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May 3, 2021

Via Email: mattb@ci.st-helens.or.us

Matt Brown
Assistant City Administrator
City of St. Helens
P.O. Box 278
St. Helens, OR 97051

Dear Matt:

Thank you for selecting Hawkins Delafield & Wood LLP to act as bond counsel to the City of St. Helens (the "City") in connection with its Full Faith and Credit Obligations (the "Financing") for public safety facilities. To this end, we submit for your approval the following provisions governing our engagement. If you are in agreement, please sign the enclosed copy of this letter in the space provided below. We are available to answer any questions that you may have concerning these provisions, or any modifications that you may wish to suggest. We at Hawkins are pleased to have the opportunity to serve the City.

1. *Client; Limited Scope of Representation.* Our client in this matter will be the City. We will be engaged hereunder to render legal advice to the City as its bond counsel or special counsel, including the following:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Financing Opinion") regarding the validity and binding effect of the Financing, the source of payment and security for the Financing, and, if appropriate, excludability of interest on the Financing from gross income for federal and for state of Oregon income tax purposes.
- (2) Prepare and review documents necessary or appropriate to the authorization, issuance and delivery of the Financing, coordinate the

authorization and execution of such documents, and review and, where appropriate, draft enabling legislation.

- (3) Assist the City in seeking from other governmental authorities such approvals, permissions, and exemptions as are necessary or appropriate in connection with the authorization, issuance and delivery of the Financing, except that we will not be responsible for any required Blue Sky filings.
- (4) Review and respond to specific legal issues raised by the City that relate to and arise out of the City's structuring of the Financing.
- (5) Draft the continuing disclosure undertaking, if any, of the City.

Our Financing Opinion will be addressed to the City and will be based on facts and law existing as of its date. In rendering our Financing Opinion we will rely upon the certified proceedings and other representations and certifications of public officials, counsel for and representatives of the City, the purchaser of the Financing, and other persons, furnished to us without any undertaking by us to verify the same by independent investigation, and we will assume continuing compliance by the City and all other participants in the transaction with applicable laws relating to the Financing. During the course of this engagement, we will rely on the City to provide us with complete and timely information on all developments pertaining to any aspect of the Financing and its security. We understand that the City will direct members of its staff and other employees to cooperate with us in this regard. Our duties in this engagement are limited to those expressly set forth above.

Among other things, our duties do not include:

- (a) Except as described in paragraph (5) above, assisting in the preparation or review of any disclosure document with respect to the Financing, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- (b) Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission.
- (c) Preparing blue sky or investments surveys with respect to the Financing.
- (d) Drafting state constitutional or legislative amendments.
- (e) Pursuing test cases or other litigation such as contested validation proceedings.

- (f) Making an investigation or expressing any view as to the creditworthiness or financial strength of the City or any other party being or having been contracted with by the City or the Financing.
- (g) Opining on a continuing disclosure undertaking pertaining to the Borrowing or, after Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking.
- (h) Representing the City in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.
- (i) After Closing, providing continuing advice to the City or any other party concerning any actions necessary to assure that interest paid on the Financing will continue to be excludable from gross income for federal or for State income tax purposes (*e.g.*, our engagement does not include rebate calculations for the Financing).
- (j) Addressing any other matter not specifically set forth above that is not required to render our Financing Opinion.

It is expressly agreed that the City shall not request the firm to provide predictions or advice regarding, and that the firm shall provide no predictions or advice and owes the City no duty regarding, the financial structuring or feasibility of any arrangement nor any predictions or advice as to the ability or likelihood of any other party actually performing their obligations relating thereto.

In expressing its opinion, the firm does not represent, warrant or guarantee that a court will not invalidate either any of the procedures or contracts being utilized in connection with the issuance of the Financing, nor does the firm represent, warrant or guarantee the actual performance rendered by participants in any transaction with the City.

It is also expressly agreed that (i) our client for purposes of this representation is the City and not any of its officers or employees, members, creditors, bondholders, or any other entities having any interest in the City or in which the City has an interest, and (ii) accordingly, this engagement will not establish an attorney-client relationship between the firm and any such individual, member or other entity.

2. *Term of Engagement.* Either the City or the firm may terminate this engagement at any time for any reason by not less than thirty (30) days written notice, subject on our part to applicable rules of professional conduct. In the event that we terminate the engagement, we will take such steps as are reasonably practicable to protect the City's interests in matters within the scope of this engagement.

3. *Conclusion of Representation; Retention and Disposition of Documents.*

At the City's request, its papers and property will be returned to it or delivered to successor counsel, as it may direct, promptly upon receipt of payment of outstanding fees and expenses. Our own files pertaining to this engagement will be retained by the firm. These firm files include, for example, firm administrative records, time and expense reports, and accounting records, as well as internal lawyer's work product such as drafts, notes, internal memoranda, and legal and factual research prepared by or for the internal use of lawyers. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of this engagement.

4. *Post-Engagement Matters.*

After completion of this engagement, changes may occur in applicable laws or regulations, or in administrative City or judicial interpretations thereof, that could have an impact upon issues as to which we have advised the City during the course of this engagement. Unless you subsequently engage us, after completion of this engagement, to provide additional advice on such issues, the firm has no continuing obligation to advise you with respect to any such future legal developments.

5. *Fees and Expenses.*

We will charge the City a fixed fee of \$40,000 for our bond counsel services. Such fee will be contingent on the successful closing of the Financing.

6. *Consent to Conflict; Non-reliance upon Hawkins Representations.*

The firm from time to time has represented, currently represents, and may in the future represent, underwriters of municipal Financing in financings involving other issuers. The City consents to the firm simultaneously representing such underwriters and the City. The City acknowledges and agrees that it has not relied upon any firm representations or statements of any kind in deciding to give its consent. Instead, it has consulted with other independent counsel and that it has exclusively relied upon such other counsel in deciding to consent.

7. *Attorney-Client Privilege.*

In recent years, several courts have said that when a firm reviews its compliance with professional conduct rules or other law in the representation of a client, the firm may not be able to claim attorney-client privilege for its review unless the firm withdraws from representing the particular client before conducting the review or the client agrees that the firm can assert privilege for any such review. We believe it is in the interest of our clients that the firm have the protection of the privilege in connection with internal reviews of its work for you. The City agrees that any communications between the lawyers and staff working on the City's matter and the lawyers at the firm who may be reviewing that work for compliance with professional conduct rules or other law will be protected by the firm's own attorney-client privilege and that any such review will not constitute a conflict between our interests and your interests.

8. *Client Responsibilities.*

The City agrees to cooperate fully with us and to provide promptly all information known or available to the City relevant to our representation. The City also agrees to pay our statements for services and expenses in accordance with paragraph 5 above.

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9. *Fully Integrated Agreement; Merger; No Oral Amendments or Modifications.* This agreement is intended as a complete integration of the terms of this engagement and, as such, all prior understandings, representations, warranties, and agreements are fully and completely merged herein.

Of course, you may limit or expand the scope of our representation from time to time, provided that any such expansion is agreed to by each of us and memorialized in a supplement hereto.

We are pleased to have this opportunity to work with the City once again. I trust that you will not hesitate to call me if you have any questions or comments during the course of this engagement.

Very truly yours,

Hawkins Delafield & Wood LLP

A handwritten signature in blue ink, appearing to read "Hilgert" followed by a stylized flourish.

Agreed and Accepted:

City of St. Helens, Oregon

By: _____

Title: _____

Date: _____