



Blake G. Powell
Sara Hardner Leon
Jamie Cameron Turner
Andrew D. Clark
William C. Bednar *of Counsel*

2009-2010 TREA Legal Services Program Agreement

In accordance with Board Policy BDD (LOCAL), the undersigned entity ("Client") hereby retains the law firm of Powell & Leon, LLP ("Firm") to serve as the Client's general legal counsel and representative in matters requiring legal services, as requested by Client. Services to be performed and compensation to be paid by the Client are set forth in this Legal Services Program Agreement ("Agreement") between the Client and the Firm.

Legal Services - As a part of this Agreement, Client will receive the following general counsel legal services:

- prompt access to a school attorney (including access after hours);
- use of Firm's toll-free legal information telephone line (800-494-1971);
- firm publications and electronic format ***Client Alert*** newsletters;
- up to three hours of board member training, teacher in-service, administrator or other training on current legal topics provided upon Client's request¹. In some instances, training topics may also be available online via *Responsive Learning*;
- all requested legal services at Firm's reduced LSP member hourly rate. In addition to general counsel services, Powell & Leon, LLP is approved as bond counsel by the *Bond Buyer's Municipal Market Place (Red Book)*. And will also provide bond counsel services at the Firm's reduced LSP member hourly rate.

Client shall receive prompt responses to all legal inquiries, and any "question calls" (that is, telephone consultation of a routine, non-substantive nature, such as those requiring no research or drafting effort, or which are not part of an ongoing legal matter) are responded to at no charge. This Agreement includes Firm's publications and training components, which are provided at no cost. Firm regularly publishes ***Client Alert*** newsletters on subjects of interest to school administrators. Client will receive, upon request, a legal training session, on a subject or subjects requested by the Client, for up to three hours. Training and resource materials are generated for each training session, and presented in a format that Client may distribute. In the event that Client desires more training sessions, additional training will be provided at the firm's reduced LSP member hourly rate.

¹ No fees will be charged for attorney time in preparing for or conducting the training. Travel time will be billed at 1/2 the attorney's hourly rate, and actual costs of travel will be charged. In-services will be scheduled on a first-come, first-served basis. For training during the months of July and August, advanced scheduling is strongly recommended.

Annual Retainer and Hourly Fees - Client agrees to an annual membership fee of **\$500.00** for participation in the Firm's Legal Services Program for the 2009-2010 school year. All requested legal services shall be provided at Firm's reduced LSP member rate.

Monthly Statements - P&L attorneys maintain daily time records, in 1/10 hour increments. Monthly invoices identify the person performing the work, describe the legal work performed, and record the time expended on each task. Invoices provide separate totals for services and expenses followed by a combined total of services and costs. Fees and expenses are due and payable within 30 days after the date of billing.

Expenses - As part of the computation of legal fees, Court costs, deposition costs, postage, filing fees, travel expenses, long-distance telephone expenses, accountant's fees, appraiser's fees, courier fees, consultant's fees and other professional fees incurred on Client's behalf (including specialized or local legal counsel), and other disbursements are billed at the amount incurred by the Firm. Expenses are included separately within each invoice. (See **P&L Schedule of Fees and Expenses**).

Termination and Withdrawal - This Agreement may be terminated and the Firm may withdraw from Client's representation at any time if:

- (a) Client or Firm request termination;
- (b) Client insists on presenting a claim or defense that is not warranted under existing law and cannot be supported by good-faith argument for an extension, modification, or reversal of existing law; or
- (c) Client insists that the Firm pursue a course of conduct that is illegal or that is prohibited under the disciplinary rules or disregards an agreement or obligation to the Firm as to expenses or fees for services rendered.

In the event of withdrawal from employment, the Firm will take reasonable steps to avoid foreseeable prejudice to the rights of Client, including giving due notice to Client, allowing time for employment of other counsel, delivering to Client all papers and property to which Client is entitled, and complying with the applicable laws and rules.

CLIENT UNDERSTANDS THAT THE FIRM HAS MADE NO REPRESENTATION CONCERNING THE SUCCESSFUL OUTCOME OF ANY LEGAL ACTION THAT IS OR MAY BE FILED, AND HAS NOT GUARANTEED THAT THE FIRM WILL OBTAIN REIMBURSEMENT TO CLIENT OF ANY OF THE FEES, COSTS, AND/OR EXPENSES INCURRED BY CLIENT IN THE PROSECUTION OR DEFENSE OF SAID CLAIM OR CLAIMS. CLIENT FURTHER EXPRESSLY ACKNOWLEDGES THAT ALL STATEMENTS OF ATTORNEY ON THESE MATTERS ARE STATEMENTS OF OPINION ONLY.

Confidentiality - Conversations between an attorney and client are protected by law and by the disciplinary rules to which attorneys are subject. No attorney can be compelled to reveal anything a client says to him or her, except in instances where a person's life may be endangered or as prescribed by section 261.101 of the Texas Family Code regarding child abuse. The reason for this protection is that the experience of many hundreds of years has

proved that the interests of the client are best served when the client's attorneys are fully informed of *all* the facts well in advance of any possible contest.

