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February 1, 2019

Dr. Susan Bohn
Superintendent of Schools
Aledo Independent School District
1008 Bailey Ranch Road
Aledo, Texas 76008

Dear Dr. Bohn:

Thank you for the opportunity to present this proposed engagement letter to provide legal services to Aledo Independent School District. The purpose of this letter is to describe the proposed updated terms on which we would provide services and to set forth the role and responsibilities of both Thompson & Horton LLP ("T&H") and the Aledo Independent School District ("District").

Terms of Engagement. T&H will represent the District in connection with specific legal matters as requested by the District. Requests for legal advice or representation on any other specific matters will be submitted through you, the Superintendent, or individuals authorized by you. This Engagement Letter and Terms of Engagement (Attachment A) shall serve as the written contract between the District and T&H.

This letter may be supplemented or amended to reflect new matters that deviate from the current engagement in complexity, scope, nature or risk, or that requires a substantial change in terms and conditions.

Fees and Staffing. The current partners at T&H are Chris Borreca, Dianna Bowen, Lisa Brown, Philip Fraissinet, David Giddens, Chris Gilbert, Sandy Hellums, David Hodgins, John Hopkins, Janet Horton, Katie Long, Carlos Lopez, Lisa McBride, Holly McIntush, Arturo Michel, Merri Schneider-Vogel, Maureen Singleton, and David Thompson; Counsel Jim Byrom; and current associates are Rebecca Bailey, Frances Broussard, Beth Darby, Stephanie Hamm, Jackie Ihekwa, Hailey Janecka, William McElhiney, Ryan Newman, Oleg Nudelman, Van Pham, Chris Plummer, Matt Reed, Anna Robshaw, Audrey Shakra, Lissette Villarruel, Ben Wells, Jessica Witte, and Brianna Zook. Under this proposed engagement, I will serve as your primary attorney and will charge an hourly rate of \$370. Other partners' rates range from \$300 to \$375, counsels' rates range from \$290 to \$325, and associates' rates range from \$210 to \$295. Paralegals will be billed at \$95 per hour.



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We bill in increments of fifteen minutes. We will not require a retainer; the District will be billed for services provided. Additionally, the rates charged may vary due to arrangements with insurance companies in litigation matters. Billing rates are evaluated on an annual basis, but any adjustments will be made only after notice to the District. T&H will attempt to staff each legal and litigation matter in a manner that is most economical to the District based on the nature of the project.

Under the terms of this Engagement Letter, the District will have specific obligations to T&H, for example, the obligation to provide complete and accurate information to the firm. If you have any questions about this document or the District's rights and obligations respecting this engagement or relationship with T&H, please feel free to contact me or any other partner of the firm.

It is T&H's practice to comply with the professional standards and ethics requirements applicable to Texas attorneys. Based on the information of which we are aware, it does not appear that this engagement is materially adverse to any substantially related matter that T&H is handling for other clients of the firm.

Please call me concerning questions about any aspect of this engagement. If this letter and the Terms of Engagement meet with your approval, we request that the Board President or other authorized agent sign both original letters. We request that you keep one letter for the District's file and return one original to me.

Thank you again for the opportunity to provide legal services to the District.

Very truly yours,

Thompson & Horton LLP

A handwritten signature in blue ink that reads "David Thompson".

J. David Thompson

JDT:ld
Encl.



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AGREED AND ACCEPTED:

Aledo Independent School District

On Behalf of Aledo Independent School District

Print Name

Date



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ATTACHMENT A

Thompson & Horton LLP Terms of Engagement

Introduction

These are the Terms of Engagement adopted by Thompson & Horton LLP ("T&H") and referred to in our Engagement Letter as the basis for our representation of the Aledo Independent School District (hereafter referred to as "the Client," "the District" or "you"). Because this document is an integral part of our agreement to provide representation, we ask that you review this document carefully. If you have any questions about this document, please contact us.

Identification of the Client

Under this engagement, our client is the District and not individual trustees, officers, or employees. In the event that the District requests that we undertake representation of a specific individual, such as an individual defendant in a lawsuit, a new engagement letter will need to be prepared that defines the scope of the representation of the individual.

Conflicts of Interest

T&H represents many educational entities, public entities, businesses, and individuals. We attempt to identify actual and potential conflicts at the outset of any engagement. Occasionally, other clients or prospective clients may ask us to seek a conflict waiver from you so that we can accept an engagement on their behalf, or T&H may be asked to represent someone whose interests may be adverse to you. Please do not take such a request to indicate that we will represent you less zealously; we make such requests because we take our professional responsibilities to all clients and prospective clients very seriously. We will not undertake representation of adverse or conflicting parties without your express and informed consent. If conflicts arise or become apparent after work begins on an engagement, we will comply with applicable rules of professional responsibility under state law in resolving any such situations.

