

CERTIFICATE OF CITY SECRETARY

THE STATE OF TEXAS §
 §
COUNTY OF BURNET §
 §
CITY OF GRANITE SHOALS §

THE UNDERSIGNED HEREBY CERTIFIES that:

1. On the 14th day of January, 2025, the City Council (the *City Council*) of the City of Granite Shoals, Texas (the *City*) convened in regular session at its regular meeting place in the City (the *Meeting*), the duly constituted members of the City Council being as follows:

Ron Munos	Mayor
Steve Hougen, M.D.	Mayor Pro Tem
Brian Edwaards	Councilmember
Mike Pfister	Councilmember
Judy Salvaggio	Councilmember
Michael Berg	Councilmember
Catherine Bell	Councilmember

and all of such persons were present at the Meeting, except the following: NONE - All Present, thus constituting a quorum. Among other business considered at the Meeting, the attached resolution (the *Resolution*) entitled:

A RESOLUTION APPROVING AN ENGAGEMENT AGREEMENT FOR
BOND COUNSEL LEGAL SERVICES WITH NORTON ROSE FULBRIGHT
US LLP; AND OTHER MATTERS IN CONNECTION THEREWITH

was introduced and submitted to the City Council for passage and adoption. After presentation and discussion of the Resolution, a motion was made by Councilmember STEVE HOUGEN that the Resolution be finally passed and adopted. The motion was seconded by Councilmember BRIAN EDWARDS and carried by the following vote:

7 voted "For" 0 voted "Against" 0 abstained

all as shown in the official Minutes of the City Council for the Meeting.

2. The attached Resolution is a true and correct copy of the original on file in the official records of the City; the duly qualified and acting members of the City Council of the City on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the City Council was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Resolution would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, as amended, Texas Government Code.

IN WITNESS WHEREOF, I have signed my name officially and affixed the seal of the City, this 14th day of January, 2025.



City Secretary,
City of Granite Shoals, Texas

(CITY SEAL)



RESOLUTION 707

A RESOLUTION APPROVING AN ENGAGEMENT AGREEMENT FOR BOND COUNSEL LEGAL SERVICES WITH NORTON ROSE FULBRIGHT US LLP; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City Council (the *Governing Body*) of the City of Granite Shoals, Texas (the *City*) anticipates accessing the public or private markets from time to time to issue public securities to finance certain capital improvement projects within the City or to refinance public securities previously issued by the City, which will require the City to comply with the applicable laws and administrative rules of the State of Texas (the *State*) and federal securities and federal tax laws related thereto; and

WHEREAS, the Governing Body requires legal counsel which specializes in public finance matters and is well versed in State and federal securities and federal tax laws and applicable administrative procedures to provide bond counsel and disclosure counsel legal services pertaining to the City's issuance of public securities;

WHEREAS, the payment of such legal services shall be contingent on the City's successful issuance of public securities pertaining thereto and shall be payable from such public securities proceeds; and

WHEREAS, Norton Rose Fulbright US LLP will provide the City with bond counsel and disclosure counsel legal services on all of the City's publicly offered or privately placed public securities and has provided the City with one or more engagement agreements for bond counsel legal services pertaining to the City's anticipated future issuances of public securities (the *Engagement Agreement*, attached hereto as Exhibit A); and

WHEREAS, House Bill No. 2826, 86th Leg., R.S, effective September 1, 2019 (*HB 2826*), requires that a political subdivision of the State, including the City, enter into a contingent fee contract for legal services only after: (i) the governing body of the political subdivision has provided written notice to the public stating certain provisions enumerated within HB 2826; (ii) the governing body of the political subdivision approved such contract in an open meeting called for the purposes of considering such contract; (iii) the governing body of the political subdivision has stated in writing certain findings made by the governing body upon the approval of such contract, and (iv) the Texas Attorney General need not approve the Engagement Agreement pursuant to the exception provided by Section 2254.102(e) of HB 2826; and

WHEREAS, the Governing Body caused notice of this resolution (the *Resolution*), this meeting, and the following provisions enumerated within HB 2826 to be provided to the public in accordance with the Texas Open Meetings Act and HB 2826:

1. The Governing Body of the City intends to engage Norton Rose Fulbright US LLP to provide the City with bond counsel legal services pertaining to the City's issuance of public securities on the public or private market, including advising the City on any "official statement" to potential investors

pursuant to federal securities laws and issuing a legal opinion as to the foregoing;