Electronic Mail - Firm hereby advises Client that the Firm will attempt to promptly check for and respond to any e-mail correspondence from Client. Client understands that e-mail correspondence is not as secure as mail through the Postal Service and that e-mail can be intercepted by third parties. By the sending of an e-mail to Firm, Client consents to Firm responding and using e-mail in the future to communicate with Client and Client bears all risks of the loss of privacy that may occur with e-mail communication and releases Firm from any liability for loss of privacy.

Information and Communication - Firm pledges to do its best to keep Client advised on how the legal matter is progressing, based on information received from the court, opposing party, and from Client. Firm routinely sends Client copies of all pleadings, discovery and correspondence for Client's information. Day-to-day communication between Client and the Firm is typically between the Superintendent (and appropriate administrative staff) and the Firm. The LSP Response Form below invites the Superintendent to identify specific staff members, if desired, who are authorized to access the services of the Firm. In accordance with this written Agreement and Board Policy BDD (LOCAL), individual Trustees shall channel legal inquiries through the Superintendent or Board designee, as appropriate, when advice or information from the District's legal counsel is sought. A report of legal advice received shall be presented to the Board when deemed appropriate by the administration or upon request of the Board.

Duty to Advise of Current Address - Client agrees to keep the Firm advised of any changes in residence address, work address, all telephone numbers, and e-mail addresses.

Records Management and Destruction of File - Client's records management officer is responsible to ensure compliance with the applicable minimum retention schedules. The Firm shall return any original instruments to the Client. However, **unless notified to the contrary, in writing, the Firm reserves the right and privilege to destroy files five (5) years from the date a file matter is closed.** If Client fails to request, in writing, the return of any items, Client consents that said items may be destroyed after the passage of five (5) years from the date the file or matter is closed.

Texas Lawyer's Creed - The Texas Supreme Court and Courts of Appeals have adopted the Texas Lawyer's Creed as a mandate to the legal profession in Texas. The Creed requires Texas attorneys to advise clients of the contents of the creed when undertaking to represent a client. A copy of the Texas Lawyer's Creed is attached to this Agreement for Client's review. Client understands that the Firm may do nothing which violates this Creed.

Notice to Client - The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar Office of General Counsel will provide you with information about how to file a complaint. For more information, please call 1-800-932-1900. This is a toll-free call.

P&L Schedule of Fees and Expenses

Members of P&L's Legal Services Program receive a reduced hourly fee for services from the firm's attorneys, as well as "question call" services at no cost to Client. P&L has a sliding fee scale for attorneys, based upon the experience of the attorney. The maximum hourly rate for P&L attorney time is currently \$235.00 per hour (reduced from the full fee of \$300.00 per hour for non-LSP members). Fees may be charged for paralegal services or administrative services at a billing rate of \$50-\$90 per hour. P&L reserves the right to increase its hourly rate during the term of this Agreement, particularly in the event of unanticipated increases in the costs of doing business, but only after first providing Client with notice of the proposed change in rates, and permitting Client the opportunity to terminate the Agreement.

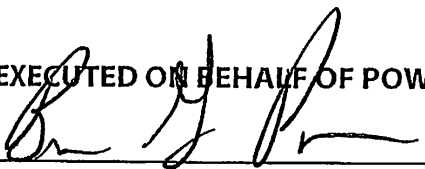
P&L charges attorney time on the following fee scale:

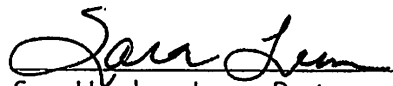
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|---------------------|-------------------|
| Partner | \$235.00 per hour |
| Senior Associate | \$215.00 per hour |
| Junior Associate | \$175.00 per hour |
| Certified Paralegal | \$90.00 per hour |
| Legal Assistant | \$50.00 per hour |

P&L charges only for expenses which represent direct costs of the provision of legal services. Expenses are to be billed as follows:

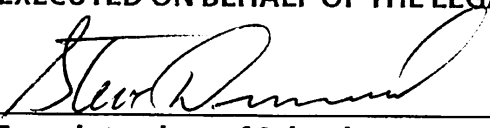
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| In-house photocopies: | 25¢ per copy |
| <i>Westlaw</i> Electronic Library Charges | \$95.00 per hour (not to exceed \$300/month) |
| Outside photocopy services | At cost as billed by provider |
| Postage | At cost |
| Litigation expenses (consultants, expert witness, court reporter, graphic exhibits) | At cost |
| Mileage: In Town Out-of-Town | No charge 55.0¢/mile (or current IRS rate) |
| Travel/Lodging | At cost |
| Courier Services | At cost |

EXECUTED ON BEHALF OF POWELL & LEON, LLP BY:

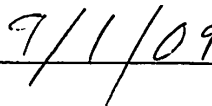

Blake G. Powell, Partner
Powell & Leon, LLP


Sara Hardner Leon, Partner
Powell & Leon, LLP

EXECUTED ON BEHALF OF THE LEGAL SERVICES PROGRAM MEMBER CLIENT BY:


Superintendent of Schools

Date:



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