

QUALIFICATIONS TO PROVIDE
INDEPENDENT FINANCIAL ADVISOR
EVALUATION OF THE CITY'S
WATER AND SEWER SYSTEMS
TO THE

CITY OF SALEM

FEBRUARY 24, 2022

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Exceeding Expectations

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February 24, 2022

Mr. Ben Angeli, RMC
City Clerk
Office of the City Clerk
The City of Salem
17 New Market Street
Salem, NJ 08079

Re: Qualifications to Provide Independent Financial Advisory Services

Dear Mr. Angeli:

NW Financial Group, LLC ("NW Financial") is grateful to the City of Salem (the "City") for this opportunity to present our qualifications to provide Independent Financial Advisory services related to the evaluation of the City's water and sewer systems. As our qualifications will demonstrate, NW Financial is uniquely qualified to assist the City in successfully achieving its financing needs. We responded to the Financial Advisory Services City RFP in late November that included a small section regarding our water/wastewater and P3 experience. This response includes much more detail and discusses the requested scope of services.

NW Financials' extensive experience providing financial advisory and consulting services to local governments in the State of New Jersey is unrivaled. It includes extensive experience with both municipalities and with local and regional water/wastewater utilities and authorities. Further, we provide services in connection with privatization, defeasance, P3 and valuation of water/wastewater systems. This experience and understanding lends itself perfectly to the needs and requirements associated with this request. Detail regarding this experience is provided in the proposal. That said, our current list of water/wastewater clients includes the Camden County Municipal Utilities Authority, the Atlantic County Utilities Authority and the Cape May County Municipal Utilities Authority, the Brick MUA, the Mount Holly MUA, and the Willingboro MUA in the South Jersey Area. There are many more throughout the rest of the State.

Further, it is important for the City to consider the quality of the professionals who will be assigned to work with them and their representatives. As you will note in the attached resumes, the City will be assigned a senior team with decades of experience with similar clients throughout the State with both water/wastewater and P3 and privatization experience. In addition to managing the NW Financial team, I will serve as the day-to-day contact for the City.

We hope this proposal will convince you of the quality of service and depth of expertise NW Financial is prepared to offer the City. We look forward to the opportunity to meet with you and other representatives from the City to discuss in greater detail our interest in providing Independent Financial Advisory Services. If you have any questions regarding the attached proposal, please do not hesitate to call me.

Thank you again for inviting us to propose.

Very truly yours,

Douglas J. Bacher
Principal

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A. EXECUTIVE SUMMARY

THIS SECTION SHOULD INCLUDE A SUMMARY OF THE KEY POINTS AND HIGHLIGHTS OF THE PROPOSER'S RESPONSE AND SHOULD DISCUSS THE PRICING CONTAINED IN THE PROPOSAL.

PROPOSED FEE

NW Financial proposes to be compensated a flat fee of \$23,000 for services rendered. The fee and services do not include the issuance any debt in connection with a defeasance of outstanding debt or the sale of the facilities.

Please review the Pricing Proposal found in Appendix 1.

EXECUTIVE SUMMARY

NW Financial Group, LLC ("NW Financial") is grateful to the City of Salem (the "City"), for this opportunity to present our qualifications to provide Independent Financial Advisory Services. As our qualifications will demonstrate, NW Financial is uniquely qualified continue to assist the City in successfully achieving its financing needs.

- NW Financial is certified as a Small Business Enterprise ("SBE") and is an Independent Registered Municipal Advisor ("IRMA") registered with the Securities Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB").
- NW Financial has consistently provided a level of service and sophistication to municipal issuers making our firm one of the leading financial advisors for counties, municipalities, and authorities in the State. Our firm has utilized all of our resources in the execution of State, county, and local level transactions since it was founded in 1996. ***NW Financial has served over \$90 billion of taxable and tax-exempt financings since our inception.***
- NW Financial's extensive experience providing financial advisory and consulting services to local governments in the State of New Jersey is unrivaled. With this experience comes a knowledge and understanding of the issue's local governments face on an ongoing basis, such as: short-term financing needs, debt management, budget constraints, tax levy restrictions, required services, and continued capital needs. NW Financial currently or previously provided financial advisory services to many New Jersey municipalities.
- NW Financial is a leading advisor in the Public Private Partnership arena. Our professionals have been advising exclusively to the public sector on P3's for over 30 years and have assisted its clients in project analysis, procurement and negotiation. NW Financial provides services in connection with privatization, defeasance, P3 and valuation of water/wastewater systems. This experience and understanding lends itself perfectly to the needs and requirements associated with this request. Detail regarding this experience is provided in the proposal. That said, our current list of water/ wastewater clients includes the Camden County Municipal Utilities Authority, the Atlantic County Utilities Authority and the Cape May County Municipal Utilities Authority, the Brick MUA, the Mount Holly MUA, and the Willingboro MUA in the South Jersey Area. There are many more throughout the rest of the State.
- NW Financial has a profound understanding of the operations and financial needs of regional water and sewer utilities. Our professionals have worked extensively with similar regional service providers, providing expertise with privatizations and regionalization, rate impact analysis and stabilization plans, project financing, weather-based flow impact analysis, and other financial advisory and consulting services. We are committed to helping the City achieve its goals and our extensive knowledge and experience in municipal and utility finance will be an invaluable asset to the City.



- Although NW Financial has not had the opportunity to provide financial advisory services directly with the City, our professionals have had the pleasure of providing financial advisory services to the Salem County Improvement Authority in previous years. In that time we have utilized our vast experience and skill set to provide the Authority with a variety of services including:
 - ❖ Identified and provided financial advisory services to a refunding of the Authority's Correctional Facility and Court House Annex Bonds, Series 2013, outstanding Salem CIA, county issued debt saving the county \$218,991.
 - ❖ Assisted with Authority with a revised cash management plan.
 - ❖ Provided investment management services designed to maximize interest earnings on landfill closure and debt services reserve fund moneys.
 - ❖ Debt modeling in connection with proposed bond and/or note issuances regarding landfill expansion.
 - ❖ An expansive budget and cash-flow analysis that assisted the Authority in managing the overall budget, departmental budgets, revenues and expenses.
- NW Financial fully understands the scope of services and its commitment to provide these services promptly as required by the City. The City needs to consider the quality of the professionals who will be assigned to work with them and their representatives. As you will note in the attached resumes, the City will be assigned a senior team with decades of experience and with similar clients throughout the state.



B. SCOPE

THE SCOPE OF SERVICES SET FORTH IN SECTION 1 OF THIS REQUEST FOR PROPOSALS IS LIFTED DIRECTLY FROM THE WIPA STATUTE. IN THIS SECTION OF THE PROPOSAL, THE PROPOSER SHOULD DESCRIBE WHAT WORK THEY BELIEVE WILL BE NECESSARY TO PERFORM THE SCOPE OF SERVICES SET FORTH IN SECTION I INCLUDING, BUT NOT LIMITED TO, THEIR PROPOSED METHODOLOGIES TO REACH THE CONCLUSIONS FOR EACH OF (A) - (C) SET FORTH IN SUCH SECTION. IF THERE ARE ANY GAPS BETWEEN WHAT THE PROPOSER BELIEVES SHOULD BE THE PROPER SCOPE GIVEN ALL INFORMATION KNOWN AT THE TIME OF THIS RFP, THE PROPOSER SHOULD CLEARLY STATE THESE GAPS IN THIS SECTION AND CLEARLY MARK THESE CONCERNS AS SUCH.

1. The Independent Financial Advisor shall evaluate the City's water and sewer systems and review, analyze and prepare a report on the following:
 - a. the value of the systems;
 - b. the short and long term Impacts to rate-payers of the cash-flow structure of a proposed sale of the utilities; and
 - c. provide an estimate as to the financial requirements necessary to address the emergent conditions identified by the City/City's engineer as set forth in the Emergent Conditions Analysis prepared by Remington and Vernick and to operate and maintain the systems.

Experience and Qualifications

NW Financial Group, LLC is a leading advisor in the Public Private Partnership arena. NW Financial professionals have been advising exclusively to the public sector on P3's for over 30 years and have assisted its clients in project analysis, procurement and negotiation in all of the following sectors:

- Transportation
- Resource Recovery/Solid Waste Disposal
- Water Systems
- Wastewater Systems
- Public Buildings
- Redevelopment and Economic Development Projects
- Parking Facilities
- Energy Facilities
- Health Care Facilities
- Sports Facilities

In the course of advising our clients we have added value by applying our private sector business acumen to level the playing field when dealing with the private proposers who wish to undertake Public Private Partnerships for the public sector. Our approach to advising exclusively the public sector has allowed us to provide unbiased analysis that considers all of the factors in a proposed P3 deal including the cost of capital differential to a public option and the future cost to users of the public asset needed to pay for the much higher cost of private equity capital.

One of our Principals is a recognized national leader in P3s and has testified before the US Congress on the costs and benefits of P3's in the infrastructure arena and has spoken on the topic for many years at major conferences, included those run by:

- Council of Development Finance Agencies
- International Bridge, Tunnel and Turnpike Association
- American Association of State of Highway and Transportation Officials
- Council of State Governments



We have provided analysis, insights and advice on seminal toll road projects including:

- The Chicago Skyway
- Indiana Toll Road
- Texas Route 130

Our Chicago Skyway research report has been used by Harvard University Business School as case studies on public private partnerships. This ground-breaking study identified the lack of analysis undertaken by public sector decision makers in deciding to move forward with a project which was driven by unreasonable increases in user fees. If the toll increase formula for the Chicago Skyway deal was applied to the Holland Tunnel, the allowable toll would now be over \$180.