2. Norton Rose Fulbright US LLP has consistently demonstrated its competence, qualifications, and experience as an industry leader in public finance matters through the provision of bond counsel legal services, the representation of local governments on federal income tax matters, the publication of disclosure policies and the representation of state agencies and political subdivisions within the State of Texas on public finance matters;
3. Accessing the public or private markets through the issuance of public securities and providing an "official statement" of the City to potential investors is governed by State and federal securities and federal tax laws and requires the advice of legal advisors that specialize in public finance matters that are well versed in public finance legal matters;
4. Engaging an attorney in private practice who specializes in public finance matters and is well versed in State and federal securities and federal tax laws pursuant to an hourly fee arrangement would likely result in higher fees to be paid by the City, and such fees incurred would be payable by the City by amounts on deposit in the City's General Fund, whether or not the public securities are issued;
5. Fees for legal services in public finance matters, including bond counsel and disclosure counsel legal services, have traditionally been paid pursuant to a contingent fee contract, where such fees become payable only upon the successful issuance of the public securities and are payable solely out of the proceeds of the public securities;
6. Entering into a contract for bond counsel and disclosure counsel legal services with Norton Rose Fulbright US LLP (a firm that specializes in public finance matters and is well versed in State and federal securities and federal tax laws) payment of which is contingent on the City's successful issuance of public securities and payable out of public securities proceeds provides the City a superior level of bond counsel and disclosure counsel legal services and fee(s) payable under the contract are reasonable in the public finance market and would likely be less than if such services were conducted pursuant to an hourly rate contract with an attorney specializing in public finance matters;
7. For each of the reasons state above, the execution of contingent fee engagement contracts with Norton Rose Fulbright US LLP is in the best interest of the residents of the City; and

WHEREAS, the meeting at which this Resolution is being considered is an open meeting called, in part, for the purposes of considering (i) the need for obtaining the bond counsel and

disclosure counsel legal services that are the subject of the Engagement Agreement, (ii) the terms of the Engagement Agreement, (iii) the competence, qualifications, and experience of Norton Rose Fulbright US LLP, and (iv) the reasons the Engagement Agreement is in the best interest of the residents of the City and in compliance with HB 2826; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS THAT:

SECTION 1. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 2. The Governing Body hereby finds that: (i) there is a substantial need for the bond counsel and disclosure counsel legal services that are the subject of the Engagement Agreement with Norton Rose Fulbright US LLP; (ii) the City does not currently employ attorneys and supporting personnel qualified to provide bond counsel and disclosure counsel legal services; (iii) the bond counsel and disclosure counsel legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the bond counsel and disclosure counsel legal services will be obtained and because, until the issuance of a public security, the City will not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees which is not contingent on the issuance of the public securities; and (iv) the relationship between the City or the Governing Body and Norton Rose Fulbright US LLP is not improper and would not appear improper to a reasonable person.

SECTION 3. Based on the findings by the Governing Body described above, the Governing Body hereby approves the City entering into the Engagement Agreement with Norton Rose Fulbright US LLP and authorizes the Mayor or the City Administrator to execute the Engagement Agreement.

SECTION 4. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, so that the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject

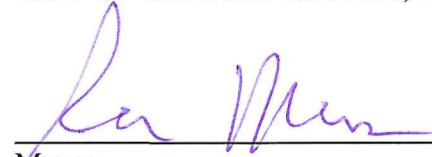
matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

[The remainder of this page intentionally left blank.]

PASSED, ADOPTED AND APPROVED on this the 14th day of January, 2025.

CITY OF GRANITE SHOALS, TEXAS



Mayor

ATTEST:



City Secretary

(CITY SEAL)



EXHIBIT A
Engagement Agreement



January 14, 2025

VIA E-MAIL

Honorable Ron Munos
Mayor
City of Granite Shoals
2221 North Phillips Ranch Rd.
Granite Shoals, Texas 78654

Norton Rose Fulbright US LLP
98 San Jacinto Boulevard, Suite 1100
Austin, Texas 78701-4255
United States of America

Stephanie Leibe
Partner
Direct line +1 512 536 2420
stephanie.leibe@nortonrosefulbright.com

Tel +1 512 474 5201
Fax +1 512 536 4598
nortonrosefulbright.com

Re: Engagement Agreement for Bond Counsel Services

Dear Mayor Munos:

Terms of engagement

This Letter of Engagement and the attached Norton Rose Fulbright Standard Terms of Engagement ("**Standard Terms**") set out the terms that govern the relationship between City of Granite Shoals, Texas (the "City") and Norton Rose Fulbright US LLP (**we** or **us** or **firm**) and the additional Norton Rose Fulbright Verein member firms described in the Standard Terms, who may be engaged to represent you in connection with the Matters as defined below.

Norton Rose Fulbright US LLP has made no promises or guarantees to the City about the outcome of the representation or the Matters, and nothing in these terms of engagement shall be construed as such a promise or guarantee. Any expressions on our part concerning the outcome of the Matters are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

We recognize our obligation to preserve the confidentiality of attorney-client communications as well as client confidences, as required by the governing rules of professional responsibility. If the Matters involves transactions, litigation or administrative proceedings or like proceedings in which we appear as counsel of record for the City in publicly available records, we reserve the right to inform others of the fact of our representation of the City in the Matters and (if likewise reflected of record in publicly available records) the results obtained, unless the City specifically directs otherwise.

Client

We have been retained by the City. Unless we agree otherwise in writing, and subject to satisfactory conflict clearances, we are not representing any other related entities or individuals, such as the City's shareholders, directors and officers, employees, partners, members.