Staffing

The current partners at T&H are Chris Borreca, Dianna Bowen, Lisa Brown, Philip Fraissinet, David Giddens, Chris Gilbert, Sandy Hellums, David Hodgins, John Hopkins, Janet Horton, Katie Long, Carlos Lopez, Lisa McBride, Holly McIntush, Arturo Michel, Merri Schneider-Vogel, Maureen Singleton, and David Thompson and Counsel Jim Byrom; and current associates are Rebecca Bailey, Frances Broussard, Beth Darby, Stephanie Hamm, Jackie Ihekwa, Hailey Janecka, William McElhiney, Ryan Newman, Oleg Nudelman, Van Pham, Chris Plummer, Matt Reed, Anna Robshaw, Audrey Shakra, Lissette Villarruel, Ben Wells, Jessica Witte and Brianna Zook. I will charge a flat hourly rate of \$370. Other



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partners' rates range from \$300 to \$375, counsels' rates range from \$290 to \$325, and associates' rates range from \$210 to \$295. Paralegals will be billed at \$95 per hour. Billing rates are evaluated on an annual basis, but any adjustments will be made only after notice to the District.

The District may, of course, choose to contact any attorney at the firm. Additionally, a certain attorney may be the most appropriate attorney to handle a specific project due the nature of the legal issues and the expertise of the particular attorney. T&H will attempt to staff each legal and litigation matter in a manner that is most economical to the District based on the nature of the project.

Fees, Billing Arrangements, and Terms of Payment

T&H issues invoices on a regular basis, normally each month, for fees and other charges. Invoices are due on presentment and are considered past due 30 days after receipt. It is important to review invoices that are presented each month and to bring any concerns regarding the invoice, services or staffing to the attention of the firm within 30 days of receipt of an invoice.

Fees for professional services and reimbursable expenses are not contingent on the outcome of the project, matter, or lawsuit.

Clients frequently ask us to estimate the fees and other charges they are likely to incur in connection with a particular matter. Any estimate is based on our professional judgment and the facts and circumstances that appear at the time. As such, any estimate is subject to the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum, or fixed-fee quotation. The ultimate cost frequently is more or less than the amount estimated.

As an adjunct to providing services, we may incur and pay a variety of charges on your behalf or charge for certain ancillary support services. Whenever we incur such charges on your behalf or charge for such ancillary support services, we will bill them to you as part of your monthly invoice. Examples include charges for photocopying, postage, long-distance telephone calls, travel expenses, delivery charges, computerized research, and facsimile transmissions. Outside expenses generally will be billed at cost, while some in-house expenses (*e.g.*, copying, telecopying, and computer services) may include a reasonable allocation of overhead.

In appropriate cases, reimbursable expenses also may include overtime charges for dedicated services for secretaries and other staff. Such overtime charges will be incurred only with your advance permission. This particular type of charge is most likely to occur if we are working on a project after regular business hours at your request. As a general matter, you will not be charged for staff overtime.

It may be necessary for us to retain third parties, such as consultants, experts, investigators and court reporters, in order to represent you adequately. We will consult with you regarding recommended vendors for these services and obtain your approval for the engagement of such services, and we



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will comply with applicable procurement rules. Although we may advance third-party disbursements in reasonable amounts, we will ask you to pay larger third-party invoices (usually those over \$500) directly to the third party providing the services. The District ultimately will be responsible for the payment of the invoices of those third parties. We also ask that you pay such bills promptly and send us notice of your payment.

We generally make and retain copies of all documents generated or received by us in the course of your representation. Should you request documents from us at the conclusion of our representation (other than your original documents), you agree to compensate the firm for reproduction charges and professional fees required to review the files.

Although an insurer's payment of defense costs may be applied to billings of the firm, the payment obligation remains with the District. Failure of any insurer to pay all or part of the billings for any matter does not relieve you from the obligation to pay billings in full and in a timely manner.

Should the District's account become delinquent and satisfactory payment terms are not arranged, we may take steps, as permitted under the rules regulating our profession, to withdraw from the representation, cease representation, or terminate the engagement.

If the representation will require a concentrated period of activity, such as a trial, arbitration, or hearing, we reserve the right to require the payment of all amounts owed and the prepayment of the estimated fees and expenses to be incurred in completing the trial, arbitration, or hearing, as well as arbitration fees likely to be assessed. If you fail to timely pay the estimated fees and expenses, we will have the right to cease performing further work and the right to withdraw from the representation, subject to any applicable rules of court or other applicable tribunal.