Additionally, we have been the leading advisor to the public sector in New Jersey when governmental bodies are seeking P3 deals under New Jersey's water and wastewater P3 laws since 1996, advising over a dozen communities on their options. **NW Financial and members of the NW Financial Team have advised a dozen of towns on water or wastewater P3 efforts including Bayonne, Bound Brook, Haddonfield, Rahway, Hoboken, Westville and Edison.**

We served as financial advisor to the City of Miami Parking Authority in the consideration of a system P3 proposal and delivered a study that allowed the Authority to prove its continued management of the parking system was far superior to allowing a P3 deal which would have increased parking rates by over 100%.

Understanding of the Scope of Services

NW Financial understands that in every valuation analysis of public facilities, whether done for information purposes or for a comparison and/or the intention of selling the water and wastewater systems, there are numerous factors that will affect the ultimate valuation and sale price at the time of transfer, such as current market conditions, a lender's willingness to lend and the applicable interest rate and other terms of the loan, financial strength of bidders, quality and condition of water system, limitations on rate increases and others.

There are several potential buyers/investors in the water system facility marketplace. These include large public water companies, smaller private water companies, and/or private developers/investors. Many of the large water companies are anxious to expand their footprint and in the market for acquisitions. A private buyer will review the potential of the investment and how the Facilities fit in the overall strategic plan of the company. This private ownership structure will result in more efficient operations and deliver more profit to the bottom line than a public ownership structure.

Services and Tasks

Valuation

Prior to developing a proposed approach to the valuation of the assets, NW Financial will conduct a kick-off meeting with the City to review and discuss the specific goals and objectives. As part of this kick-off meeting, we will define goals and expectations associated with the work effort. NW Financial will finalize the timeline, establish the roles and expectations for the project as well as designating the point person for which all communication and deliverable product will flow. In addition, NW Financial will develop a data collection and work product list to identify the key information needed during the scope of the engagement.

Review Existing City Capital Plan, rate structure and ratepayer profile.

NW Financial will review the current short- and long-term capital plan and proposed timing for implementation. We will also review and analyze the existing rate structure and demographics supporting the service area.



In order to undertake this task NW Financial will need recent audits and budgets for the wastewater utility, 5- year capital plan, historic consumption and billing data for each type of user (meter size) and any outside customers served by City. Additional information may be required after review of this base data.

Develop Forecasts for Capital Spending and Rate Support

Based on the information compiled in the previous tasks, we will develop a preliminary valuation model and profile for City. As part of this model, we will highlight key assumptions that are included in the calculations. These assumptions may include:

- Growth of Service Area
- Average consumption
- Alternative Revenue Raising Measures
- Cost of Capital over time

NW Financial will meet with City to review the preliminary findings of the valuation model and conduct a team meeting to test different rate approaches as to the sensitivity on rate adjustments and valuation. These sensitivities will include the timing of the capital plan, expected consumption levels, reasonable financial reserves, etc.

In addition, we will identify potential areas of risk and key factors that will influence the revenue generating capacity of the City water and wastewater systems.

Preliminary Report

Upon review of the Preliminary Report Draft by City and the consideration of comments received, NW Financial will deliver a Preliminary Report and make a presentation of the conclusions of the Report to the City within the proposed 60 day requirement. This schedule assumes the City will deliver all documents as requested and fully cooperate in obtaining any information needed for the valuation report.



C. BUSINESS AND BACKGROUND

1) IDENTIFICATION OF THE PARENT COMPANY, IF ANY, SERVICES, ORGANIZATION AND COMPANY GOALS. A STOCKHOLDER DISCLOSURE STATEMENT IN THE FORM ATTACHED TO THIS RFP SHALL BE COMPLETED AND EXECUTED;

A copy of our Stockholder Disclosure Statement can be found in **Appendix 1**.

NW Financial emphasizes the importance of client service and keeping close contact with its clients. It is our priority to be available to the City at all times and to work closely throughout the project and the decision-making process with the City and their representatives. NW Financial is committed to helping the City achieve its goals and to work towards the City mission as well as provide low-cost solutions for a wide variety of public and private programs. The City needs a financial advisor with experience in public purpose financings that cover the full spectrum of governmental financial needs. NW Financial professionals provide special attention to the specific needs of clients in order to provide creative financing solutions.

Headquarters:

Address: 2 Hudson Place, 3rd Floor, Hoboken, NJ 07030
Telephone: (201) 656-0115
Facsimile: (201) 656-4905

NW Financial also maintains representative offices in South Jersey, Pennsylvania, Texas, and Ohio. NW professionals are in close proximity to the City at all times making it convenient for the team of professionals to easily meet with the City and its representatives under any time constraints.

South Jersey	Pennsylvania	Texas	Ohio
617 Stokes Road Ste. 4, #322 Medford, NJ 08055 (P): 609-953-7555 (F): 201-656-4905	1001 Hill Avenue Suite 2830 Wyomissing, PA 19610 (P): 610-326-4900 (F): 610-326-4902	1700 S. Lamar Blvd. #338 Austin, TX 78801 (P) 551-655-7595 (F): 201-656-4905	19885 Detroit Road #348 Rocky River, OH 44116 (P) 856-448-2668 (F): 201-656-4905

OWNERSHIP

NW Financial Group, LLC is 100% owned by NW Financial Holdings Inc, an Employee Stock Ownership Trust. Dennis Enright is the sole trustee for the trust.

PARTNERSHIP INFORMATION

NW Financial is a limited liability corporation ("LLC") and is incorporated in the State of New Jersey. NW Financial Group is an LLC but has converted to a Subchapter S Corporation for tax purposes.

AFFIRMATIVE ACTION

NW Financial complies with all applicable affirmative action requirements with respect to its business activities. NW Financial does not discriminate on the basis of race, gender, sex, ethnic or social origin, color, sexual orientation, age, disability, religion, conscience, belief, political opinion, culture, language, marital status, or family responsibility. Evidence of such compliance can be found in **Appendix 1**.



2) COPY OF THE COMPANY'S ANNUAL REPORT;

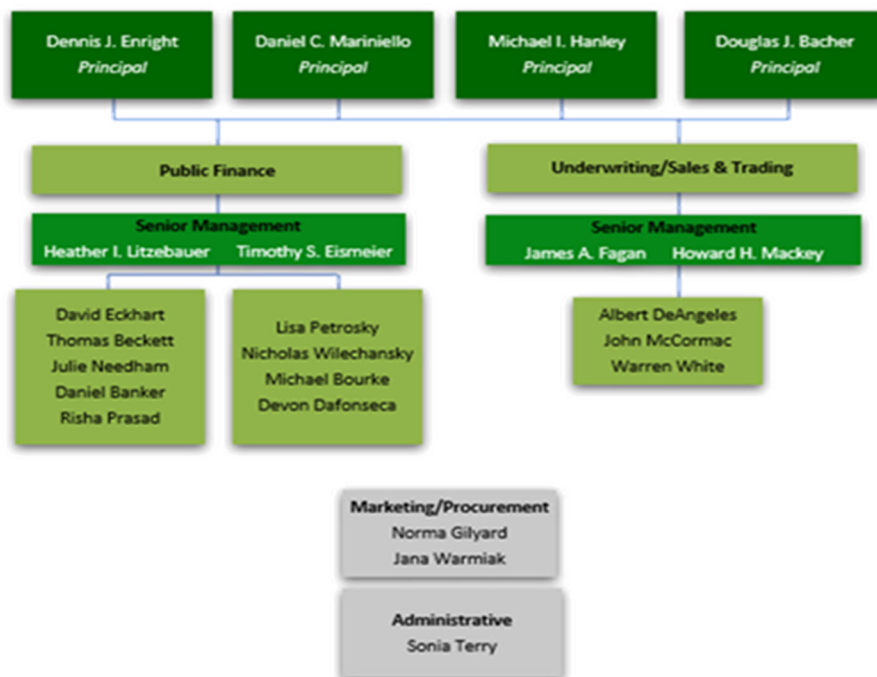
A copy of our Company's Annual Report for 2018/2019 can be found in **Appendix 2**. The 2020/2021 report is not yet complete but can be provided at a later date if necessary.

3) ORGANIZATIONAL CHART;

NW Financial employs 23 persons (17 of which hold various FINRA licenses) which includes eight women (34% of total employment) and five minorities (21% of total employment) at the firm. All play an integral role in the success of our firm. In addition, NW Financial maintains staff members who provide support to the professional team at the administrative level.

NW Financial is licensed with the MSRB to conduct financial advisory business, however many of our personnel are licensed in the securities industry as either registered representatives or principals for NW Capital Markets, Inc. carrying the following various FINRA licenses:

- 7 (Full Registration/General Securities Representative)
- 24 (General Securities Principal)
- 27 (Financial and Operations Principal)
- 28 (Introducing Broker-Dealer/Financial and Operations Principal)
- 50 (Municipal Advisor Representative)
- 52 (Municipal Securities Representative)
- 53 (Municipal Securities Principal)
- 54 (Municipal Advisor Principal)
- 63 (Uniform Securities Agent)
- 79 (Investment Banking Representative)



4) BRIEF BIOGRAPHY OF THOSE INVOLVED IN THE MANAGEMENT OF THE COMPANY;

Biographies for management and assigned staff can be found in **Appendix 3**.