Scope of engagement

We confirm that we have been retained by you as Bond Counsel in connection with the issuance, sale, and/or incurrence of debt obligations of the City ("Debt"). In addition, the issuance or incurrence of Debt or the conduct of any elections are referred to herein as the "Matters"; our representation in connection with the Matters is referred to herein as the "Representation". Our acceptance of the Representation becomes effective upon the execution and return of the enclosed copy of this letter.

Except as expressly stated otherwise, we will advise and act at all times in accordance with and in respect of federal and/or appropriate state law only and are not responsible for advising you as to the effect or enforceability of any documents or matters which may be subject to or governed by the laws of any other jurisdiction.

Personnel

I will be working on the Matter as lead attorney, but will add to this team with others who are necessary to complete the applicable Representation with respect to a particular Matter. You may call, write, or e-mail any of us whenever you have any questions about the Representation. Other firm personnel, including paralegals and other administrative staff, will participate in the Representation if and to the extent, in our judgment, their participation is necessary or appropriate.

Fees and other charges

Legal fees and costs are difficult to estimate. Except as discussed herein, accordingly, we have made no commitment concerning the maximum fees and charges that will be necessary to resolve or complete the Representation.

From time to time, we may furnish estimates of legal fees and other charges that we anticipate will be incurred in connection with the Matter. Such estimates are by their nature inexact because of the potential for unforeseeable circumstances; and therefore, our actual fees and other charges may vary from such estimates.

Our fees will generally be based on the time spent by firm personnel, primarily firm lawyers or paralegals, who participate in the Representation and on the basis of the complexity of a Matter. For portions of the Representation that do not involve the issuance of Debt, we will agree with you to a fee arrangement that may be fixed fee or hourly in nature prior to our commencement of any work related to such portion of the Representation. Certain fees may be reimbursable to the City depending on the type of economic development project. For portions of the Representation that do involve the issuance of Debt, a fee schedule is attached hereto as Exhibit A-1.

In addition to our fees for rendering professional services, our statement will include other charges for expenses and services incurred incident to the performance of our legal services, such as photocopying, delivery charges, travel expenses, overtime for secretaries and other nonlegal staff, Texas Attorney General filing fee of up to \$9,500 per series of Debt (that we will pay on behalf of, subject to reimbursement by, the City), specialized computer applications such as computerized legal research and filing fees. Our current recharge schedule (which is subject to change from time to time) is attached hereto as Exhibit A-2.

Invoicing and reporting

Our billing rates are based on the assumption of prompt payment. Consequently, fees for our legal services and other charges will be billed upon the conclusion of the Matter.

Conflicts of interest

Before accepting the Engagement, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would prevent us from representing the City in the Matter. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. You agree to the applicability of those rules in regard to all matters relating to this engagement and that, in future matters involving the City, potential conflicts of interest will be evaluated under the local rules of professional responsibility applicable to the Norton Rose Fulbright office handling that future matter. Based on the information available to us, we are not aware of any conflicts.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel in the Matter may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel in the Matter may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to the City in the Matter that is the subject of this engagement or in some other matter.

During the course of the firm's representation of the City, we may need to analyze or address matters relating to our professional duties or responsibilities, and to consult with lawyers of the firm who have been identified internally to serve as the firm's in-house counsel about such matters. To the extent that any conflict of interest might be deemed to exist as between the firm and the City because of these consultations, you hereby waive any such conflict, consent to such consultations, and agree that we have no obligation to disclose information relating to such consultations to the City. You also agree that these consultations are protected from disclosure by the firm's attorney-client privilege and, as appropriate, the firm's work product protection and that the City will not seek to discover or inquire into them. Nothing in the foregoing shall otherwise diminish or affect our obligation to keep the City informed of material developments in your representation.

Due to the size, geographic scope, breadth and diversity of our practice, it is likely that current and future clients of ours will come into contact with you, and it is important that we agree with you on certain matters in relation to conflicts of interest to preserve our ability to represent you while also preserving the right of our other clients or potential clients to choose us to commence or continue as their counsel. In that regard, you consent to, and waive any conflicts of interest with respect to, our representation of any current or future clients (including any parties adverse to you in this Matter) in any matter that is not substantially related to this Matter, even if their interests are directly adverse to you or your interests in such other matter. Such current and

future clients may include your financial advisors, debtors, creditors or others who have interests that are contrary to your interests.

We agree, however, that your consent and waiver does not permit us to represent another client in a matter if we have obtained your non-public proprietary or other confidential information from you that could be used by the other client to your material disadvantage, unless we take timely and adequate steps to protect your confidential information. For the avoidance of doubt, your agreement to these terms and conditions and the consent and waiver will have no adverse impact upon our representation of your interests in this Matter.

