



The Bank of New York Mellon Trust Company, N.A.
2001 Bryan Street, 10th Floor
Dallas, TX 75201

T 214 580 1220
F 214 580 3400

September 23, 2015

Ms. Carole Jaramillo
Santa Fe County, New Mexico
102 Grant Avenue
Santa Fe, NM 87501

Santa Fe County, New Mexico

Dear Ms. Jaramillo:

This letter, together with the attached Exhibit (this "Agreement"), sets forth the terms and conditions on which The Bank of New York Mellon Trust Company, N.A. ("we" or "BNY Mellon") will perform the services outlined below (the "Services") for Santa Fe County, New Mexico ("you" or "Client") as they relate to arbitrage rebate calculations for the bond issues listed in **Exhibit A** (the "Bonds").

Scope of Services

1. BNY Mellon will prepare a computation to determine the arbitrage rebate amount (the "Rebate Amount") for the Bonds as described in §148(f)(2) of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations Section 1.148 (the "Regulations"). The Rebate Amount is equal to the excess of the amount earned on the investment of all gross proceeds over the amount that would have been earned if such gross proceeds were invested at the bond yield.
2. Upon the completion of our work, we will provide a rebate report for the Bonds, which will contain a signed opinion and detailed supporting schedules indicating the Rebate Amount, computed in accordance with the Code and the Regulations. If a remittance is due to the United States Treasury, we will assist you in completing the Internal Revenue Service Form 8038-T and will provide you with filing instructions to make the payment.

Fees and Expenses

3. Our fees to compute the Rebate Amount for the Bonds are as detailed in Exhibit A. An invoice will be issued at the time the completed report is sent to you and is payable no later than 45 days after receipt.

No Coordination with Private Activity Regulations

4. The purpose of our engagement is to determine the Rebate Amount pursuant to §148(f)(2) of the Code. Sections 141-147 of the Code and the related Treasury Regulations set forth requirements with respect to the amount of bond proceeds that may be used for the benefit of a private person or entity. Treasury Regulations Section 1.141-6(a) requires that allocations of expenditures of bond proceeds for purposes of computing the Rebate Amount must be the same as the allocations of expenditures used to test the private use of projects financed with proceeds of the Bonds.

5. For purposes of calculating the Rebate Amount, our calculations assume that the allocation of the expenditures of Bond proceeds as provided to us are the same for both purposes of Sections 141-147 and Section 148 of the Code. The scope of this engagement does not include procedures to analyze the private use limitations associated with the Bonds.

Term of the Agreement

6. This Agreement will commence on the date hereof and shall terminate upon redemption of the Bonds, unless earlier terminated as set forth below. Both the Client and BNY Mellon may cancel this Agreement with 30 days written notice with or without cause. The Client shall pay for work-in-progress, completed Services and expenses incurred by BNY Mellon through the effective date of any termination.

Concerning BNY Mellon

7. Notwithstanding any provision contained herein to the contrary, BNY Mellon, including its officers, directors, employees and agents, shall:
 - a. have no responsibility to inquire into or determine the genuineness, authenticity, or sufficiency of any documents or instruments submitted to it in connection with its duties hereunder; and
 - b. be entitled to deem the signatories of any documents or instruments submitted to it hereunder as being those purported to be authorized to sign such documents or instruments on behalf of the parties hereto, and shall be entitled to rely upon the genuineness of the signatures of such signatories without inquiry and without requiring substantiating evidence of any kind.

Any banking association or corporation into which BNY Mellon may be merged, converted or with which BNY Mellon may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which BNY Mellon shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of BNY Mellon shall be transferred, shall succeed to all BNY Mellon's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Limitation of Liability

8. The total aggregate liability of BNY Mellon under this Agreement shall be limited to any penalty and/or interest imposed on the Client by the United States Internal Revenue Service on any additional Rebate Amount which results from a proven error by BNY Mellon in rendering the Services outlined in this Agreement. The Client, and not BNY Mellon, shall be responsible for paying the correct Rebate Amount due.
9. Neither of us will, in any event, be liable to the other, for any reason, for any consequential, incidental, special, punitive or indirect damages, including loss of profits, revenue, data, use of

money or business opportunities, regardless of whether notice has been given or there is an awareness that such damages have been or may be incurred.

Dispute Resolution

10. Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Agreement, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party, and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

Other Terms

11. The Client will timely notify BNY Mellon of any refunding or defeasance transactions involving any bond subject to this Agreement. Such notification is critical as a refunding or defeasance transaction may accelerate the required calculation of the Rebate Amount. Failure to notify BNY Mellon of refunding or defeasance transactions could cause a filing with the United States Treasury to be late, which could result in penalties and interest.
12. The Services provided hereunder are solely for the calculation of the Rebate Amount, and are to be used for no other purpose. We assume no responsibility to keep you apprised of developments in the tax law relative to this engagement after it has been completed. We will not audit the information provided to us and will express no opinion as to the completeness, accuracy, or sufficiency of such information for purposes of calculating the Rebate Amount.
13. BNY Mellon shall own all work papers prepared by it to document, in accordance with professional obligations, performance of the Services, and it may retain, in confidence, copies of reports and other documents prepared by it.

Agreement

14. This Agreement constitutes the entire agreement between the Client and BNY Mellon, and merges all prior and contemporaneous communications, with respect to the Services and the other matters contemplated by this Agreement; BNY Mellon shall have only those duties as are specifically provided herein and no additional obligations of BNY Mellon shall be inferred from the terms of this Agreement or any other agreement. This Agreement may not be modified except in writing signed by both parties. If any provision of this Agreement is held to be void, invalid or otherwise unenforceable, in whole or part, the other provisions shall remain in full force and effect.
15. Unless this Agreement is accepted below, the fees for the Services detailed in this Agreement are valid for only ninety days from the date hereof.

Report Format (Select One)

16. In an effort to minimize paper usage, our standard practice is to provide our report in an electronic format upon completion of the work. Please select the report format you prefer:

☐

Electronic Version. Report is provided via e-mail in a portable document format (PDF), which can be read using Acrobat Adobe Reader.

☒

Paper Version. A single copy of our report is provided in a spiral bound format. If additional copies are needed, please contact us.

If the terms of this Agreement are satisfactory, please sign one copy of this Agreement acknowledging our agreement and return it to BNY Mellon.

We very much appreciate the opportunity to serve you. If you have any questions, please contact Melissa Pauling at (214) 580-1233 or Terry Burke at (214) 580-1230.

Very truly yours,

The Bank of New York Mellon Trust Company, N.A.

By Terence P. Burke
Name: Terence P. Burke
Title: Managing Director

Accepted and Agreed:

Santa Fe County, New Mexico

Katherine Miller 11.16.15
Signature Date

Katherine Miller
Printed Name

County Manager
Title

Approved as to form
Santa Fe County Attorney

By: [Signature]
Date: 11/11/15

Exhibit A
Bond Issues for this Agreement

Bond Issue Description	Computation Period	Fees
\$20,000,000 General Obligation Refunding Bonds Series 2005A	12/6/2005-7/1/2015	\$3,500
\$17,500,000 General Obligation Improvement and Refunding Bonds Series 2011	5/18/2011-5/18/2015	\$4,000