5) EVIDENCE OF EXPERIENCE, CAPABILITY AND DISCUSSION OF ABILITY TO PERFORM THE REQUESTED SERVICE;

Please also refer to **Section B** above.

Our firm is dedicated to providing exceptional service to our clients from our most senior professionals. The principals of the firm have over 100 combined years of experience in the field of public finance ***NW Financial has acted as financial advisor on over 950 bond and note issues, raising over \$36 billion in capital for our governmental clients over the last decade.*** Our firm provides exceptional service to our clients from our most senior professionals. The experience of our professional team allows us to provide creative and innovative financial solutions to our state and local government clients.

Since our inception, NW Financial has ranked among the top advisors in the Northeast Region. For the ***year 2020, NW Financial ranked #3 among the top five advisors in State of New Jersey and Delaware and #6 among the top 10 in Public Facilities*** according to the Bond Buyer.

NW Financial is active in many different fields and types of transactions, including redevelopment, housing (including affordable and subsidized housing financings), workouts, TIFs (Tax Increment Financings), RABs (Redevelopment Area Bonds), privatizations and regionalizations, pooled loans, refundings (forward, advance, current), lease revenue financings, lease purchase financings, and public debt restructurings. In addition, we provide a wide range of non-transactional consulting and advisory services, including asset disposition analysis, management consulting, public/private partnerships, strategic advice on negotiations and settlements, litigation support, procurement advice, and a wide variety of other services customized to meet client needs.

Throughout our history, we have created and marketed sophisticated, innovative financings, often under the most difficult market conditions for our diverse client base. Our past and current public-sector clients include:

- County and Municipal Governments
- Transportation Agencies
- Redevelopment Agencies
- School Districts
- State Agencies
- Housing Authorities
- Improvement Authorities
- Parking Authorities
- Utilities Authorities
- Energy Authorities

Unlike other financial advisory firms, NW Financial has an affiliated municipal securities firm, NW Capital Markets. NW Capital Markets is charged with the sale of municipal securities (underwriting) for our government clients. Many of the professionals that work with NW Financial are also employees of NW Capital Markets. NW Capital Markets has a municipal trading desk, and although we do not provide both financial advisory and underwriting services on the same transaction, this is significant because the trading desk provides our staff with immediate and accurate municipal market data without having to rely on third-party (other underwriting firm's trading desks) for information.



6) EVIDENCE OF ADEQUATE GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE.

A copy of our Insurance Certificates can be found in **Appendix 1.**

7) COPY OF NJ STATE BUSINESS REGISTRATION CERTIFICATE;

A copy of our Business Registration Certificate can be found in **Appendix 1.**

8) AFFIRMATIVE ACTION COMPLIANCE CERTIFICATION.

A copy of our Affirmative Action Compliance Certification can be found in **Appendix 1.**

9) DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN COMPLETED FORM

A copy of our Disclosure of Investment Activities in Iran Form can be found in **Appendix 1.**



D. STAFFING

A DISCUSSION OF THE STAFFING THAT WILL BE UTILIZED SHOULD BE CONTAINED IN THIS SECTION. THE CITY OF SALEM REQUESTS THAT AS PART OF THE DISCUSSION HERE, THE PROPOSER STATE EXACTLY THE ROLE THE PROPOSED PROPOSER TEAM MEMBER WILL ASSUME ON THIS PHASE AND DETAIL THE QUALIFICATIONS FOR THE ROLE THAT THE TEAM MEMBER POSSESSES. THIS SECTION SHOULD INCLUDE RESUMES AND REQUIRED CERTIFICATIONS AND BACKGROUND DOCUMENTS FOR ALL PROPOSED EMPLOYEES WHO WILL BE CONTRIBUTING TO THE SERVICES.

Our project management approach includes designating a Lead Advisor as the individual responsible for all aspects of the engagement. The **Lead Advisor** for the City will be Mr. Douglas J. Bacher; and as such, Mr. Bacher will be responsible the relationship between the NW Financial team and the City. Mr. Bacher will also ensure that appropriate firm resources are brought to bear on issues that arise during the project(s) and that all end products meet the firm's high-quality standards.

In addition, other members of the firm will provide supporting roles, including research, quantitative analysis, bond marketing assessments, policy development, and rating agency presentations. Our staff possesses invaluable experience in every aspect of financial management relevant to the Scope of Services included in the RPQ. **Brief resumes for each of these individuals can be found in Appendix 3.**

The key personnel that will serve the City on this and any assignment(s) will be:

Project Oversight	Project Management and Advisory	Project and Financial Analysis
Lead Advisor Douglas J. Bacher <i>Principal</i>	Senior Advisors Dennis J. Enright <i>Principal</i> Timothy S. Eismeier <i>Managing Director</i>	Analytical Support Daniel S. Banker <i>Vice President</i> Risha Prasad <i>Financial Analyst</i>



E. ASSUMPTIONS

IN THIS SECTION, PROPOSERS SHOULD STATE ANY ASSUMPTIONS BEING MADE RELATING TO ANY PART OF THE PROPOSAL OR THEIR RESPONSE.

None

F. TIMING

DELIVERY OF THE REPORT SHALL BE 60 DAYS FROM THE DATE OF THE CONTRACT. IN THIS SECTION, THE PROPOSER SHALL DESCRIBE WHETHER IT CAN COMPLY WITH THE CITY'S REQUIREMENTS AND WHAT INFORMATION IS NEEDED FROM THE CITY TO COMPLY WITH THE DEADLINE.

NW Financial Group can comply with the City's requirement to deliver the Report 60 days from the date of the contract.

G. APPENDICES

Please review Appendix 1 for the following documents:

1. Acknowledgement of Receipt of Addenda
2. Affirmative Action Compliance Notice
3. Certificate of Employee Information Report
4. Mandatory Equal Employment Opportunity Language
5. Americans with Disabilities Act of 1990
6. Stockholder Disclosure Certification
7. Non-Collusion Affidavit
8. Proposal Form
9. Disclosure of Investment Activities in Iran
10. G-42 Compliance
11. Business Registration Certificate
12. MSRB Registration Certificate
13. Certificates of Insurance



APPENDIX 1. REQUIRED DOCUMENTS

1. Acknowledgement of Receipt of Addenda
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9. Disclosure of Investment Activities in Iran
10. G-42 Compliance
11. Business Registration Certificate
12. MSRB Registration Certificate
13. Certificates of Insurance



ACKNOWLEDGMENT OF RECEIPT OF ADDENDA

The undersigned hereby acknowledges receipt of the following Addenda:

Addendum Number

Dated

 X NO ADDENDA WERE RECEIVED

Acknowledged for: NW Financial Group, LLC

(Name of Contractor)

By: 

(Signature of Authorized Representative)

Name: Douglas J. Bacher

Title: Principal

**FAILURE TO ACKNOWLEDGE AND RETURN WITH YOUR PROPOSAL
SUBMISSION THE RECEIPT OF ANY ISSUED ADDENDA FOR THIS RFP ON THIS
ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA FORM SHALL BE CAUSE FOR
REJECTION N.J.S.A. 40A:11-23.2.e**

AFFIRMATIVE ACTION COMPLIANCE NOTICE

This form is a summary of the successful contractor's requirement to comply with the requirements of N.J.S.A. 10:5-3 1, et seq and N.J.A.C. 17:27 et seq.

The successful contractor shall submit to the public agency, after notification of the award, but prior to the execution of the contract, one of the following:

1. A photocopy of a valid letter that the contractor is operating under an existing federally approved or sanctioned affirmative action program;

OR

2. A photocopy of a certificate of employee information report approval, issued in accordance with N.J.A.C. 17:27-4;

OR

3. A completed Employee Information report (Form AA302) provided by the Division and distributed to a public agency to be completed by the contractor in accordance with N.J.A.C. 17:27-4).

The successful Proposer may obtain the Affirmative Action Employee Report (AA302) from the contracting unit during normal business hours.

The successful Proposer must submit copies of the AA302 report to the Division of Contract Compliance and Equal Opportunity in Public Contracts (Division).

The undersigned certifies that he or she is aware of the commitment to comply with the requirements as set forth above and agrees to furnish the applicable forms.

The bid may be rejected as non-responsive if said contractor fails to comply with N.J.S.A. 10:5-31 and N.J.A.C. 17:27.

Company: NW Financial Group, LLC

Signature: 

Print Name: Douglas J. Bacher

Title: Principal

Date: February 23, 2022

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

(Goods, Professional services and general service contracts)

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause:

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation; The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or worker's representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with the regulations promulgated by the Treasurer pursuant to P.L. 1975, C. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers consistent with the county employment goals prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C. 127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C. 127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job related testing, as established by applicable Federal Law and applicable Federal Court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading, and layoff to ensure that all actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal Law and Federal Court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (N.J.A.C. 17:27).