Applicable law

The laws of Texas (exclusive of its conflict of laws principles) govern these terms of engagement, and the parties submit to the exclusive jurisdiction of the courts sitting in the District of Houston, Harris County, Texas in any matter arising from or relating to this engagement or anything contained in this engagement letter including the attached Standard Terms, and consent to venue in such court and waive any objection of inconvenient forum as to such court. You agree that any legal process relating to this engagement may be served upon you by us by first-class mail addressed to the mailing address set forth on the first page of this letter and/or by e-mail to the e-mail address set forth on the first page of this letter, or to such additional or alternative addresses as you may provide for such purposes. Each professional is subject to the ethical and professional conduct rules applicable to the jurisdiction in which that lawyer is authorized to practice.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled Attorney Complaint Information is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1 800 932 1900 toll free.

Termination

At any time, the City may, with or without cause, terminate the representation by notifying us of the City's intention to do so.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: nonpayment of fees or charges; misrepresentation of or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. The right of Norton Rose Fulbright US LLP to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct. Further, a failure by the City to meet any obligations under these terms of engagement shall entitle us to terminate the

representation. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

Termination of the representation will not affect the City's obligation to pay for legal services rendered and expenses and charges incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the Matter. Further, in the event of termination of the representation, the City's will take all steps necessary to release Norton Rose Fulbright US LLP of any further obligations in the representation in the Matter, including, without limitation, the execution of any documents necessary to effectuate our withdrawal from the representation in the Matter.

After termination or completion of the representation, changes may occur in the applicable laws or regulations that could affect the City's future rights and liabilities in regard to the Matter. Unless we are actually engaged after termination or completion of the representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Matter.

Confidential Firm Information

The City recognizes that, in forming the attorney-client relationship or otherwise, we may provide or may have provided the City with information marked "Confidential." The City agrees to maintain the confidential nature of that information and not to disclose it to third parties.

Conclusion and acceptance

You can accept this agreement by signing and returning to us the enclosed copy of this letter or by continuing to retain us.

This letter and the attached Standard Terms constitute the entire terms of the engagement of Norton Rose Fulbright US LLP in connection with the Matter. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by the City and Norton Rose Fulbright US LLP. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the City or Norton Rose Fulbright US LLP.

Very truly yours,



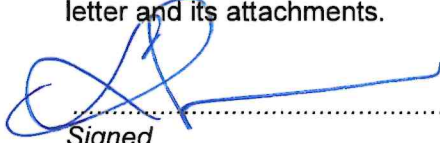
Stephanie Leibe

SVL/rmw

Enclosures

cc: Matt Lee (Firm)
Chris Guevara (Firm)

City of Granite Shoals, Texas acknowledges and accepts the terms of engagement set out in this letter and its attachments.



Signed

Sarah Novo

Name

City Manager

Title

01/14/2025

Date

NORTON ROSE FULBRIGHT STANDARD TERMS OF ENGAGEMENT

Norton Rose Fulbright Verein (the **Verein**) is a Swiss verein which does not itself engage in the practice of law or other business. The member firms in the Verein are Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP (the **Members** or, individually, a **Member**), who, with their subsidiaries or associated entities, engage in a coordinated international legal practice, even though they are separate law firms each of which, absent specific contractual agreement with a client on an individual matter, is solely responsible for its own work and not for the work of any other of them.

Each of the Members is committed to providing its clients with the highest quality legal services and to building a lasting relationship with its clients as a trusted adviser.

To that end, these Standard Terms of Engagement will apply to all engagements between a Member or its subsidiary or associated entity and a client unless otherwise agreed in writing by the client and an authorized representative of such Member, subsidiary or associated entity. These Standard Terms of Engagement are supplemented by additional standard provisions and/or a letter or contract of engagement relevant to the jurisdiction of the Contracting Party (as below defined).

1 Defined Terms

1.1 The following documents will constitute the entire agreement relating to the engagement of a Contracting Party by a client: (i) any letter or contract of engagement, (ii) any additional standard provisions referred to above, (iii) these Standard Terms, (iv) any other terms and conditions agreed between the Contracting Party and the client, and (v) any amendments or supplements to any of the foregoing agreed from time to time. In the event of any conflict between the terms of the foregoing, the documents shall be construed in the order of priority in which they are referred to above, but subject to any amendments as referred to in (v).

1.2 In the above-mentioned documents:

- (a) Any individual entity that is a Member or subsidiary or associated entity of a Member is referred to as a Norton Rose Fulbright Entity. The Norton Rose Fulbright Entity with which a client engages at any time is referred to as the Contracting Party.
- (b) We, our and us refer to the Contracting Party together with any other Norton Rose Fulbright Entity to which part or all of your instructions have been referred pursuant to paragraph 2.1(h) of these Terms; you and your refer to the client (jointly, if more than one, and not individually) with which the Contracting Party engages. Unless otherwise specifically agreed, you and your do not refer to and no attorney/client or solicitor/client relationship will exist as to persons or entities related to the client such as parent companies, subsidiaries, affiliates, employees, officers, directors, shareholders, partners, members, commonly owned corporations or partnerships, or other such persons, entities or affiliates.

