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I. SCOPE OF SERVICES

- A. Taxes that become delinquent during the term of this contract that are not delinquent for any prior year become subject to the terms of this Contract on the first (1st) day of the month in which penalties attach to the taxes pursuant to Sections 33.07 and 33.08 of the Texas Property Tax Code; and
- B. Taxes on personal property that become delinquent during the term of this Contract that are not delinquent for any prior tax year become subject to the terms of this Contract on the first (1st) day of the month in which penalties attached pursuant to Section 33.07 and 33.08, unless the District has adopted a collection penalty under Section 33.11 of the Texas Property Tax Code. All delinquent personal property taxes shall be turned over and are to be turned over to the Firm for collection 60 days after the delinquency date for said taxes. A 20% penalty shall be assessed to defray the cost of collecting those taxes as provided by §33.11, Texas Property Tax Code. All collection penalties or attorney fees collected on those taxes are the property of the firm and shall be paid in the same manner as all other collection penalties or attorney fees under this contract.
- C. Taxes that become delinquent during the term of this contract on property that are delinquent for prior years shall become subject to its term on the first day of delinquency when such property is under litigation or comes under litigation or is referred to the firm for collection by the Tax Collector.

- D. Taxing Authority reserves the right to make the final decision as to whether or not to enforce by suit any delinquent tax account turned over to the Firm for collection.

II. THE FIRM'S ADDITIONAL COMMITMENTS

The Firm agrees to coordinate and support a program of reselling properties struck off to the Taxing Authority at tax sales. The Firm will notify prospective bidders and provide information to promote the sale of tax trust properties. The Firm agrees to provide information, advice, and guidance to the Taxing Authority on legal issues arising from delinquent tax collections, legislative changes to the Texas Property Tax Code and Truth-in-Taxation matters.

The Firm is to call to the attention to the Central Appraisal District or the Tax Collector any errors, double assessments or other discrepancies coming under their observation during the progress of the work and is to intervene on behalf of the Taxing Authority in all suits for taxes hereafter filed by any taxing unit on property located within its taxing jurisdiction.

The Firm agrees to make progress reports to the Taxing Authority, on request and at least twice a year, and to advise the Taxing Authority of all cases where investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

III. TAXING AUTHORITY'S OBLIGATIONS

Taxing Authority agrees to furnish to the Firm all data and information as to the name and address of the taxpayer, the legal description of the property, years and amount of taxes due, and any codes identifying deferrals, quarter pay accounts, and suit information. Taxing Authority further agrees to update said information by furnishing a list of paid accounts and adjustments to the tax roll as necessary.

Section 33.48(a) of the Texas Property Tax Code provides in part that: "In addition to other costs authorized by law, a taxing unit is entitled to recover...reasonable expenses that are incurred by the taxing unit in determining the name, identity and location of necessary parties and in procuring necessary legal descriptions of the property on which a delinquent tax is due[.]" The Firm agrees to advance on behalf of Taxing Authority such costs and expenses, and in consideration of the advancement of such costs and expenses by the Firm, the Taxing Authority agrees to assign its right to recover the same to the extent approved by the Court and/or customarily and usually approved by the Court. The Firm expressly waives any claim against Taxing Authority for uncollected costs or expenses.

IV. COLLECTION FEE

Taxing Authority agrees to pay the Firm as compensation for services rendered hereunder, the percentage as set forth below, of the total amount of all delinquent taxes, penalty and interest which are subject to this contract and which are collected and paid to the Tax Collector, when an equal amount of Section 33.07, 33.08, or 33.11 penalties, as appropriate, is recovered from the taxpayer. Other taxes, including eligible current taxes, which are turned over to the Firm by the Tax Collector because of the necessity of filing claims in a Tax Warrant proceeding, Bankruptcy, with other Federal authorities, or for other reasons, shall become

subject to the terms of this contract at the time they are turned over to the Firm and the Firm shall be entitled to the appropriate percentage, as set forth below, of any amounts of delinquent taxes, penalties, and interest actually received by the Taxing Authority, and also the appropriate percentage, as set forth below, of current taxes actually received by the Taxing Authority when such percentage is actually recovered, if collected prior to July 1st of any tax year.