EXHIBIT B

The contractor and the City of Salem, (hereafter "owner") do hereby agree that the provisions of Title 11 of the Americans With Disabilities Act of 1990 (the "Act") (42 U.S.C. S121 01 et seq.), which prohibits discrimination on the basis of disability by public entities in all services, programs, and activities provided or made available by public entities, and the rules and regulations promulgated pursuant there unto, are made a part of this contract. In providing any aid, benefit, or service on behalf of the owner pursuant to this contract, the contractor agrees that the performance shall be in strict compliance with the Act. In the event that the contractor, its agents, servants, employees, or subcontractors violate or are alleged to have violated the Act during the performance of this contract, the contractor shall defend the owner in any action or administrative proceeding commenced pursuant to this Act. The contractor shall indemnify, protect, and save harmless the owner, its agents, servants, and employees from and against any and all suits, claims, losses, demands, or damages, of whatever kind or nature arising out of or claimed to arise out of the alleged violation. The contractor shall, at its own expense, appear, defend, and pay any and all charges for legal services and any and all costs and other expenses arising from such action or administrative proceeding or incurred in connection therewith. In any and all complaints brought pursuant to the owner's grievance procedure, the contractor agrees to abide by any decision of the owner which is rendered pursuant to said grievance procedure. If any action or administrative proceeding results in an award of damages against the owner, or if the owner incurs any expense to cure a violation of the ADA which has been brought pursuant to its grievance procedure, the contractor shall satisfy and discharge the same at its own expense.

The owner shall, as soon as practicable after a claim has been made against it, give written notice thereof to the contractor along with full and complete particulars of the claim. If any action or administrative proceeding is brought against the owner or any of its agents, servants, and employees, the *owner shall* expeditiously forward or have forwarded to the contractor every demand, complaint, notice, summons, pleading, or other process received by the owner or its representatives.

It is expressly agreed and understood that any approval by the owner of the services provided by the contractor pursuant to this contract will not relieve the contractor of the obligation to comply with the Act and to defend, indemnify, protect, and save harmless the owner pursuant to this paragraph.

It is further agreed and understood that the owner assumes no obligation to indemnify or save harmless the contractor, its agents, servants, employees and subcontractors for any claim which may arise out of their performance of this Agreement. Furthermore, the contractor expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in this Agreement, nor shall they be construed to relieve the contractor from any liability, nor preclude the owner from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

Certification 45453

CERTIFICATE OF EMPLOYEE INFORMATION REPORT
RENEWAL

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of **15-SEP-2017** to **15-SEP-2024**

NW FINANCIAL GROUP, LLC
2 HUDSON PLACE
HOBOKEN

NJ 07030



Ford M. Scudder

FORD M. SCUDDER
State Treasurer

ANTI-HARASSMENT/ ANTI-DISCRIMINATION POLICY & REPORTING PROCEDURE

NW Financial Group LLC is an equal employment opportunity employer. It is the policy of NW Financial to make employment decisions without regard to race, color, religion, sex, age, national origin disability, sexual orientation, marital status or any other protected category.

It is the policy of NW Financial Group (The "Company") that all employees should be able to enjoy a work environment free from all forms of discrimination, including harassment. As such, the Company is committed to vigorously enforcing their Anti-harassment/Anti-discrimination Policy. This policy applies to all employees of the organization (without regard to position) and individuals not directly connected to the Company (e.g., an outside vendor, consultant, customer or guest).

Title VII of the Civil Rights Act of 1964, the ADEA and the ADA prohibit employment discrimination based on race, color, religion, disability, sex, age, or national origin. Harassment is considered a form of discrimination and is specifically included among the prohibitions under Title VII of the Civil Rights Act of 1964. This policy prohibits discrimination and harassment on these as well as on the basis of familial status, marital status and on any other basis that may become illegal. In addition, retaliation or reprisal taken against anyone who has expressed concern about harassment or discrimination against the individual raising the concern is illegal.

The Equal Employment Opportunity Commission (EEOC) has defined one form of harassment, sexual harassment, as "unwelcome sexual advances, requests for sexual favors, sexual comments, or other verbal or physical acts of a sexual or sex-based nature including, but not limited to drawings, pictures, jokes, and/or teasing where (1) submission to such conduct is made either explicitly or implicitly a term or a condition of an individual's employment; (2) an employment decision is based on an individual's acceptance or rejection of such conduct; or (3) such conduct interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment."

Our Anti-harassment/Anti-discrimination Policy prohibits all forms of harassment, discrimination and/or retaliation by any individual employed by, doing business with or for, or visiting the Company. Employees who believe they have been the subject of harassment, discrimination and/or retaliation or an employee who may have been a witness to harassment and/or retaliation must report the incident immediately to a manager of the Company. Those who have an immediate need to know, including the alleged target of harassment or retaliation, the alleged harassers or retaliators, and any witnesses will be informed of the identity of the complainant. All individuals contacted in the course of an investigation will be advised that all persons contacted during the investigation are entitled to respect and that any retaliation or reprisal against an individual who is an alleged target of harassment or retaliation, who has made a complaint, or who has provided information in connection with a complaint, is a separate violation of the Company's policy. All information will be disclosed only on a need-to-know basis to allow the Company to investigate and resolve the incident. The Company recognizes the serious nature of harassment and discrimination and will endeavor to protect, as is possible, the

employee who may have been subjected to harassment or discrimination, any witnesses and the party against whom allegations have been made. Confidentiality depends on all parties agreeing not to discuss the investigation with others. The Company will take reasonable steps to repair the reputation of anyone who is falsely accused.

Harassment and discrimination are unlawful and have a negative impact on employees. Violation of the Anti-harassment Policy/Anti-discrimination will not be tolerated by the Company and may result in discipline up to and including termination. Offensive acts or conduct have no legitimate business purpose; accordingly, any employee, regardless of his/her position within the Company, who it is determined has engaged in such conduct will be made to bear the full responsibility for such unlawful conduct.

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business: NW Financial Group, LLC

 I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of issued and outstanding stock of the undersigned.

OR

 X I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Indicate the type of business organization:

 Partnership

 Corporation

 Limited Partnership

 Sole Proprietorship

 Subchapter C Corporation

 X Limited Liability Corporation

 Limited Liability Partnership

Sign and notarize below, and if necessary, complete the stockholder list.

Stockholders

Addresses

Subscribed and sworn before me

this 23rd day of February, 2022

Renee L. Brigle
(Notary Public)

My Commission expires: June 13, 2022

David J. Eckhart
(Affiant)

David J. Eckhart, Managing Director
(Print Name and Title)

Commonwealth of Pennsylvania - Notary Seal
Renee L. Brigle, Notary Public
Berks County
My Commission Expires June 13, 2022
Commission Number 1190588

bioRxiv preprint doi: <https://doi.org/10.1101/2020.05.11.242500>; this version posted May 11, 2020. The copyright holder for this preprint (which was not certified by peer review) is the author/funder, who has granted bioRxiv a license to display the preprint in perpetuity. It is made available under aCC-BY-NC-ND 4.0 International license.

SS:

I am Managing Director of the firm of NW Financial Group, LLC
(title or position) (name of firm)

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by NW Financial Group, LLC.

before me this day 23rd

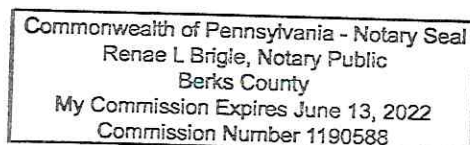

Signature

David J. Eckhart, Managing Director
(Type or print name of affiant under signature)

February, 2022
[Signature]
 Notary public of

My Commission expires Jun 13, 2022

(Seal)



PROPOSAL

The undersigned, a duly authorized representative of the hereinafter named bidder, submits the following proposal:

Amount

\$ 23,000

The fee and services do not include the issuance any debt in connection with a defeasance of outstanding debt or the sale of the facilities.

By: 
(Signature of Authorized Representative)

Name: Douglas J. Bacher

Title: Principal

Name of Proposer: NW Financial Group, LLC



DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE AND PROPERTY
33 WEST STATE STREET, P.O. BOX 230 TRENTON, NEW JERSEY 08625-0230

BID SOLICITATION # AND TITLE: Independent Financial Advisor Evaluation of City's Water and Sewer Systems

VENDOR/BIDDER NAME: NW Financial Group, LLC

Pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4) any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must certify that neither the person nor entity, nor any of its parents, subsidiaries, or affiliates, is identified on the New Jersey Department of the Treasury's Chapter 25 List as a person or entity engaged in investment activities in Iran. The Chapter 25 list is found on the Division's website at <https://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Vendors/Bidders must review this list prior to completing the below certification. If the Director of the Division of Purchase and Property finds a person or entity to be in violation of the law, s/he shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

CHECK THE APPROPRIATE BOX

☒ I certify, pursuant to N.J.S.A. 52:32-57, et seq. (P.L. 2012, c.25 and P.L. 2021, c.4), that neither the Vendor/Bidder listed above nor any of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List of entities determined to be engaged in prohibited activities in Iran.

OR

☐ I am unable to certify as above because the Vendor/Bidder and/or one or more of its parents, subsidiaries, or affiliates is listed on the New Jersey Department of the Treasury's Chapter 25 List. I will provide a detailed, accurate and precise description of the activities of the Vendor/Bidder, or one of its parents, subsidiaries or affiliates, has engaged in regarding investment activities in Iran by completing the information requested below.

Entity Engaged in Investment Activities _____
Relationship to Vendor/ Bidder _____
Description of Activities _____

Duration of Engagement _____
Anticipated Cessation Date _____
Attach Additional Sheets If Necessary.