2 Your relationship with us

2.1 When you instruct us on an individual matter, we will write to you to set out:

- (a) which Norton Rose Fulbright Entity is the Contracting Party;
- (b) the scope of the work we have agreed to undertake and any assumptions on which it is based;
- (c) who will be the responsible partner or director and other key team members whom we will try not to replace, although unforeseen circumstances may require that;
- (d) the fees and invoicing arrangements;
- (e) any applicable limitation of liability; and
- (f) the governing law applicable to the contractual relationship with you and the choice of jurisdiction for resolving any issues.
- (g) Your contractual relationship for individual matters is between you and the Contracting Party, not any other Norton Rose Fulbright Entity nor any individual. You understand that we do not make any promises or warranties as to the outcome of the representation.
- (h) If, with your agreement, the Contracting Party has referred all or part of your instructions on any individual matter to one or more other Norton Rose Fulbright Entities, legal services provided by other Norton Rose Fulbright Entities will be governed by the terms of our engagement, which will apply as between you and such Norton Rose Fulbright Entity or Entities, to the fullest extent permitted by the laws and professional regulations applicable in the jurisdictions in which such other Norton Rose Fulbright Entity or Entities operate as regards such other Norton Rose Fulbright Entity's or Entities' representation of you, as well as by, if any are issued, additional standard provisions and any letter or contract of engagement relevant to the other Norton Rose Fulbright Entity or Entities.

3 Our fees

- 3.1 Our bills are payable on receipt and in the currency in which they are submitted. If you ask us to provide bills using an e-billing solution you understand that: (i) we will send your information to our and your third party supplier(s) to enable us to comply with your request and the transfer is at your risk; (ii) any costs arising out of use of your third party supplier shall be borne by you; and (iii) our compliance with your request shall not reduce the fee otherwise chargeable by us.
- 3.2 If you are required by law to deduct any amount when paying a bill, you will pay to us an additional amount so as to ensure that we receive a net sum equal to the amount of the bill.
- 3.3 We need to approve in advance any proposal for any part of one of our bills to be paid by a third party. Notwithstanding our approval, you agree that you will remain responsible for paying the whole bill and any interest accrued on it.
- 3.4 Unless otherwise agreed, any other Norton Rose Fulbright Entity or Entities to whom the Contracting Party has referred instructions under paragraph 2.1(h) may provide statements of their fees and charges to the Contracting Party, who will include such fees and charges in its statements to you, which you will be obligated to pay in order that it can remit payment to such other Norton Rose Fulbright Entity or Entities.

3.5 If a bill remains unpaid 30 days after delivery:

- (a) you agree that we may be entitled to charge interest, if any, on it at such rate and under such arrangements allowable under the laws and professional regulations applicable to us or as may be provided for in applicable additional standard provisions or an agreement between us and you, and
- (b) on giving written notice to you, we may cease work on the matter to which the bill relates and any of your other matters. You agree that we are not responsible for any loss resulting from such inactivity. If the matter is litigious, we may also remove ourselves from the Court or tribunal record.

3.6 You agree that we may exercise a lien over your files and documents until all bills due to us from you have been paid in full, subject to the laws and professional regulations applicable to us.

3.7 If we are required by any governmental or regulatory body, or by a service provider appointed by you, to submit one of our bills to audit, to produce documents or provide information on any individual matter on which you have instructed us, we shall be entitled to bill you for the work involved (and any disbursements incurred) at the rates agreed for the relevant matter. If legal privilege attaches to any such documents, you will either waive privilege or instruct us to review them in your interests.

3.8 We advise and you acknowledge that the Members of the Verein have an arrangement between them that where a matter is referred by one Member to another, the referring Member and one or more of its partners or directors may be financially rewarded for having so referred the matter. This is an entirely internal arrangement as between the Members of the Verein, and their respective partners and directors, and it does not require you to pay any amount in addition to the fees, disbursements and other charges which apply under the agreed terms of your engagement of us and, if applicable, any other Norton Rose Fulbright Entity.

4 Disbursements and other charges

4.1 We may consider it to be in your interests to instruct counsel or engage correspondent lawyers, experts or others on your behalf and at your expense. We will consult you before doing so if such instructions or engagements will result in significant fees becoming payable.

4.2 We may also charge for photocopying, telephone calls, travel, searches, court fees, hosting on-line data or deal rooms and for other services at our or their standard rates from time to time and for other expenses. These charges will be included in our bills and will not include any mark-up of expenses for which the precise cost can be readily determined but may vary from or exceed our or their direct cost for services for which the precise cost cannot be readily determined.

5 Money held on account for you

5.1 We will deposit any money we hold on your behalf with a regulated financial institution and manage it in accordance with the laws and professional regulations applicable to us. You agree that we are not responsible for any loss of funds so deposited and managed.

- 5.2 If you deposit money with us on account of our fees, the principal and interest accrued, if any, will be applied to your final bill, rendered when we complete your instructions. Unless you and we have agreed otherwise, we may also apply any part of the money in settlement of any outstanding interim bills we submit to you.

