

Founded in 1852
by Sidney Davy Miller

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May 3, 2024

Darwin McClary
Village Manager
Village of Lake Orion
21 East Church Street
Lake Orion, Michigan 48362

Re: ***Village of Lake Orion – 2024/25 Revenue Bonds***

Dear Darwin:

We are delighted to serve the Village of Lake Orion (the “Village”) as bond counsel in connection with the proposed issuance of revenue bonds (the “Bonds”) for sewer improvements in the Village. You may be assured of our prompt and complete attention to this financing. It is our practice when beginning work on a new matter to send an engagement letter like this which sets forth the scope of our services as bond counsel and the nature of our compensation.

Bond Counsel’s Role

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of the Bonds. Our approving legal opinion with respect to the Bonds will be executed and delivered by us in written form on the date the Bonds are exchanged for their purchase price and will be based upon facts and law existing as of its date. In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and by other persons furnished to us without undertaking independent verification of the information contained in the proceedings and certifications.

In performing our services as bond counsel, our client is the Village, and we will represent its interests. However, our representation of the Village does not alter our responsibility to render an objective opinion as bond counsel. Upon delivery of the opinion our responsibilities as bond counsel will be concluded with respect to the Bonds.

Scope of Bond Counsel Services – What We Will Do

As bond counsel, we would provide the following services customarily performed by bond counsel respecting the authorization, sale, issuance and delivery of the Bonds:

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1. Consult with Village officials and others to explain the legal nature of the proposed borrowing, the Village's power to borrow and the limitations on that power and consult with Village officials in the design of the bonding program and timing schedules.
2. Prepare all of the resolutions, notices, agreements, and other documents necessary to authorize, issue and deliver the Bonds. We also would assist the Village in preparing applications to the Michigan Department of Treasury, if necessary, for approval to issue the Bonds.
3. Examine the tax issues related to the Bonds (done by an attorney specializing in the requirements of the Internal Revenue Code as they apply to municipal tax-exempt bonds) to assure that all requirements of the Internal Revenue Code are complied with and that any adverse tax consequences are minimized.
4. Prepare the bond form for printing definitive bonds for delivery to the purchaser or underwriter. We will also participate in the sale and delivery of the Bonds to the purchaser or underwriter in order to handle legal matters that may arise at those times.
5. Give the approving opinion as to validity and enforceability of the Bonds and their authorizing documents and as to the excludability of the interest on the Bonds from federal and state income taxation.

Our professional responsibilities as attorneys in this matter will be limited to interpretations of law and other legal issues and the drafting of legal documents. We are not registered municipal advisors under the federal Dodd-Frank Act and therefore we will not assume the responsibilities of a municipal finance advisor or the professional responsibilities of any other advisor with respect to non-legal matters.

We are not being retained and our acceptance of this engagement is not an undertaking to provide the Client or any other person or entity with any advice or guidance relating to the Corporate Transparency Act (CTA) or their obligations thereunder, to prepare, review, submit, or update any document under the CTA, or to prepare or file any entity formation or registration documents on behalf of the Client or any other person or entity.

Additional Services

We believe that the above services encompass the normal scope of bond counsel activities. Because we are not the Village's general counsel, our engagement in this matter is not an undertaking at this time to represent the Village or its interests in any other matters for which we are not separately engaged.

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Our services as bond counsel do not include activities outside of that norm, such as review of construction contracts, condemnation, title issues or recording deeds involved in land acquisition, representation of the Village in litigation or administrative proceedings that might arise in connection with the Bonds. In the event that serious matters or matters outside the norm arise in these areas, we would provide you at that time with a fee quote for such additional services.

Our engagement does not include any obligation to monitor compliance with the federal tax requirements found in the Internal Revenue Code of 1986 (the "Code") and applicable to the Bonds, including the rebate requirements of Code Section 148(f), if applicable, as described in an exhibit attached to the Nonarbitrage and Tax Compliance Certificate that the Village will execute in connection with the issuance of the Bonds, or in connection with any audit or examination of the Bonds by the Internal Revenue Service. However, we would be available to assist with rebate calculations or any audit or examination as a separate engagement.

Conflict of Interest Policy

Our firm is one of the largest in Michigan. In addition to having the largest public finance practice in the State, our attorneys represent a great many clients, and our practice is in many different legal areas. At one time or another, our firm has represented nearly every large and many smaller commercial and investment banks and other bond purchasers that do business in Michigan.

We are not representing and do not intend to represent any other party in this financing. We do not believe that our representation in unrelated matters of the various other parties both in and out of the municipal area will affect our ability to serve the Village as bond counsel.

Because we are a large firm with many clients, we may be asked to represent a client in a matter adverse to the Village. We, of course, would decline to represent any client in a matter involving the Village that would conflict with our services to the Village as bond counsel for the above issue. Moreover, before we would represent a client adverse to the Village in any area not involving the bond issue, we would advise the Village before undertaking such representation.

Since the Bonds have not yet been offered for sale, the actual purchaser or underwriter of the Bonds (the "Purchaser") cannot be identified at this time. We wish to point out that it is possible that the eventual Purchaser will be a bank or other financial institution that has been or is a client of this firm with respect to matters unrelated to the Bonds. We do not believe our representation of the Village will be either: (i) materially limited by the Purchaser being our client on unrelated matters, or (ii) directly adverse to the Purchaser under these circumstances since (a) the terms of the Bonds, the official statement or request for proposals, the Bond resolution and our opinion will have been established prior to the acceptance of the Purchaser's bid or offer to purchase the Bonds, (b) the terms of said documents will not be modified in any material manner following the sale of the Bonds, and (c) all that remains to be completed subsequent to the Bond

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sale is the delivery of the Bonds to the Purchaser in accordance with the terms of the proposal accepted by the Village.

Fees

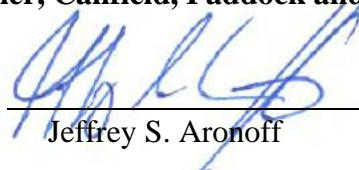
The final size, composition and timing of the Bonds has not yet been determined. Once the timing and amount of the project is identified and method of sale are determined, we will be able to give you a firm quote for our fees as bond counsel as described above and an estimate of our fees for any additional services. Our customary practice is to submit our invoice for payment at the time of the delivery of the Bonds to be paid from the proceeds of the Bonds.

We welcome this opportunity to be of service to the Village and look forward to working with you. If you have any questions regarding this letter, please give me a call.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By: _____


Jeffrey S. Aronoff