Compensation Amounts:

The District and Firm agree that all previously attached collection penalties under Texas Property Tax Code Sections 33.07, 33.08, and 33.11 remain attached for all previous years. All rights for compensation remain attached and are transferred to the Firm for all tax years prior to 2024 subject to the wrap-up period agreed to between the District and its previous counsel.

A twenty (20%) statutory add-on penalty for tax years 2024 and subsequent years.

Such compensation shall become the property of the Firm at the time such eligible current taxes or delinquent taxes, penalties, and interest are actually paid to the Tax Collector. The Tax Collector shall pay said compensation to the Firm monthly by check.

V. COMMENCEMENT OF THE CONTRACT

This Contract shall commence on _____, and continue in full force and effect for a three (3) year initial term. After the completion of said initial term, this Contract shall automatically renew without further action by either party for one (1) year terms, year after year, until such time that notice of termination is provided as prescribed herein.

VI. TERMINATION OF THE CONTRACT

Either party to this Contract shall have the right to terminate this Contract by giving the other party thirty (30) days written notice of their desire and intention to terminate this Contract. Notice of termination to the Firm shall be sent by electronic mail and by certified United States mail, or delivered by hand or courier, and addressed as follows:

Perdue Brandon Fielder Collins & Mott, LLP
Attn: Carlos M. Arce
613 NW Loop 410, Ste. 550
San Antonio, Texas 78216
carce@pbfc.com

AND

Perdue Brandon Fielder Collins & Mott, LLP
Attn: Jason L. Bailey
1235 North Loop West, Ste. 600
Houston, TX 77008
jbailey@pbfc.com

In the case of such termination, the Firm shall be entitled to receive and retain compensation due up to the effective date of termination. Termination is considered effective after the thirty (30) days written notice period has expired.

The Firm shall have an additional six (6) months to continue its representation of the Taxing Authority to resolve or nonsuit all tax litigation and bankruptcy claims filed by the Firm on behalf of the Taxing Authority prior to the termination of this Contract. During this six (6) month period, the Firm shall be entitled to compensation in accordance with Section IV of this Contract for tax claims filed in those pending tax litigation and bankruptcy matters.

VII. SEVERABILITY

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a Court to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the Parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

VIII. SUBCONTRACTORS

The Firm shall not assign or subcontract any part of this Contract without the prior written approval of the Taxing Authority.

IX. MANDATORY AND EXCLUSIVE VENUE

Mandatory and exclusive venue for any lawsuit or other adjudicative proceeding involving a dispute arising under this Contract shall be in Medina County, Texas.

X. CONFIDENTIALITY

The Parties to this Contract agree that each shall treat as confidential all information provided by a party to the others regarding such party's business and operations including proprietary technology and systems.

XI. MANDATORY PROVISIONS

Pursuant to Chapters 2252, 2271, and 2274 of the Texas Government Code, the Firm verifies that it does not and will not for the term of this Contract boycott Israel or energy companies; that it does not have a policy which discriminates against a firearm entity or firearm trade association nor will it create such a policy for the term of this Contract; and that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization.

The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. If you have a complaint against or dispute with this firm involving

professional misconduct, the State Bar's Office of Chief Disciplinary Counsel will provide you with information about how to file a complaint.

XII. ACCEPTANCE OF REPRESENTATION

In consideration of the terms and compensation here stated, the Firm hereby accepts said employment and undertakes the performance of this Contract as above written.

This Contract is executed on behalf of the Taxing Authority by the presiding officer of the governing body who is authorized to execute this instrument.

WITNESS the signatures of all parties hereto in duplicate originals this the _____ day of _____, 2025, Medina County, Texas.

PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.

By:_____

CARLOS M. ARCE, PARTNER

DEVINE INDEPENDENT SCHOOL DISTRICT

By:_____

NANCY PEPPER, BOARD PRESIDENT