6 Communicating with us

- 6.1 When you seek and receive legal advice from us on your rights and obligations, legal advice or attorney-client privilege will attach to our communications related to that advice. If we act for you in contemplated or actual legal proceedings, litigation or attorney-client privilege will attach to our communications related to those proceedings.
- 6.2 You agree that we may communicate with you using electronic means, knowing that certain risks (including, for example, interception, unauthorized access and risk of viruses) are associated with such means.

7 Confidentiality, conflict of interests, and our relationships with other clients

- 7.1 We will keep all information obtained from you, which is not in the public domain, confidential, and will only otherwise disclose it with your authority or if required to do so by the laws and professional regulations applicable to us or if permitted under paragraph 9.3. Nevertheless, you agree that we may disclose any relevant information in order to protect and/or defend ourselves in any actual or threatened legal, civil or regulatory proceeding and may also disclose any relevant information in confidence to our insurers, insurance brokers, auditors, bankers and other advisers if and to the extent such disclosure may occur without waiving or losing any applicable legal privilege.
- 7.2 You will provide us, and will instruct your other advisers and any co-venturer or other co-participants to provide us, on any matter on which we are instructed, with all relevant information and documents, all of which will have been properly obtained and on which we may rely without verification. You agree that, unless you instruct us otherwise, we may disclose any relevant information to your other professional advisers.
- 7.3 Norton Rose Fulbright is a large coordinated international legal practice with multiple offices around the world. Because of the size, geographic scope, breadth and diversity of the practice, it is inevitable that current and future clients of ours will come into contact with you, and it is important that we agree with you on certain matters in relation to conflicts of interests to preserve our ability to represent both you and other clients. You agree that we may represent current or future clients (including any parties adverse to you in this Matter) in any other matter (including in litigation, arbitration, or other dispute resolution proceedings) that is not substantially related to your Matter, even if their interests are directly adverse to you or your interests in that other matter. We agree, however, that we will not represent another client in a matter if we have obtained non-public proprietary or other confidential information from you that could be used by that other client to your material disadvantage in that matter. You agree and accept that you have access to independent advice on the effect of this paragraph 7.3 and that your signature by way of acceptance of the provisions of the engagement letter to which these Terms apply is confirmation that you understand the scope and application of this paragraph and that you have no questions or concerns in that respect.
- 7.4 You agree that we or any other Norton Rose Fulbright Entity may act for other clients in transactions or disputes in which you or any affiliated entity of yours has an interest

provided that we or such other Norton Rose Fulbright Entity do not thereby breach our or their duty of confidentiality to you.

- 7.5 You agree that we are under no duty to disclose to you or use on your behalf any information in respect of which we or any other Norton Rose Fulbright Entity owe a duty of confidentiality to another client or any other person.
- 7.6 You agree that we may disclose our role as legal advisers in any matter on which we are instructed following its completion, for the purposes of publicity, unless you instruct us otherwise. You also agree that, unless you instruct us otherwise, we may publicize the fact that we have a relationship with you.

8 Complaints

- 8.1 Any concerns or complaint about our work should be directed initially to the partner/director responsible for carrying out your instructions or, if you prefer, to the relationship partner/director. We maintain internal procedures that can be employed should a concern require escalation beyond the responsible partner/ director. The laws and professional regulations applicable to us may also provide formal complaint procedures.
- 8.2 In particular, you should raise any queries regarding any of our bills with the partner or director responsible for the matter as soon as possible. If any part of one of our bills is queried by you or the relevant payer, you agree to immediately pay, or procure payment of, those parts not subject to query.

9 Data protection, exchange of information and storage of documents

- 9.1 We act as a data controller in the provision of our legal services. We will process personal data provided to us by you or your employees or agents in relation to any instruction in accordance with data protection standards required by applicable law and will implement appropriate technical and organizational security measures to protect against unauthorized or unlawful processing of that personal data and against accidental loss of, or damage to, that personal data. Please see our Privacy notice for further information on our processing of personal data: <http://www.nortonrosefulbright.com/privacy-notice/>
- 9.2 Each party (you and we) will assist the other party in complying with its respective obligations under applicable data protection law and will ensure that the provision of personal data to the other party is fair and lawful. You agree that you will make our Privacy notice available to your employees or other individuals whose personal data you share with us where this provision of information is required by applicable data protection law. We in turn agree that we will promptly notify you either: (i) upon receipt of a request or complaint from a regulatory authority or an individual exercising a data subject right; or (ii) in the event of loss, disclosure or unauthorized or unlawful processing of personal data that you have provided to us or that we have obtained on your behalf. We will cooperate with you and provide all reasonable assistance as may be required in either case.
- 9.3 In the course of providing our services to you, personal data (if any) with respect to persons in the European Economic Area (EEA) may be accessible to and used by other Norton Rose Fulbright Entities and their contractors and/or agents, including those located outside the EEA where data protection laws may not be as comprehensive as in the EEA, but as to such personal data we will ensure compliance with the data protection standards

of the EU General Data Protection Regulation 2016 or higher standards under other laws applicable to such personal data.

