



Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC  
Washington, DC

July 23, 2024

**VIA E-MAIL**

Chris Tucker  
Finance Director  
Town of Pineville, North Carolina  
[ctucker@pinevillenc.gov](mailto:ctucker@pinevillenc.gov)

***Town of Pineville, North Carolina  
Fire Station Financing***

Dear Chris:

Thank you for considering Parker Poe Adams & Bernstein LLP (the “*Firm*”) to serve as bond counsel for the Town of Pineville, North Carolina (the “*Town*”), in connection with the financing of a fire station.

**Scope of Engagement.** Our understanding is that the Town intends to finance a new fire station in an approximate amount of \$16 million in December 2024. The Town is working with Davenport & Company as its financial advisor. The Town will finance the fire station project as an installment financing under the authority of NC General Statutes Section 160A-20 and the Town’s financial advisor expects to explore doing the financing as either privately-placed with a financial institution or as publicly offered limited obligation bonds. As bond counsel, the Firm will provide certain legal services for the installment financing and, assuming certain requirements are met, provide an opinion as to the validity of the installment financing and the federal and state tax treatment of the interest with respect to the installment financing payments, subject to usual and customary exceptions. Specifically, our services include:

1. participation in meetings with Town staff and, to the extent deemed necessary by the Town staff, with the Town Council, in structuring the legal aspects of the financing;
2. preparation of various resolutions and other documentation relating to the authorization, execution and delivery of the installment financing;
3. preparation of all other papers required as a condition precedent to the execution and delivery of the installment financing;

4. assistance to the Town with respect to matters before the Local Government Commission and, if applicable, the rating agencies;
5. working with the lender or the underwriter, as applicable, and its counsel to satisfy its requirements to complete the financing;
6. supervise the closing of the installment financing, including the execution and delivery of the financing documents; and
7. delivery of an approving legal opinion as may be required by the lender or the underwriter, as applicable, at closing to the effect that the installment financing contract has been validly executed and delivered and is enforceable in accordance with its terms, subject to the usual and customary exceptions.

The Town will be represented by the Town Attorney's office with respect to all material matters between the lender or the underwriter, as applicable, and the Town. The Firm does not represent to any other party involved in this transaction with respect to the Bonds. The scope of the legal services that Parker Poe will provide may be expanded during the course of this engagement pursuant to communications establishing a specific mutual understanding of the services the Firm is to perform.

We also wanted to let you know that if the Town elects to pursue this financing via publicly offered limited obligation bonds, then that financing structure will require the creation and participation of a nonprofit corporation to assist to Town and facilitate the issued of the bonds. As the Town considers its options, then we can discuss that structure in more detail with you.

**Advance Waiver of Conflicts.** The Firm routinely represents lenders and underwriters that participate in the public finance market. We want to therefor make you aware that our firm has, in unrelated financings, likely represented, may currently represent and could represent in the future, the lenders and the underwriters, as applicable, that the Town may choose to participate in this financing. Because the Town will be represented in this transaction by the Town Attorney, and the Town Attorney will serve as the Town's counsel with respect to all material matters, if any, as between the lender or the underwriter, as applicable, the Town, we do not consider our role as bond counsel to the Town to create a conflict of interest with respect to the financing, however, we are requesting that the Town waive any potential conflict of interest that may arise. If any issues arise that we believe create a genuine conflict of interest, we will immediately inform you and work with the Town Attorney to resolve the matter consistent with our ethical responsibilities.

**Staffing and Legal Fees.** I will be the Town's primary contact for our Firm's work on the Bonds with support from Andy Walsh and our tax partner, Mike Larsen. If the Town does the financing as a privately-placed installment financing, the Firm will provide services as bond counsel for a fee of \$37,500. If the Town does the financing as publicly offered limited obligation bonds, the Firm will provide services as bond counsel for the Bonds for a fee of \$75,000.

**Standard Terms of Engagement.** Additional information regarding fees and other important matters is set forth in the enclosed Standard Terms of Engagement, which are incorporated as part of this letter. Please review this letter and the Standard Terms of Engagement carefully.

Chris Tucker  
July 23, 2024  
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If the provisions set forth above are consistent with your understanding, including the waiver of any conflict of interest as described above, please have the letter signed below on behalf of the Town, keep a copy of the letter for yourself and return the original to us for our records.

Sincerely,



Scott E. Leo

**ACCEPTED:**

**TOWN OF PINEVILLE, NORTH CAROLINA**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Finance Director  
Town of Pineville, North Carolina

**PARKER POE ADAMS & BERNSTEIN LLP**  
**STANDARD TERMS OF ENGAGEMENT REGARDING LEGAL REPRESENTATION**

1. Scope of Work and Limitations. The scope of our work and the limitations on the services to be performed will be in accordance with the Engagement Letter.

2. No Guaranteed or Contingent Outcome. While we will perform our professional services on behalf of the client to the best of our ability under the circumstances, we cannot and have not made any guarantees regarding the outcome of our professional efforts. Any expressions about the possible outcome of the matter or the results achievable are our best professional estimates only, and are limited by our knowledge at the time they are expressed.

3. Communications. As requested, we will send to the client copies of pertinent correspondence, documents and other materials prepared or received by us in the course of the representation. The client is encouraged to contact us as to any questions or comments regarding the services, fees, or status of the matter or as to any pertinent facts or considerations which may come to the attention of the client. Material information and documents received by the client should be forwarded to the firm without delay.

4. Attorney Assignment. Each client will have an attorney who shall have primary responsibility for the client's matters. When appropriate, work on the client's matters may be assigned to other attorneys in the firm who have a sufficient level of experience and time availability to handle competently and efficiently portions or all of the client's matters. In addition, assistance of non-attorney support personnel under the direct supervision of firm attorneys may be required, as appropriate.

5. Confidentiality. The firm will protect the confidence of the client and will not divulge confidential information concerning the client's business or legal matters, as required by the Rules of Professional Conduct. However, we understand that, unless you advise us to the contrary, you do not object to our mentioning to others our representation of you or our listing of your name as one of our clients in professional literature or in material published about this law firm.

6. Conclusion of Representation: Retention and Disposition of Documents. Unless previously terminated, our representation of the client in this matter will conclude upon our sending the client our final statement for services rendered in the matter. At its request, the client's documents and property will be returned to it, although we reserve the right to copy any documents we deem appropriate. Our files and documents pertaining to the matter will be retained by the firm. For various reasons, including the minimization of unnecessary storage expenses, and consistent with applicable professional conduct rules, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us 5 years after the termination of the engagement, without further notice to the client.

7. Termination. The firm reserves the right to withdraw from representing the client upon written notice at any time, with or without cause. Likewise, the client may terminate the firm's services prospectively upon written notice to the firm. If the client terminates the firm's services or elects not to consummate the financing, the firm and the client will mutually agree at that time on appropriate compensation based on the amount of time the firm has spent on the matter to that date.