





216 West Village Boulevard, Suite 202 Laredo, Texas 78041 Phone: 956-717-1300

CO-BOND COUNSEL ENGAGEMENT LETTER

The purpose of this Engagement Letter is to set forth the basis of engagement of WINSTEAD PC and JCA LAW PLLC ("Co-Bond Counsel") by the LAREDO COLLEGE (the "Issuer") for professional services to be rendered as Co-Bond Counsel in connection with the authorization, sale, and delivery of bonds, certificates of participation, notes, or other evidences of indebtedness (herein for ease of reference called "bonds") by the Issuer and other related services. This agreement supersedes all previous agreements whether written or oral.

<u>Co-Bond Counsel Services</u>. Co-Bond Counsel will prepare and perform legal proceedings and perform other necessary legal services with reference to the authorization, sale, and delivery of the bonds, including the following:

1. Prepare documents calling any bond election, giving notice thereof, and canvassing the results, and, if required, handle preclearance of the election by the United States Department of Justice under the federal Voting Rights Act.

2. Prepare all resolutions, ordinances, and other instruments pursuant to which bonds will be authorized, sold, and delivered in consultation with the governing body and other representatives of the Issuer, the managing Underwriter, if any, and any other person as directed by the Issuer.

3. Prepare any agreements authorizing or securing the bonds, including any trust indentures if necessary.

4. Attend meetings of the governing body of the Issuer to the extent required or requested with reference to the issuance of the bonds.

5. Attend meetings with prospective bond purchasers bond rating agencies to the extent required or requested.

6. Assist in obtaining loans, credit enhancement, or other related services from federal or state agencies or private institutions.

7. Cooperate with the Issuer and its consultants in the preparation of official statements or other securities laws disclosure documents (the "official statement"), including review of the information therein describing the bonds, the security therefor, and the federal income tax status thereof.

8. Obtain approval of the bonds and the project to be financed, if necessary, from the Attorney General of the State of Texas and registration of the bonds by Comptroller of Public Accounts of the State of Texas.

9. Supervise the execution of the bonds and delivery thereof to the original purchasers.

10. When the bonds are delivered, render an opinion (the "Opinion") covering the validity of the bonds and the tax exempt status of the interest thereon under federal income tax laws.

11. We will also provide the Underwriter with a supplemental opinion covering certain sections of the official statement, as described in 7 above.

Our duties do not include the preparation of the official statement or performing an independent investigation to determine the accuracy, completeness, or sufficiency of the official statement or rendering advice that the official statement 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 (except to the extent described in 11 above); or, after closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the bonds will continue to be excludable from gross income for federal income tax purposes (e.g., our engagement does not include rebate calculations for the bonds); or addressing any other matter not specifically set forth above that is not required to render our bond opinion.

The Opinion will be based on facts and law existing as of its date. In rendering the Opinion, Co-Bond Counsel will rely upon the certified proceedings and other certifications of public officials, and other persons, furnished to it without undertaking to verify the same by independent investigation, and Co-Bond Counsel will assume continuing compliance by the Issuer with applicable laws relating to the bonds. During the course of this engagement, Co-Bond Counsel will rely on the Issuer to provide Co-Bond Counsel with complete and timely information on all developments pertaining to any aspect of the bonds and their security. Co-Bond Counsel understands that the Issuer will direct members of its staff and other employees of the Issuer to cooperate in this regard.

<u>Co-Bond Counsel Compensation.</u> We recognize that our fees as Co-Bond Counsel must always be reasonable in the circumstances and that, in accordance with municipal bond industry practice, the Issuer may desire to have Co-Bond Counsel's fees clearly spelled out and agreed upon in advance of issuing bonds. Our fees for legal services rendered shall generally be calculated based upon the type and par amount of an issuance of indebtedness, applied against a base per debt issuance fee schedule of \$17,500 plus \$1.00 per \$1,000 principal amount of the subject series of indebtedness payable from proceeds of such debt at the time of its initial delivery; provided, however, there shall be a per debt issuance minimum fee of \$22,500. Fees for a refunding will be 1.30 times the amount. Fees for conducting an election will be between \$10,000 and \$15,000. Additional or special services, to include complex research, defense of audit, conduct of elections, defense of election contests, debt-related litigation, creation of on-behalf-of entities, special district, or issuance of debt by or related to or onbehalf-of entity shall be the subject of a separate fee arrangement, agreed upon by the Issuer and our firm prior to the commencement to the Issuer's incurrence of any payment obligation with respect thereto.

Co-Bond Counsel's fee may vary: (a) if the principal amount of the bonds actually issued differs significantly from the amount originally contemplated; (b) if material changes in the structure or schedule of the financing occur; or (c) if unusual or unforeseen circumstances arise which require a significant increase in time or responsibility of Co-Bond Counsel. Co-Bond Counsel will promptly advise the Issuer of any circumstances that require an adjustment of Co-Bond Counsel's original fee.