- 9.4 We will also share your contact details, and those of your staff with whom we have contact, with other Norton Rose Fulbright Entities in order to provide you with information relevant to your business, and to ensure your continuous access to publications, events and news in areas of interest to you. Where your employees supply their contact details to us, we will only use that personal data in accordance with our Privacy notice referenced above or as otherwise consented to by them.
- 9.5 We will not exchange information that will result in waiver or loss of any client privilege with other Norton Rose Fulbright Entities. Otherwise, you agree that the Contracting Party may exchange your information (including personal data) with other Norton Rose Fulbright Entities, including for the purposes of conflict checking, compliance, financial planning, billing, business development and matter management. Arrangements are in place among all Norton Rose Fulbright Entities to protect the confidentiality of the information exchanged.
- 9.6 We may outsource certain functions associated with servicing clients to a service center dedicated to Norton Rose Fulbright located outside of the EEA or to other third party providers. For example, we may outsource information and document management, office support, technology and IT services, word processing, photocopying, and translation services.
- 9.7 Some of your data may be stored using cloud technology managed by a third party service provider. We have agreements in place with the third party service providers referred to in paragraphs 9.6 and 9.7 where applicable and also employ technical and organizational measures to protect the confidentiality and security of any information shared with them.
- 9.8 We do not undertake to store or retain your files (whether paper or electronic) for any particular period of time, but will do so for at least the minimum number of years required by applicable laws and professional regulations or local business custom. Files may be destroyed at any time after the expiry of such period, without notice, except those files you ask be delivered to you.

10 Copyright and intellectual property

- 10.1 We retain all copyright and other intellectual property rights in all material developed, designed and created by us in the course of a matter. You may only use and copy material created by us for you, or which we have developed independently of our work for you and used in the course of your matter, in accordance with our advice or specific license terms. All material must be kept confidential by you unless we agree otherwise.
- 10.2 We may use all material created and/or modified by us in the course of any matter for legal training, forms, service development (including in the training of artificial intelligence technologies in which event the materials may be hosted on a third party system) and research purposes, without reference to you.

11 Our compliance with certain laws and regulations

- 11.1 We may require you to provide identifying documents and information concerning yourself and individuals and/or entities associated with you in order to comply with anti-money laundering laws and regulations, and to keep those documents and information up to date.

We may be unable to carry out your instructions if we are unable to verify your identity or, in some instances, the identities of your directors, shareholders and eventual beneficial owners. We shall only process such identifying documents and information for the purposes of preventing money laundering or terrorist financing and to fulfil any other legal and regulatory obligation and shall retain it for the period necessary in accordance with permitted or required retention and limitation periods and in accordance with our data protection obligations as set out at paragraph 9 above.

- 11.2 We may be required by law or regulation to report to a governmental or regulatory authority our knowledge and/or suspicion that certain criminal offences have been committed, regardless of whether such an offence has been committed by a client of ours or by a third party. We may not be able to discuss such reports with you because of restrictions imposed by those laws and regulations, and we may have to cease acting for you in those circumstances. You agree that we are not responsible for any adverse consequences you may suffer as a result of our compliance with such laws and regulations.

12 Force majeure

Neither you nor we will be responsible for failure to perform our respective obligations concerning your instructions (save for your responsibility to pay our bills in full) if the failures are due to causes outside, respectively, your or our control.

13 Amendments

From time to time, we may need to amend these terms of engagement. If this occurs, we will notify you of the changes by means of a notice in the Legal Notices section of our website but they will not affect any matter on which we are then currently instructed.

14 Limitations

If the validity or enforceability of any of these terms of engagement is in any way limited by the laws and professional regulations applicable to us, those laws and professional regulations will take precedence over these terms of engagement but they will be valid and enforceable to the fullest extent permitted by such laws and professional regulations, and such limitation shall not affect the validity or enforceability of any other term.

15 Integrity and ethics

Our policy is to act at all times in accordance with the highest professional, ethical and business standards, and we expect you to act in like manner in all your dealings with us and your business counter-parties. We do not countenance bribery or corruption in any form and you agree (i) not to expect or request any conduct from us that might bring our name into disrepute or compromise our integrity, (ii) that you and your employees and agents will refrain from any practices involving bribery or any other corrupt activities, and (iii) that you have taken or will take internal steps or procedures designed to ensure that the risk of corruption and bribery during the course of our relationship is eliminated.

16 Termination

- 16.1 Either you or we may terminate our engagement at any time by giving reasonable prior notice in writing, subject, in our case, to any applicable laws or regulations. We will only stop acting for you if we believe we have a good reason to do so, including in the

circumstances contemplated by paragraph 3.5 (b), but we retain sole discretion regarding any such decision.

- 16.2 If our engagement is terminated for any reason, you agree to pay in full our bills representing fees, costs, disbursements and other charges up to the time of the engagement's termination.
- 16.3 A solicitor/client or attorney/client relationship exists between you and us only if, at the relevant point in time, we are working under instructions from you; we shall have no duty to provide you advice at any other time concerning changes in laws, rules or regulations that might affect your rights. Further, if we are not under instructions from you at a given point in time, you agree that, unless prohibited by applicable laws or regulations, we are entitled to accept at that time other instructions to act in respect of the subject matter of your previous instructions although we will not disclose to, or use to the benefit of, another client any information or documents in respect of which we owe you a duty of confidentiality.
- 16.4 We and other Norton Rose Fulbright Entities may send you general information on legal developments without charge, or may include you in general mailings, after our or their engagement with you has been terminated. This will not change the fact that our or their engagement has been terminated.