Cooperation and Communication

To enable us to provide effective representation, the District agrees to: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request; (2) keep us apprised on a timely basis of all developments relating to the representation that are or might be material; (3) attend meetings, conferences, and other proceedings when it is reasonable to do so; and (4) cooperate fully with us in all matters relating to the engagement.

Insurance Coverage

We will only represent you, and not your insurer, on matters.

Unless we specifically agree to do so, we will not evaluate any aspect of insurance coverage, advise you with respect to such coverage, or become involved in any policy or coverage dispute. If your matter involves



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coverage questions, we ask that you let us know in advance so that we do not inadvertently transmit information to your insurer that might somehow affect coverage.

Termination

Our engagement is “at will” and may be terminated by either of us any time by written notice to the other party, subject to any applicable State Bar of Texas rules regarding withdrawal of attorneys.

You may terminate the engagement at any time, with or without cause, by notifying us in writing. The firm may terminate the engagement before the completion of its representation of you if (a) the continued representation would result in a violation of the applicable rules of professional conduct; (b) the termination can be accomplished without material adverse effect on your interests; (c) the firm has a fundamental disagreement with the objective in this engagement; (d) you substantially fail to discharge an obligation regarding this engagement, including the payment of fees and expenses and the duty of cooperation as provided in the Terms of Engagement; or (e) other good cause for termination exist. In the event that the firm intends to terminate the engagement, the firm will give reasonable notice and allow you access to your files relating to this engagement.

The termination of our services will not affect your responsibility for payment of legal services rendered and other charges incurred before termination and in connection with an orderly transition of the project.

After completion of the representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to matters that we previously handled. T&H will have no continuing obligation to give advice with respect to any future legal developments that may relate to the projects.

Confidentiality and Document Retention

T&H will treat all communications received from you during the engagement as confidential. In addition to the normal protections afforded to our clients, T&H will maintain as confidential all documents received or generated during our representation to which any confidentiality provision applies.

You will have a right of access to case-related or project-related materials prepared on your behalf. At the close of any matter, we may return relevant documents to the client, may send remaining pertinent parts of our files to a private storage facility or may destroy certain documents. The attorney closing the file will determine, subject to the following paragraph and otherwise with the client, which portion should be returned to the client, which portion should be sent to private storage (and for how long) and which portions are to be destroyed.

You agree that we will own and retain our own business files pertaining to the engagement and that you will not have the right or ability to require us to deliver such files (or copies thereof) to you, including, for



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example, firm administrative records, time and expense reports, personnel and staffing materials, credit and accounting records, electronic mail correspondence (other than such correspondence which was sent to you by a member of our firm) and lawyer's internal work product, such as drafts, notes, and internal memoranda prepared by or for the internal use of lawyers. Further, at the discretion of the responsible partner for the project in question, we may destroy any such documentation which is the property of the firm or any documentation which such partner determines to be duplicative or unnecessary and in all cases without having to obtain your consent.

Disclaimer

We cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding any particular matter or the potential outcome is limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control.

Either at the commencement or during the course of the representation, we may express opinions or beliefs about the matter or various courses of action and the results that might be anticipated. Any expressions on our part concerning the outcome of the representation, or any other legal matters, are based on our professional judgment and are not guarantees.

By signing the Engagement Letter or otherwise indicating your acceptance of the Engagement Letter, you acknowledge that T&H has made no promises or guarantees to you about the outcome of the representation, and nothing in these Terms of Engagement shall be construed as such a promise or guarantee.

Scope of the Representation

As you may be aware, the Treasury Department has issued Regulations, commonly referred to as Circular 230, that dictate how attorneys must communicate with their clients whenever they render "written advice" on tax issues. The regulations are very broad and will frequently restrict ordinary communications between attorney and client. We can avoid the costly and time-consuming process of preparing a formal opinion to comply with Circular 230 by including a legend on written advice similar to the following: "As required by United States Treasury Regulations, you should be aware that this communication is not intended or written by the sender to be used, and it cannot be used, by any recipient for the purpose of avoiding penalties that may be imposed on the recipient under United States federal tax laws." It is unlikely that we will be providing written advice on tax issues but if we do, unless we agree in advance to the contrary, any written advice that we prepare for you will contain this legend.

Complaints

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 offices and



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is likewise available upon request. A client that has any questions about the 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).

Modification of Our Agreement

The Terms of Engagement reflect our agreement on the terms of all engagements, and are not subject to any oral agreements, modifications, or understandings. Any change in these Terms of Engagement must be made in writing signed by both T&H and the District.

We look forward to a long and mutually satisfying relationship with you and the District. If at any time you have a question or concern about any aspect of our representation, please feel free to contact any partner of the firm.