2020 Warrant Fund and applied to the payment of approved issuance expenses as set forth on Exhibit A hereto, with any principal sums remaining after the payment of all issuance expenses to be sent to the construction fund described in the preceding subsection (b).

III. RELEASE OF WARRANTS

Upon successful completion of all of the above, this transaction shall be closed and the Custodian and Underwriter shall notify the Closing Room at DTC ((212) 898-3756) to release the Warrants.

## **DISTRIBUTION LIST**

### **Issuer**

Billie Jo Underwood, Chairman  
Ron Cink, Budget Director  
Baldwin County Commission  
322 Courthouse Square  
Bay Minette, Alabama 36507

251.580.1646 Office  
rcink@baldwincountyal.gov

### **Financial Advisor**

Reid Cavnar, Ken Funderburk and Jamie Giardina  
Stifel Nicolaus & Company, Incorporated  
2660 EastChase Lane  
Montgomery, AL 36117

(334) 834-5100  
(334) 269-0902 (fax)  
cavnarr@stifel.com  
giardinaj@stifel.com  
funderburkk@stifel.com

### **Underwriter**

Brad Green and Matt Adams  
Raymond James & Associates, Inc.  
2900 Highway 280, Suite 100  
Birmingham, Alabama 35223

205-802-4275 p  
brad.green@raymondjames.com  
matt.adams@raymondjames.com

### **Bond Counsel**

Lee Birchall  
Bradley Arant Boult Cummings LLP  
1819 Fifth Ave. North, Suite 300  
Birmingham, AL 35203

205-521-8119 p  
lbirchall@bradley.com

### **Custodian**

Frank Caley, VP  
Regions Corporate Trust  
1900 5<sup>th</sup> Avenue North, 26<sup>th</sup> Floor  
Birmingham, AL 35203

Frank.caley@Regions.com  
205.264.5527  
205.264.5264

**EXHIBIT A**

The Custodian is authorized to begin disbursing the following approved issuance expenses on the Closing Date and to transfer any sums remaining after the payment of all issuance expenses to the Issuer's construction account described herein:

(1)	Bond Counsel Bradley Arant Boult Cummings LLP	\$37,500.00
(2)	Financial Advisor Stifel, Nicolaus & Company, Incorporated	40,495.00
(3)	Verification Agent Jackson Thornton & Co., P.C.	2,500.00
(4)	Rating Agency S&P	17,500.00
(5)	Rating Agency Moody's	22,000.00
(6)	Custodian Regions Bank	3,000.00
(7)	Closing	4,000.00
(8)	Miscellaneous and actual out of pocket expenses of any of the above parties	<u>3,678.39</u>
	TOTAL	<u>\$130,673.39</u>