CERTIFICATION

I, the undersigned, certify that I am authorized to execute this certification on behalf of the Vendor/Bidder, that the foregoing information and any attachments hereto, to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein, and that the Vendor/Bidder is under a continuing obligation from the date of this certification through the completion of any contract(s) with the State to notify the State in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification. If I do so, I will be subject to criminal prosecution under the law, and it will constitute a material breach of my agreement(s) with the State, permitting the State to declare any contract(s) resulting from this certification void and unenforceable.



Signature

February 23, 2022

Date

Douglas J. Bacher, Principal

Print Name and Title



STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: NW FINANCIAL GROUP, L.L.C.

Trade Name:

Address: 2 HUDSON PLACE
HOBOKEN, NJ 07030

Certificate Number: 0084838

Effective Date: June 26, 1996

Date of Issuance: January 14, 2022

For Office Use Only:

20220114125835044



Certificate of Current MSRB Registration

The Municipal Securities Rulemaking Board (MSRB) certifies that the organization listed below is registered with the MSRB as of the date of this letter.

MSRB ID:	K0438	Registration Date:	December 28, 2010
Registration Type:	Municipal Advisor	Company Name:	NW Financial Group, LLC

This certificate may be verified by contacting the MSRB Product Operations Department at (703) 797-6668 or by email to msrbsupport@msrb.org

Signature: Stephanie Braddell

Name: Stephanie Braddell, Operations Manager

Date: November 25, 2014

1900 Duke Street, Suite 600
Alexandria, VA 22314-3412
p 703 797 6600
f 703 797 6700
www.msrb.org



State of New Jersey

PHIL MURPHY
Governor

DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE & ENTERPRISE SERVICES
P.O. BOX 026
TRENTON, NJ 08625-034
PHONE: 609-292-2146 FAX: 609-984-6679

SHEILA OLIVER
Lt. Governor

ELIZABETH MAHER MUOIO
State Treasurer

APPROVED

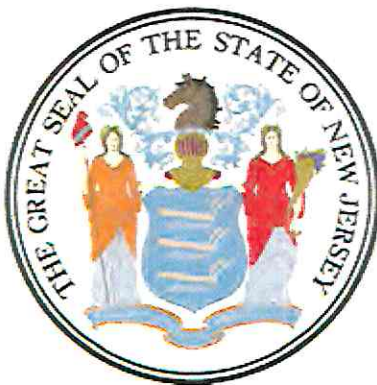
under the

Small Business Set-Aside Act

This certificate acknowledges NW FINANCIAL GROUP, L.L.C. as a Category 2 approved Small Business (SBE) that has met the criteria established by N.J.A.C. 17:13 and/or 17:14..

This registration will remain in effect for three years. Annually the business must submit, not more than 60 days prior to the anniversary of the registration notice, an annual verification statement in which it shall attest that there is no change in the ownership, revenue eligibility or control of that business.

If the business fails to submit the annual verification statement by the anniversary date, the SBE registration will lapse and the business SBE status will be revoked in the New Jersey Selective Assistance Vendor information (NJSAVI) database that lists registered Small businesses. If the business seeks to be registered again, it will have to reapply and complete a new application.



Peter Lowicki
Deputy Director

Issued: 12/2/2021

Certification Number: A0191-74

Expiration: 12/2/2024

The expiration date is contingent on the proper and on-time filing of all Annual Verifications. Please see above for more detail.

**STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES
SHORT FORM STANDING**

NW FINANCIAL GROUP, L.L.C.
0600027260

I, the Treasurer of the State of New Jersey, do hereby certify that the above-named New Jersey Domestic Limited Liability Company was registered by this office on April 30, 1996.

As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.

I further certify that the registered agent and office are:

DENNIS ENRIGHT
2 HUDSON PLACE
3RD FLOOR
HOBOKEN, NJ 07030



*IN TESTIMONY WHEREOF, I have
hereunto set my hand and affixed
my Official Seal at Trenton, this
7th day of August, 2020*



Elizabeth Maher Muoio
State Treasurer

Certificate Number : 6109932113

Verify this certificate online at

https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp



NWFINAN-01

VVECCHIONE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/18/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Otterstedt Insurance Agency Inc. 540 Sylvan Avenue Englewood Cliffs, NJ 07632	CONTACT NAME: Vanessa Vecchione		
	PHONE (A/C, No, Ext): 1635	FAX (A/C, No):	
	E-MAIL ADDRESS: vvecchione@otterstedt.com		
	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A : Sentinel Insurance Company, Ltd.		11000
	INSURER B : Hartford		00914
	INSURER C : North American Capacity Insurance Company		25038
	INSURER D : Great American		16691
	INSURER E :		
	INSURER F :		

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ see OthCov section GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC OTHER:	X		13SBAAB5679	6/1/2021	6/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 **HNOA Liab. \$ 1,000,000
	AUTOMOBILE LIABILITY ☐ ANY AUTO OWNED AUTOS ONLY ☐ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☒ DED ☐ RETENTION \$ 0			13SBAAB5679	6/1/2021	6/1/2022	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y / N ☒ N / A		N / A	13WBCBN0099	6/1/2021	6/1/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Cyber Liability			C-4LXL-086422	4/7/2021	4/7/2022	See Remarks
D	Crime			FS E696387 00 00	4/7/2021	4/7/2022	See Remarks

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
**HNOA Liab.- Hired and Non-Owned Automobile Liability Coverage.

City of Clifton is added as 'Additional Insured' per form IH1200 (11/85).

CERTIFICATE HOLDER

CANCELLATION

	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/11/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER D & O Partners, Inc. 1140 Bloomfield Avenue, Suite 219 West Caldwell NJ 07006	CONTACT NAME: David Ratner PHONE (A/C, No, Ext): 973-521-7051 FAX (A/C, No): E-MAIL ADDRESS: david@dopartners.com PRODUCER CUSTOMER ID #:														
INSURED NW Financial Group LLC 2 Hudson Place, 3rd Floor Hoboken NJ 07030	<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: Lloyds of London</td><td></td></tr><tr><td>INSURER B:</td><td></td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Lloyds of London		INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC			N/A			EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS			N/A			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	☐ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DEDUCTIBLE RETENTION \$			N/A			EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y/N (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below			N/A			☐ WC STATU-TORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
X	Professional Liability			10143L211039	11/05/2021	11/05/2022	Limit: \$2,000,000 / \$2,000,000 Retention: \$10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Solely in the performance of providing Management Consulting Services for others for a fee

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

David Ratner

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2 Hudson Place
Hoboken, NJ 07030

Tel (201) 656-0115
Fax (201) 656-4905

**CERTIFICATE IN CONNECTION
WITH RULE G-42 OF THE
MUNICIPAL SECURITIES RULEMAKING BOARD**

We are writing this to provide you, the _____, _____ (the "Issuer"), with certain disclosures relating to the _____ (the "Project"), as required by Municipal Securities Rulemaking Board ("MSRB") Rule G-42 in accordance with MSRB Notice 2016-03 (January 13, 2016), which became effective June 23, 2016 for transactions that price on or after such date. The Issuer has engaged NW Financial Group, LLC (the "Municipal Advisor") to serve as an municipal advisor in connection with the issuance of the Project.

The undersigned, a duly authorized representative of the Municipal Advisor, HEREBY CERTIFIES, in accordance with Rule G-42 of the Municipal Securities Rulemaking Board, and in connection with the issuance of the Project, that:

- (i) There are no known material conflicts of interest known to the Municipal Advisor in connection with the Scope of Services.
- (ii) The Municipal Advisor shall deal fairly with all persons and shall not engage in any deceptive, dishonest, or unfair practice
- (iii) There are no legal or disciplinary events that are material to the Issuer's evaluation of the Municipal Advisor or the integrity of the Municipal Advisor's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC
- (iv) The Municipal Advisor has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC
- (v) As required by MSRB Rule G-42, this letter may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Municipal Advisor. The Municipal Advisor will provide the Issuer with any such supplement or amendment as it becomes available throughout the term of the Agreement.
- (vi) NW Capital Markets Inc. ("NW Capital"), an affiliate company of NW Financial Group, LLC, is a broker/dealer which from time to time underwrites municipal bonds for a variety of issuers. However, at this time, NW Capital does not have any pending transactions which would be conflicts of interest for the Issuer.

If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with your legal advisors, as applicable, to the extent you deem appropriate. It is our understanding that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

We are required to seek your acknowledgement that you have received this letter. Accordingly, please sign and return the enclosed copy of the letter. Depending on the structure of the transaction that the Issuer decides to pursue, or if additional potential or actual material conflicts are identified, we may be required to send you additional disclosures. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20____.

NW Financial Group, LLC

By: _____

Acknowledged as of the date hereof:

ISSUER _____

By: _____

Title: _____

APPENDIX 2. ANNUAL REPORT



NW FINANCIAL GROUP, L.L.C.

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2019 AND 2018

NW FINANCIAL GROUP, L.L.C.

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEARS ENDED DECEMBER 31, 2019 AND 2018

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Independent Accountant's Compilation Report

To The Members
NW Financial Group, L.L.C.
Hoboken, New Jersey

Management is responsible for the accompanying financial statements of NW Financial Group, L.L.C., (a partnership) which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of income and changes in members' equity and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy of completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that fixed assets be depreciated over their estimated useful lives. The Company has computed depreciation on several fixed assets in accordance with the Modified Accelerated Cost Recovery System required for federal income tax purposes, which does not allocate depreciation to expense over the estimated useful lives of the assets. Management has not determined the effect of this departure on the financial statements.

