

5. COMPENSATION PROPOSAL

For financial advisory services rendered in connection with the sale of bonds and notes, NW Financial proposes to be compensated based on the following schedule:

1. Notes:

For the issuance of general obligation notes, NW Financial proposes to be compensated a flat fee of \$5,000 plus reasonable out of pocket expenses. This amount shall be payable at the closing of the proposed note issuance. NW Financial will not invoice unless the note transaction is finalized and closed.

2. Bonds:

For the issuance of general obligation bonds and/or refunding bonds, NW Financial proposes to be compensated \$1/1000 with a minimum of \$7,500 plus reasonable out of pocket expenses. This amount shall be payable at the closing of the proposed bond issuance. NW Financial will not invoice unless the bond issuance is finalized and closed.

3. Consulting:

For financial consulting services not related to the issuance of bonds and notes, NW Financial proposes that compensation be based upon the hourly rates established below.

<u>Position</u>	<u>Hourly Rate (\$/hour)</u>
Principal	\$195
Managing Director	\$185
Senior Vice President	\$180
Vice President	\$170
Analyst	\$140

Reimbursable Expenses: NW Financial proposes to invoice for reasonable out of pocket expenses such as phone, postage, copies, travel, etc.

EXHIBIT "A"