THE TEXAS LAWYER'S CREED — A MANDATE FOR PROFESSIONALISM

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice, personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable, when hearings, depositions,

meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, witnesses, the Court, and members of the Court staff with courtesy and civility and will not manifest by words or conduct bias or prejudice based on race, color, national origin, religion, disability, age, sex, or sexual orientation. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.

Exhibit A FEE SCHEDULE

Standard Fee Schedule:

Our proposed fee schedule will be based on a base of \$8,500 plus the product of the proceeds of any debt obligation (an *Obligation*) applied against the following fee schedule:

Principal Amount of Obligations	Fee* (per \$1,000 denomination)
\$0 - \$10,000,000	\$1.2500
\$10,000,001 - \$25,000,000	\$1.1250
\$25,000,001 - \$50,000,000	\$0.8750
\$50,000,001 - \$100,000,000	\$0.7500
\$100,000,001 - \$200,000,000	\$0.6250
Over \$200,000,000	\$0.5000

* This scale will be increased by 25% for the issuance of any advance refunding Obligations.

* Variable Rate Obligations (without third-party liquidity) will be billed at our standard fee scale.

* Remarketings of outstanding variable rate Obligations to new variable rate term periods or fixed rate conversions will be billed at 50% of our standard fee schedule (plus \$5,000 for additional federal income tax expertise in the event that any such remarketing or conversion results in a reissuance of Obligations under federal tax law).

* To the extent that our Firm is responsible for preparing the offering documents relating to the issuance or remarketing of any Obligations, an additional fee of \$7,500 will be charged.

*For the creation of a public improvement district and/or the levy of assessments independent of a bond issuance, our firm will negotiate an appropriate fee schedule with the applicable developers.

*For an issuance of public improvement district obligations, our fee is 2% of the principal amount of the obligations, or \$65,000, whichever is higher.

* Lease-purchase equipment obligation will be billed on an hourly basis, subject to a minimum charge of \$15,000.

* Special election services will be billed on an hourly basis, with a per election cap of \$15,000 (unless an election contest or other litigation or administrative proceeding is initiated). Any amounts billed for an election will be credited against amounts paid during next issuance of Obligations.

* Individual expense reimbursements for any issuance of Obligations shall be capped at \$2,500 per series of Obligation.

* Redemptions or defeasances not associated with an Obligation transaction are billed at a fixed fee of \$2,500.

* Separately negotiated hourly or fixed fee arrangement for all derivative product structures, variable rate bond programs with third party liquidity, conduit debt, and lease revenue bonds.

* Case-by-case exceptions may be made to the above.

NORTON ROSE FULBRIGHT US LLP
(Austin)

Expenses and Services Summary

<i>EXPENSE/SERVICE</i>	<i>CHARGE</i>
Binding	\$1.75 per book (Pricing varies in other office locations)
Data Base Research Lexis, Westlaw, Information America	Costs allocated by the firm
Deliveries	
Overnight/Express	Direct cost
Outside Courier	Direct cost
Courthouse Messengers	Outside courier rates – Direct cost (Pricing varies in other office locations)
Document Scanning	\$.12 per page – Direct cost
Duplicating	
Photocopy	\$0.15 per page
Color photocopy	\$0.85 per page
Microfilm/Microfiche	Direct cost
Videography (duplication)	Direct cost
Electronic Mail (via Internet)	No charge
Library Research by Library Staff	\$85.00 - \$120.00 per hour
Weekend & Late Evening Air Conditioning	\$19.19 per hour (Only if necessitated by client requirements) (Pricing varies in other office locations)
Postage	Direct cost
Secretarial Overtime	\$28.00 per hour (Pricing varies in other office locations)
Facsimile (Outgoing)	No charge
Telephone	
Long Distance (Domestic)	No charge
Long Distance (International)	No charge
Telephone Conference	Direct cost (Third-party provider's charge -\$0.05 per participant per minute)
File Storage Retrieval	Direct cost (Pricing varies in other office locations) Price may vary depending on time constraints - Rush/After Hour

<i>EXPENSE/SERVICE</i>	<i>CHARGE</i>
Transportation	
Mileage (personal automobile)	Applicable IRS allowable rate per mile
Lodging	Direct cost
Meals	Direct cost
Car Rental/Airline/Rail/Etc.	Direct cost
CD-ROM Research	Rate varies based on length of search
Graphic Arts	\$150.00 - \$175.00 per hour, plus direct cost of supplies. If sent to outside vendor - Direct cost
Practice Support	\$200.00 per gigabyte per month
E-Discovery	Direct cost
Firm hosting of on-site document review performed by outside contract attorneys	\$10.00 per hour