The supplementary information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Bruno, Di Bello & Co., L.L.C.

April 22, 2020
Totowa, New Jersey

NW FINANCIAL GROUP, L.L.C.
BALANCE SHEETS

ASSETS

	<u>DECEMBER 31,</u>	
	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash	\$ 25,059	\$ 41,693
Accounts receivable	1,997,645	1,413,668
Due from related entities	26,606	33,237
Notes receivable from members, current portion	97,200	97,200
Prepaid expenses	17,402	-
Total current assets	2,163,912	1,585,798
FIXED ASSETS, NET	8,963	18,520
OTHER ASSETS		
Security deposits	43,154	46,954
Notes receivable from members, non-current portion	747,600	747,600
Total other assets	790,754	794,554
TOTAL ASSETS	<u>\$ 2,963,629</u>	<u>\$ 2,398,872</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Bank of line credit	\$ 349,010	\$ 400,000
Accounts payable and accrued expenses	73,199	38,950
Note payable - former member	340,000	340,000
Total current liabilities	762,209	778,950
MEMBERS' EQUITY	2,201,420	1,619,922
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 2,963,629</u>	<u>\$ 2,398,872</u>

See accompanying notes and
independent accountant's compilation report.

NW FINANCIAL GROUP, L.L.C.
STATEMENTS OF INCOME AND CHANGES IN
MEMBERS' EQUITY

	<u>FOR THE YEARS ENDED</u> <u>DECEMBER 31,</u>	
	<u>2019</u>	<u>2018</u>
REVENUE	\$ 4,526,567	\$ 3,558,155
OPERATING EXPENSES	<u>3,189,549</u>	<u>2,754,727</u>
INCOME FROM OPERATIONS BEFORE MEMBERS' COMPENSATION	1,337,018	803,428
MEMBERS' COMPENSATION AND GUARANTEED PAYMENTS	<u>86,790</u>	<u>467,509</u>
INCOME FROM OPERATIONS	1,250,228	335,919
OTHER INCOME (EXPENSE)		
Interest income	63	4
Interest expense	<u>(21,160)</u>	<u>(21,717)</u>
Total other income (expense)	<u>(21,097)</u>	<u>(21,713)</u>
NET INCOME	1,229,131	314,206
MEMBERS' EQUITY - BEGINNING OF YEAR	1,619,922	1,317,026
LESS: DISTRIBUTIONS	<u>647,633</u>	<u>11,310</u>
MEMBERS' EQUITY - END OF YEAR	<u>\$ 2,201,420</u>	<u>\$ 1,619,922</u>

See accompanying notes and
independent accountant's compilation report.

NW FINANCIAL GROUP, L.L.C.
STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED DECEMBER 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 1,229,131	\$ 314,206
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	9,557	23,122
Changes in operating assets and liabilities:		
Accounts receivable	(583,977)	(332,782)
Prepaid expenses	(17,402)	16,263
Security deposits	3,800	-
Due from related entities	6,631	(15,117)
Accounts payable and accrued expenses	34,249	13,081
Net cash provided by operating activities	<u>681,989</u>	<u>18,773</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>-</u>	<u>(8,314)</u>
Net cash used in investing activities	<u>-</u>	<u>(8,314)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on line-of-credit	(50,990)	-
Member distributions	<u>(647,633)</u>	<u>(11,310)</u>
Net cash used in financing activities	<u>(698,623)</u>	<u>(11,310)</u>
NET DECREASE IN CASH	<u>(16,634)</u>	<u>(851)</u>
CASH - BEGINNING OF THE YEAR	<u>41,693</u>	<u>42,544</u>
CASH - END OF YEAR	<u><u>\$ 25,059</u></u>	<u><u>\$ 41,693</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u><u>\$ 21,994</u></u>	<u><u>\$ 21,744</u></u>

See accompanying notes and
independent accountant's compilation report.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations - NW Financial Group, L.L.C. (The Company) was organized in 1996 as a New Jersey limited liability company. The Company provides investment banking and financial advisory services to governmental entities, financial institutions, corporations and non-profit groups located in the New York metropolitan area.

Basis of Accounting - The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue - Effective January 1, 2019, the company adopted the new accounting standard related to the recognition of revenue from contracts with customers. This new standard establishes principles for reporting information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The Company elected to apply the guidance using the modified retrospective transition method. This method was applied to contracts that were not complete as of the date of initial application. The impact related to adopting the new standard, such as terminology differences, impacted the company's description of its significant accounting policies compared to 2018. The adoption of this guidance had no significant impact on the amount and timing of revenue recognized by the Company's business; therefore, no adjustments were recorded to the Company's financial statements. For further information regarding the adoption of the new standard, see Note 2 -Adoption of New Accounting Standard.

Revenue is recognized when the Company satisfies a performance obligation by transferring services promised in a contract to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those services. Performance obligations in the Company's contracts represent distinct or separate services that the Company provides to its customers.

The Company evaluates its revenue contracts with customers based on the five-step model under Revenue from Contracts with Customers: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognize revenues when (or as) each performance obligation is satisfied. If, at the outset of an arrangement, the Company determines that a contract with enforceable rights and obligations does not exist, revenues are deferred until all criteria for an enforceable contract are met.

The Company generates the majority of its revenues by providing consulting and financial advisory services to governmental entities, financial institutions, corporations and non-profit groups located in the New York metropolitan area. The Company also generates revenue from an affiliate for management fees and expense reimbursements.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company's consulting and advisory services include various types of transactions and, as a result, revenue recognition is dependent on the type of promised service. Most of the Company's service contracts are based on one of the following types of arrangements:

* *Time and expense arrangements* require the client to pay the company based on the number of hours worked at contractually agreed-upon rates. The Company recognizes revenues for these arrangements based on hours incurred and contracted rates utilizing a right-to-invoice practical expedient because the Company has a right to consideration for services completed to date. When a time and expense arrangement has a not-to-exceed or "cap" amount and the Company expects to perform work in excess of the cap, the Company recognizes revenues up to the cap amount specified by the client, based on the efforts or hours incurred as a percentage of total efforts or hours expected to be incurred (i.e., proportional performance method). Certain time and materials arrangements may be subject to third-party approval, e.g., a court or other regulatory institution, with interim billing and payments made and received based upon preliminarily agreed-upon rates. In such cases, the Company records revenues for the portion of services based on the assessment of the expected probability of amounts ultimately to be agreed upon by the court or regulator. These assessments are made on a case-by-case basis depending on the nature of the engagement, client economics, historical experience and other appropriate factors.

* *Fixed-fee arrangements* require the client to pay a pre-established fee in exchange for a predetermined set of professional services. The Company recognizes revenues for these arrangements based on the proportional performance related to individual performance obligations within each arrangement; however, these arrangements generally have one performance obligation.

* *Performance-based or contingent arrangements* represent forms of variable consideration. In these arrangements, the Company's fees are based on the attainment of contractually defined objectives with a client, such as completing a business transaction or assisting the client in achieving a specific business objective. The Company recognizes revenues earned to date by applying the proportional performance method. Payments received up front are recognized periodically over the duration of the service or upon the achievement of a milestone. Some advisory services often contain success fees that are due upon the completion of a transaction. In these cases, the single performance obligation is the successful completion of the transaction. As a result, revenue is recognized at a point in time when the transaction is completed. In instances where the fees are received up front, the fee is deferred until the satisfaction of the performance obligation. In other cases, the promised service may be satisfied over time. For example where the service is to provide advice on identifying potential transactions, the performance obligation is satisfied over time using a time elapsed methodology as the customer is simultaneously receiving and consuming the promised service.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company's other revenue for management fees are recognized over time as usage occurs.

Reimbursable expenses, including those relating to travel, out-of-pocket expenses, outside consultants and other outside service costs, are generally included in revenues in the period in which incurred.

There are no significant financing components related to performance obligations.

The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company's progress under the contract; and whether constraints on variable consideration should be applied due to uncertain future events.

Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration are estimated based upon historical experience and known trends and require significant judgment.

The timing of revenue recognized was as follows:

	Years ended December 31,	
	<u>2019</u>	<u>2018</u>
Recognized overtime	<u>\$ 4,091,567</u>	<u>\$ 3,438,155</u>

Contract Balances - The timing of the Company's revenue recognition may differ from the timing of payment by its customers. The Company records a receivable when revenue is recognized prior to payment and the Company has an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, the Company records deferred revenue until the performance obligations are satisfied.

The Company has receivables related to revenue from contracts with customers of \$1,997,645 and \$1,413,668 at December 31, 2019 and January 1, 2019, respectively. The Company had no impairments related to these receivables during the year ended December 31, 2019.

The Company's deferred revenue primarily relates to customers paying in advance or billed in advance where the performance obligation has not yet been satisfied. There was no deferred revenue at December 31, 2019 and January 1, 2019, respectively.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable - Accounts receivable are stated in the balance sheet at their estimated realizable value. The Company accounts for bad debts using the direct charge-off method, directly expensing receivables for which management deems uncollectible, or realizable at less than full value. The direct charge-off method provides results similar to the reserve method in all material respects. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Property and Equipment - Property and equipment is stated at cost. Maintenance and other repairs are charged to operations as incurred. Expenditures over \$2,500 that increase the value or productive capacity of assets are capitalized. Depreciation is provided for on an accelerated method, which is a method allowable for income tax purposes. The Company utilizes Section 179 and bonus depreciation of the Internal Revenue Code which allows the expensing of certain equipment in the year purchased.

