



November 11, 2013

Mr. Raymundo Eufracio, County Auditor
Ms. Linda Fong, Assistant County Auditor
Hidalgo County, Texas ("Issuer")
2808 South Business Highway 281
Edinburg, Texas 78539

Dear Mr. Eufracio & Ms. Fong,

CONTRACT FOR ARBITRAGE COMPLIANCE SERVICES

Arbitrage Compliance Specialists, Inc. ("ACS") is proposing a comprehensive contract ("Contract") to complete arbitrage compliance computations as required by the United States Treasury, Internal Revenue Service ("IRS") for the tax-exempt debt listed in Exhibit A. The Issuer or ACS can terminate this Contract upon a 30 day written notice and payment of any services to-date.

We appreciate the opportunity to provide assistance to help the Issuer comply with the IRS arbitrage compliance requirements. As always, if we may be of further assistance or if there are any questions, please do not hesitate to call us at (800) 672-9993 ext. 7538.

Very truly yours,

Arbitrage Compliance Specialists, Inc.



Matt Collins, Account Manager



Stephen Broden, Vice President

Please acknowledge acceptance of this engagement by signing and faxing this letter in its entirety to Arbitrage Compliance Specialists, Inc. at (800) 756-6505 or scanning and e-mailing to matt@rebatebyacs.com or Stephen@rebatebyacs.com

Accepted by – Signature

Title

Date

Organization

**EXHIBIT A
ARBITRAGE REBATE AND PROJECT FUND YIELD RESTRICTION BUDGET**

BOND FACTS			REPORT	BUDGET			STATUS
Ctrl#	PAR	Bond Issue	Description	Type	End Date	Amount	Accept/Decline
4.00	\$2,800,000	Tax Notes, Series 2004	Arbitrage Rebate Calculation	Final	10/06/06	\$1,875	Accept <input type="checkbox"/> Decline <input type="checkbox"/>
8.00	\$13,195,000	Tax Notes, Series 2007	Arbitrage Rebate Calculation	Final	3/18/09	\$1,875	Accept <input type="checkbox"/> Decline <input type="checkbox"/>
TOTAL						<u>\$3,750</u>	*

Footnotes for pricing:

① ACS' fee for completing and filing Form 8038-T on 5th Year, 10th Year....Final Year if rebate is owed and applicable; on-time filing \$395, late filing \$595.

*Optional Charges for all issues, if applicable: \$150 per hour - Uncommingling of any funds, accounts or investments, as required (approximately \$250 - \$1,000 per year); transferred proceeds allocations (approximately \$250 - \$500 per year), if required due to certain types of refundings; if a Spending Exception is a viable option for this issue, the fee per 6-month report is \$1,250, which is generally in lieu (unless there is a Reserve Fund) of rebate reports. ACS's fees include one hour of data collection per debt issue; additional hours will be billed at \$150 per hour.

Zimbra

evangelina.garcia@co.hidalgo.tx.us

Re: Approval of Document-Arbitrage Compliance Specialists

From : Evangelina Garcia
<evangelina.garcia@co.hidalgo.tx.us>

Wed, Nov 20, 2013 11:03 AM

Subject : Re: Approval of Document-Arbitrage Compliance Specialists

To : Steve Crain <scrain@atlashall.com>

Yes Sir, it appears that they are and thank you for your response.

From: "Steve Crain" <scrain@atlashall.com>

To: "Evangelina Garcia" <evangelina.garcia@co.hidalgo.tx.us>

Sent: Wednesday, November 20, 2013 11:06:11 AM

Subject: RE: Approval of Document-Arbitrage Compliance Specialists

If the auditor is satisfied then I am OK.

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]

Sent: Wednesday, November 20, 2013 10:45 AM

To: Steve Crain

Subject: Re: Approval of Document-Arbitrage Compliance Specialists

Mr. Crain:

It's one of the attachments listed as E-13-195-06-04, nonetheless attached it is. The signature page is unde page 3 of 66 when you open the attachment.

Thank you

From: "Steve Crain" <scrain@atlashall.com>

To: "Evangelina Garcia" <evangelina.garcia@co.hidalgo.tx.us>

Sent: Wednesday, November 20, 2013 10:44:59 AM

Subject: RE: Approval of Document-Arbitrage Compliance Specialists

Lease send to me the contract I approved.

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]

Sent: Wednesday, November 20, 2013 9:53 AM

Zimbra

evangelina.garcia@co.hidalgo.tx.us

FW: Arbitrage Compliance Specialists

From : Linda Fong <linda.fong@auditor.co.hidalgo.tx.us> Wed, Nov 20, 2013 02:08 PM
Subject : FW: Arbitrage Compliance Specialists 📎 1 attachment
To : 'Evangelina Garcia' <evangelina.garcia@co.hidalgo.tx.us>
Cc : Martha L. Salazar <martha.salazar@co.hidalgo.tx.us>

Account Inquiry - FA1NQ01A 07/18/2013 10:24 am

Account No: 3-1100-415-19-115-020-0-339 Accounting Period: 13 YTD 322900 pq 09 -1 1 1

Acct. Year: 13 Description: ARBITRAGE CALC-OTHER PROF SRV

Period	Original Budget	Adjusted Budget	Encumbrance	Actual	Avail/Rec/Bal
01	6,500.00	6,500.00	.00	.00	6,500.00
06	.00	.00	6,500.00	.00	.00
07	.00	.00	3,450.00	3,450.00	.00
09	.00	4,000.00	.00	.00	4,000.00
YTD	6,500.00	10,500.00	3,050.00	3,450.00	4,000.00
PRE	.00	.00	.00	.00	.00
TOT	6,500.00	10,500.00	3,050.00	3,450.00	4,000.00

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]
Sent: Wednesday, November 20, 2013 10:01 AM
To: Linda Fong
Cc: Martha Salazar
Subject: Arbitrage Compliance Specialists

Linda:
 I'm about to create an agenda item however I need to identify the funding account number the agenda. Please forward the information so as to proceed with the agenda.

Thank you



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