In addition to our fees for professional services, expenses such as transcript preparation, photocopying, delivery charges, travel expenses, specialized computer applications, computerized legal research, filing fees, translation fees, publication fees, and disbursements reasonably and necessarily incurred by Co-Bond Counsel, including the statutory examination fee charged by the Attorney General

of Texas will be included in our invoice. Co-Bond Counsel will not bill for any significant or unusual expense unless an authorized representative of the Issuer has previously authorized such expense.

The compensation or reimbursement of Co-Bond Counsel under this agreement shall be due and payable only out of the proceeds of the sale of bonds or other funds of the Issuer available for such payment; there shall not be individual liability on any member of the Issuer's governing body or other official of the Issuer for payment of any amounts due hereunder. This agreement may be terminated by either party at any time by written notice to the party, in which event Co-Bond Counsel will expect to be paid any compensation earned and expenses incurred to the date of such termination. The fees by the respective firms will be divided as follows: Winstead PC (1/2), JCA Law PLLC (1/2).

Limited Scope of Representation. The engagement of the firm is limited to providing legal advice as Co-Bond Counsel. The firm shall not be responsible for advising the Issuer as the financial structuring or marketing of the transaction or as to the adequacy of the contracts, guaranties, collateral, or overall creditworthiness of the security for the bonds, or of any project participants. In the performance as Co-Bond Counsel, Co-Bond Counsel neither warrants nor guarantees that a court will not invalidate either procedures or contracts relating to any subject matter of this engagement, nor does the firm warrant or guarantee the actual performances rendered by other participants.

<u>Conflicts of Interest</u>. The Issuer is advised that Co-Bond Counsel represents other public entities as Co-Bond Counsel and that Co-Bond Counsel represents other participants in the public finance industry (e.g. underwriters, credit enhancers, and trustees) in transactions not involving the Issuer. By acceptance of this agreement, the Issuer agrees that such representation does not represent a conflict of interest for Co-Bond Counsel.

Attorney-Client Relationship. Upon execution of this agreement, the Issuer will be a client of Co-Bond Counsel and an attorney-client relationship will exist between us. It is also expressly agreed that: (i) our client for purposes of this representation is the Issuer and not any of its individual members, officers, or employees or any other entity having any interest in any of the Issuer or the project being financed; and (ii) accordingly, that this engagement will not establish an attorney-client relationship between the firm and any such individual or entity. Co-Bond Counsel assumes that all other parties to any transaction will retain such counsel as they deem necessary and appropriate to represent their interests therein and that all other parties understand that in any transaction Co-Bond Counsel is not acting as an intermediary among the parties. The services as Co-Bond Counsel are limited to those contracted for in this agreement; and the Issuer's execution of this agreement letter will constitute an acknowledgement of those limitations. Co-Bond Counsel's representation of the Issuer will not affect, however, its responsibility to render an objective Opinion.

Co-Bond Counsel's representation of the Issuer and the attorney-client relationship created by this agreement will be concluded upon termination of this agreement, whichever comes last. Nevertheless, subsequent to closing, Co-Bond Counsel will mail the appropriate Internal Revenue Service Form 8038 and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the bonds.

<u>Records</u>. Upon the request of the Issuer, papers and property furnished by the Issuer will be returned promptly by Co-Bond Counsel upon receipt of payment for outstanding fees and client charges. Co-Bond Counsel's own files, including lawyer work product pertaining to the transaction, will be retained by Co-Bond Counsel. For various reasons, including the minimization of unnecessary storage expenses, Co-Bond Counsel reserves the right to dispose of any documents or other materials retained by it after the termination of this agreement.

<u>Termination</u>. The Issuer may terminate this agreement at any time; however, Co-Bond Counsel will be compensated for work done and expenses incurred prior to termination.

<u>Severability</u>. Any provisions or portion of this agreement prohibited as unlawful or enforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without affecting other provisions of this agreement.

<u>Counterparts</u>. This agreement may be executed in counterparts, which together will constitute the entire agreement.

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In the event of a conflict between this Engagement Letter and the Standard Terms, the terms of this Engagement Letter will control.

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'S OFFICE OR GENERAL COUNSEL WILL PROVIDE YOU WITH INFORMATION ABOUT HOW TO FILE A COMPLAINT. PLEASE CALL 1-800-932-1900 TOLL-FREE FOR MORE INFORMATION.

WINSTEAD PC

JCA LAW PLLC

By:_____

Daniel M. Martinez

Juan J. Cruz

By:_____

LAREDO COLLEGE

By:		

Name:_____

Title:_____

Accepted this _____