The estimated useful lives of the assets are as follows:

Machinery and equipment	5 - 7 years
Furniture and fixtures	7 years

Compensated Absences - The financial statements do not include an accrual of compensated absences are expensed as incurred. Management does not believe this accrual to be material to the financial statements.

Advertising - Advertising and sales promotion costs are expensed as incurred. Expenses incurred were \$50,660 and \$38,944 for December 31, 2019 and 2018.

Income taxes - The Company has elected to be treated as a partnership for federal and state of New Jersey income tax purposes. A Limited Liability Company is not a tax paying entity for federal and state income tax purposes. Income, loss, deductions and credits pass through proportionately to its members and are taxed at the individual members' income tax rates. Accordingly, no provision for income taxes is provided in the financial statements.

The income allocable to each partner is subject to examination by federal and state taxing authorities. In the event of an examination of the income tax returns, the tax liability of the partners could be changed if an adjustment in the income is ultimately determined by the taxing authorities.

U.S. generally accepted accounting principles require the Partnerships' to account for uncertain tax positions. The Partnerships' are not aware of any significant tax positions taken by management which are subject to uncertainty or pose a reasonable possibility of change by federal or state tax authorities. With few exceptions, the Partnerships' are no longer subject to U.S. federal or state income tax examinations by tax authorities for years before 2016.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Partnerships' have adopted the policy of expensing any interest or penalties related to uncertain tax positions. For the year ended December 31, 2019, there were no such interest or penalty expenses.

Guaranteed Payments to Members - Guaranteed payments to members are intended as compensation for services rendered and accounted for as company expenses rather than as allocations of company net income.

Impairment of long-lived assets - The Partnerships' adhere to the Property, Plant and Equipment Topic of the FASB ASC to account for the impairment of long-lived assets. This statement requires, among other things, that entities identify events or changes in circumstances that indicate that the carrying amount of an asset may not be recoverable. This statement had no effect on the financial statement of the Partnerships' since no assets were considered to be impaired for the years ended December 31, 2019.

Members - In prior years the Company admitted three (3) new members. The members acquired nine (9) percent interests in the Company for \$360,000 each. The \$360,000 is payable to the Company in annual installments of \$32,400 over ten (10) years. No payments were made to the Company in 2019.

Amounts due at December 31, 2019 from Members' under the agreements are as follows:

Year ending December 31, 2019	
2020	97,200
2021	97,200
2022	97,200
2023	97,200
2024	97,200
Thereafter	358,800
	<u>\$ 844,800</u>

Members' Equity - As a limited liability company, each member's liability is limited to amounts reflected in their respective member accounts. Under the terms of the limited liability company operating agreement, the Company will continue in perpetuity, if other events of dissolution do not occur.

Date of Management Review/Subsequent Events - The Company evaluates events or transactions that occur subsequent to year-end for potential recognition or disclosure in the financial statements through the date on which the financial statements are available to be issued. The financial statements were approved by management and available to be issued on April 22, 2020.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. On March 21, 2020 the Governor of New Jersey declared a health emergency and issued an order to close all nonessential businesses until further notice.

The Company's operations may be affected by the recent and ongoing outbreak. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Company's financial position, operations and cash flows. Possible effects may include, but are not limited to, disruption to the Company's customers and revenue, absenteeism in the Company's labor workforce and a decline in value of assets held by the Company.

Other than the outbreak of COVID-19, no subsequent events were noted by the Company.

NOTE 2 - ADOPTION OF NEW ACCOUNTING STANDARD - In May 2014, the Financial Accounting Standards Board ("FASB") issued guidance Accounting Standards Codification [ASC] 606, *Revenue from Contracts with Customers* which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in U.S. generally accepted accounting principles. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. ASC 606 is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Company adopted ASC 606 with a date of the initial application of January 1, 2019 using the modified retrospective transition method. The adoption of this guidance did not have an impact on the Company's financial statements. In addition, the tax effect of the impact of the adoption of this guidance was not material.

NOTE 3 - FIXED ASSETS

Fixed assets consist of the following:

	December 31,	
	<u>2019</u>	<u>2018</u>
Computer equipment	\$132,050	\$132,050
Furniture and fixtures	55,604	55,604
Office equipment	<u>6,986</u>	<u>6,986</u>
	194,640	194,640
Less: accumulated depreciation	<u>185,677</u>	<u>176,120</u>
Net fixed assets	<u>\$ 8,963</u>	<u>\$ 18,520</u>

Depreciation expense amounted to \$9,557 and \$23,122 for the years ended December 31, 2019 and 2018.

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - RELATED PARTY TRANSACTIONS

The Company shares office space, administrative personnel and certain overhead costs with an affiliate in accordance with a written agreement. The Company received expense reimbursement from the affiliate of \$120,000 and \$120,000 for the years ended December 31, 2019 and 2018. The Company also received management fees from the affiliate of \$315,000 and \$-0- the years ended December 31, 2019 and 2018.

NOTE 5 - DUE TO FORMER MEMBER

During 2008, the Company entered into an agreement to buyout a member for \$1,000,000. \$340,000 is outstanding as of December 31, 2019 and 2018. The terms of the agreement call for annual installments of \$100,000 per year commencing in 2008 and continuing for the next nine years. Payments are contingent upon the Company achieving certain financial results during the year. No payments were made, and no interest was accrued in 2019 and 2018.

NOTE 6 - LEASES

The Company leases office space from which it conducts its business. The Company is responsible for insurance and repairs. The Company also leases various spaces on month to month leases. Rent expense under these leases was and \$213,099 and 203,154 for the years ended December 31, 2019 and 2018.

The following is a schedule of non-cancellable operating lease obligations for office space at December 31, 2019:

<u>Year Ending</u> <u>December 31,</u>	
2020	\$ 218,511
2021	213,673
2022	214,395
2023	<u>72,061</u>
Total	<u>\$ 718,640</u>

The Company leases various office equipment under operating leases. Rent expense under these leases was \$9,266 and \$8,566 for the years ended December 31, 2019 and 2018.

The following is a schedule of minimum rental payments for equipment as of December 31, 2019:

<u>Year Ending</u> <u>December 31,</u>	
2020	\$ 7,764
2021	7,764
2022	<u>5,823</u>
Total	<u>\$ 21,351</u>

NW FINANCIAL GROUP, L.L.C.
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - LINE OF CREDIT

The Company maintains a line of credit with Capital One Bank (the Bank), which provides borrowings up to a maximum of \$750,000. At December 31, 2019, the Company had an outstanding balance of \$349,010. The interest is .5% above the Bank's prime rate (5.25% at December 31, 2019) and amounted to \$21,160 and \$21,717 in 2019 and 2018. The line of credit matures on September 30, 2020.

The line is secured by the Company's assets and the Company's majority owner is a guarantor.

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Company uses financial institutions in which it maintains cash balances, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk in cash.

SCHEDULE I

NW FINANCIAL GROUP, L.L.C.
SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED
DECEMBER 31,
2019 2018

REVENUE

Revenue from operations	\$ 4,091,567	\$ 3,438,155
Expense reimbursement - affiliate	120,000	120,000
Management fees - affiliate	315,000	-
Total revenue	<u>\$ 4,526,567</u>	<u>\$ 3,558,155</u>

See independent accountant's compilation report.

SCHEDULE II

NW FINANCIAL GROUP, L.L.C.
SUPPLEMENTARY INFORMATION

OPERATING EXPENSES	FOR THE YEARS ENDED DECEMBER 31,	
	2019	2018
Salaries	\$ 1,423,207	\$ 1,175,295
Payroll taxes	109,873	131,516
Rent expense	213,099	203,154
Employee benefits	395,421	324,178
Professional and consulting fees	170,530	113,622
Travel and entertainment	185,134	165,938
Dues and subscriptions	93,888	85,743
Auto expense	119,350	83,002
Telephone	68,531	57,378
Office expense	149,212	91,110
Insurance	16,197	34,512
Computer expense	43,628	36,137
Contributions	20,985	25,500
Seminar and conferences	35,994	51,056
Postage and delivery	29,589	28,725
Depreciation	9,557	23,122
Internet expense	7,105	17,094
Utilities	15,372	12,268
Advertising	50,660	38,944
Equipment leases	9,266	8,566
Storage	7,328	5,329
Bank service charges	8,855	6,456
Bad debt expense	6,768	36,082
Total operating expenses	<u>\$ 3,189,549</u>	<u>\$ 2,754,727</u>

See independent accountant's compilation report.

APPENDIX 3. RESUMES

DOUGLAS J. BACHER, PRINCIPAL

dbacher@nwfinancial.com



Douglas J. Bacher is a Principal at NW Financial. Mr. Bacher has over 35 years of government and finance experience that includes over 25 years in the public finance industry and 10 years in municipal and authority government management. Mr. Bacher is a partner at the NW Financial Group and before joining the firm, Mr. Bacher was a partner at both Public Financial Management and one of the founding partners of the Acacia Financial Group.

Mr. Bacher provides financial advisory services and investment banking services State, county, regional and local governments. Services provided include capital debt planning; debt structuring and issuance; redevelopment project impact analysis and consulting; renewable and sustainable energy project analysis and financing; credit and rating agency strategies; budget and management consulting; tax and user rate analysis and strategies; privatization; and “pooled” multi-government financings.

Having served in government management has given Mr. Bacher a valuable perspective and understanding that is unique to the industry. His government management experience includes having served as the Executive Director to the Gloucester County Improvement Authority, the Business Administrator of the Stony Brook Regional Sewerage Authority and as Assistant Township Administrator of Princeton, New Jersey. This experience has provided Mr. Bacher with an understanding of the issues and problems that local governments face in today's challenging political and fiscal environment.

Mr. Bacher carries FINRA Series 50, 52 and 63 securities licenses. He has provided expert testimony for governments regarding fee and rate making before the State Board of Public Utilities for solid waste and water facilities and for governments in connection with labor contracts and negotiations.

Mr. Bacher is active in National and State professional trade organizations and associations and is the Past President of both the New Jersey Improvement Authority Association and the Business Associates of the New Jersey Association of School Business Administrators.

EDUCATION

West Virginia University

Masters of Public Administration (MPA),

Richard Stockton State College

Bachelor of Arts (BA),

Rutgers University

Certificate, Public Sector Labor Relations,

University of Utah

Certificate, Utility Rate Structuring,

State of New Jersey

Certificate, New Jersey School Business Administrator

Certificate, New Jersey Municipal Finance Officer

FINRA Licenses

50 (Municipal Advisor Representative)

52 (Municipal Securities Representative)

63 (Uniform Securities Agent)

SIE (Securities Industry Essentials Examination)



DENNIS J. ENRIGHT, PRINCIPAL

XXXXXXXX@XXXXXXXXXX.XXX



Dennis J. Enright is a founding member and Principal of NW Financial specializing in complex infrastructure, governmental, and real estate transactions, including public private partnerships. Mr. Enright is a nationally recognized expert in toll road asset monetization and has appeared before the US Congress to deliver expert testimony on public private partnerships. Mr. Enright has undertaken assignments in transportation, solid waste, water, wastewater, healthcare, housing, and real estate. His leadership in the innovative restructuring of a public facility to a public private partnership led to a “Deal of the Year” Award for the \$360 million Union County Utility Authority bond financing in 1998. His transportation expertise resulted in a “Deal of the Year” award for the \$2.4 Billion New Jersey Turnpike Authority transaction merging the New Jersey Turnpike and the Garden State Parkway. Mr. Enright has authored detailed analyses of both the Chicago Skyway and Indiana Toll Road P3 transactions that have provided transparency to the underlying economics of the deals.

Prior to forming NW Financial, Mr. Enright served as Senior Managing Director of NatWest Bank and was responsible for governmental advisory services and underwritings. During his tenure at NatWest, he was responsible for providing services in municipal finance; institutional advisory products; private placements; bond underwritings; tax credit investments; letters of credit; and bridge loans. Before joining NatWest Bank, Mr. Enright operated Enright & Company, a private investment banking firm, which handled over \$5 billion of financing assignments in its 9 years of operations. Enright & Company was awarded an Institutional Investor “Deal of the Year” for its work at the New Jersey Highway Authority.

Mr. Enright has over 35 years of experience in all aspects of financial advisory and investment banking, Mr. Enright started his career in the public sector for eight years and held the position of Jersey City’s Director of Planning and Development, where he was responsible for the master planning of the Hudson River waterfront revitalization

EDUCATION

New York University School of Public Administration

Master’s Degree

St. Peter’s College

Bachelor of Science

FINRA Licenses

- 7 (Full Registration/General Securities Representative)
- 24 (General Securities Principal)
- 28 (Introducing Broker-Dealer/Financial and Operations Principal)
- 50 (Municipal Advisor Representative)
- 53 (Municipal Securities Principal)
- 54 (Municipal Advisor Principal)
- 63 (Uniform Securities Agent)
- 79 (Investment Banking Representative)
- SIE (Securities Industry Essentials Examination)



TIMOTHY S. EISMEIER, MANAGING DIRECTOR

teismeier@nwfinancial.com



Tim Eismeier has over a decade of experience as a seasoned municipal advisor, investment banker, and financial consultant for numerous municipalities, counties, and authorities in the state of New Jersey. Mr. Eismeier's clients have included the City of Newark, the City of Jersey City, the County of Bergen, the Hudson County Improvement Authority, the Atlantic County Improvement Authority, the City of Bayonne, the City of East Orange, the City of Union City, the Township of Bloomfield and the Township of Belleville among others. Mr. Eismeier provides his clients with financial insight and advice concerning the issuance of debt, general budget preparation, water/sewer rate analysis and correspondence with rating agencies, as well as analysis of major redevelopment projects and proposed long-term tax abatements.

Over the last decade, Mr. Eismeier has structured billions of dollars in municipal bonds and notes, including a variety of complex financings, such as the issuance of Motor Vehicle Rental Tax Revenue Bonds by the City of Newark, Redevelopment Area Bonds (RABs) in multiple municipalities throughout the State and numerous lease-revenue and governmental-loan programs through county-level improvement authorities. He has created sophisticated cash flow projections for his clients in connection with their annual budget preparation, the implementation of new water/sewer rates, and the issuance of Tax Anticipation Notes. Mr. Eismeier has been integrally involved in numerous, complex underwritings for NW Capital Markets, including the Union County Utilities Authority's issuance of \$136,745,000 Resource Recovery Facility Lease Revenue Bonds and \$69,080,000 Solid Waste System Revenue Bonds. Mr. Eismeier has also structured debt offerings for the Union County Improvement Authority, the Bergen County Improvement Authority, the Jersey City Municipal Utilities Authority, the Trenton Parking Authority, the Kearny Municipal Utilities Authority, and Stafford Township.

Mr. Eismeier is an expert in the financing of residential and commercial development and has advised municipalities during the implementation of dozens of redevelopment projects and long-term tax abatements. These projects collectively have encompassed millions of square feet of commercial and residential development and tens of thousands of residential units for both market-rate and affordable housing. In this role, he has analyzed developer pro-forma financial projections, prepared projections of PILOT revenues and municipal/schools costs, and negotiated with developers on behalf of the municipality. Mr. Eismeier's redevelopment consulting work has helped ensure that his clients receive the greatest possible benefit from redevelopment projects. His redevelopment consulting clients have included the City of Newark, the City of Jersey City, the Borough of Holmdel, the City of Linden, the City of East Orange, the City of Plainfield, and the City of Asbury Park. The combined project cost of the development projects that Mr. Eismeier has reviewed numbers in the tens of billions of dollars.

Prior to joining NW Financial, Mr. Eismeier served as an intern in the White House Office of Political Affairs in the fall of 2008. As a White House intern, Tim performed research in electoral politics, helped to coordinate efforts between the White House and various political campaigns, and assisted in the day to day operations of the Office of Political Affairs. Tim also served as an intern at NW Financial in the summers of 2008 and 2009.

EDUCATION

Hamilton College

Bachelor of Arts

FINRA Licenses

50 (Municipal Advisor Representative)

52 (Municipal Securities Representative)

SIE (Securities Industry Essentials Examination)



DANIEL S. BANKER, VICE PRESIDENT

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Daniel S. Banker joined NW Financial in July 2018. Mr. Banker serves as Vice President for the firm and provides various financial analyses services for clients.

Since joining the firm, Mr. Banker has been involved with numerous redevelopment projects across New Jersey, including both market-rate and affordable residential, hotel, and warehouse facilities. This includes the analysis of developer financial projections, projection of new resident and school children's costs, and determining appropriate PILOT terms for each project.

Throughout this process, he has become educated on all aspects of the Long-Term Tax Exemption Law and uses this knowledge to provide superior service for his clients and ensure they receive the maximum benefit.

Mr. Banker is highly proficient in the creation of financial models, including the creation of a partially automated redevelopment model that generates several outputs including developer returns, fiscal impact, and tax benefit, which assists in many of the firm's redevelopment studies.

Mr. Banker has close to a decade of real estate experience in both New York and New Jersey where he managed the research departments for two top brokerage firms. He consulted with developers on all aspects of residential development including site acquisition underwriting, construction finance, design development and marketing in both the rental and sale markets.

Mr. Banker is an integral part of the NW team that works with the County of Bergen and the County of Hudson providing grants to help small businesses through both County's Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") allocations. Mr. Banker has helped curate and execute applications, implement web portals, develop a tiered review process, and review applications. Through documentation verification and meticulous research, Mr. Banker ensures that all facets of the federal guidelines provided to the counties and municipalities are understood and carefully followed.

EDUCATION

North Carolina State University

Bachelor of Science in Business Administration – Finance



RISHA PRASAD, FINANCIAL ANALYST

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Risha Prasad joined NW Financial in August 2020 as a Financial Analyst and supports the firm's lead bankers by assisting in the quantitative analysis, structuring and credit analysis, debt portfolios and preparation of New Jersey Local Finance Board applications.

Prior to joining NW Financial, Ms. Prasad developed her knowledge of financial market and information systems at The University of Texas at Austin. She also gained experience in wealth/portfolio management and investment strategy through an internship at Merrill Lynch.

EDUCATION

University of Texas at Austin – McCombs School of Business

Bachelor of Business Administration – Finance and Management Information Systems

