

William E. O'Gara  
401 824-5117  
wogara@pldolaw.com

May 16, 2018

PRIVILEGED AND CONFIDENTIAL  
ATTORNEY-CLIENT COMMUNICATION

City of Central Falls  
c/o Matthew Jerzyk, Esq.  
580 Broad Street  
Central Falls, RI 02863

Re: Kelly Baxter

Dear Matt:

Thank you for retaining PANNONE LOPES DEVEREAUX & O'GARA LLC ("PLDO") to represent the City of Central Falls with respect to the above-captioned matter. This letter will confirm our representation and outline the scope of our services. Enclosed are PLDO's Terms of Engagement which outline the firm's policies and obligations as well as your rights and responsibilities in connection with this attorney-client relationship.

The anticipated scope of service ("Services") to be rendered with respect to this engagement will include investigation of allegations of Kelly Baxter.

I will serve as the supervising attorney with respect to this engagement; however, the Services to be provided may involve other partners and associates. The billing rates to be charged for this engagement will be a blended rate of \$200 per hour.

The engagement will commence upon receipt of a fully executed engagement letter. If you understand and agree to the terms described above and the attached Terms of Engagement, please execute and return the enclosed copy of this letter in the enclosed self-addressed, stamped envelope. Please be assured that although the Terms of Engagement appear formal, they are intended to make certain that we have fully disclosed the terms of our engagement prior to commencing legal work on your behalf.

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Once again, thank you for the opportunity to assist you in this matter.

Sincerely,

PANNONE LOPES DEVEREAUX & O'GARA LLC

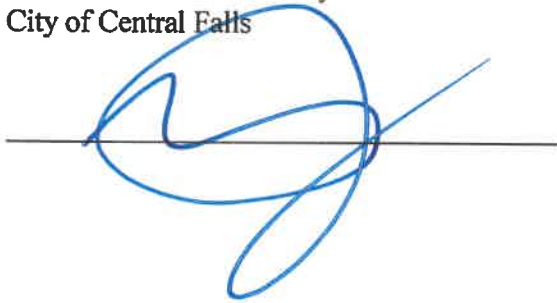


William E. O'Gara

Enclosures

ACKNOWLEDGED AND AGREED TO  
this 16<sup>th</sup> day of May, 2018.

City of Central Falls



APPROVED



City Solicitor

## TERMS OF ENGAGEMENT

This document confirms our respective obligations to each other and how our charges will be determined and billed. Experience has shown that an understanding of these matters will contribute to a better relationship between us, and that in turn makes our efforts more productive.

Our engagement and the services that we will provide to you are limited to the matters identified in the accompanying letter. Please note that the Terms of Engagement and cover letter constitute our entire agreement, and that there are no other oral or written arrangements relating to the engagement.

Any changes in the scope of our representation as described in the letter must be approved in writing by the firm. The scope of this engagement is limited to legal services and you agree to provide us with the factual information and materials we require to perform such services, and it is our understanding that you will make such business or technical decisions and determinations as are appropriate. PANNONE LOPES DEVEREAUX & O'GARA LLC does not provide tax, business, investment, or accounting advice.

### *Confidentiality and Related Matters*

As a matter of professional responsibility, we are required to preserve the confidences and secrets of our clients. The legal privilege for attorney-client communications exists to encourage candid and complete communication between a client and its lawyer and it is possible to perform beneficial services only if we are aware of all information that might be relevant to our representation. The attorney-client relationship with you will be based on mutual confidence and unrestrained communication that will facilitate our proper representation of you with respect to this matter. Please note that it is your responsibility to provide a complete and timely outline of the information and documents that are requested or in which you believe are essential to this engagement. In those instances which we represent a corporation or other entity, our client relationship is with the entity and not with its individual executives, shareholders, directors, partners, or persons in similar positions, or with its parent, subsidiaries, or other affiliates, unless otherwise agreed in writing.

To facilitate and expedite our communications with you, we will often communicate with you by email. You acknowledge that we may communicate with you via email at email addresses you advise us to use or at email addresses you use to communicate with us. Unless you expressly request, and unless we expressly agree, we will generally not communicate with you via encrypted email or send you password-protected documents. It is your responsibility to advise us of any special considerations or concerns you have with communicating by email. We also strongly encourage you to ensure that you communicate with us by using computers, handheld devices, and email accounts over which others (such as your spouse, secretary, or employer) have no access, control, or authority. Otherwise, you run the substantial risk that your communications with us might lose their privileged and protected status. Unless you tell us otherwise, we will assume that our email communications to you will only be read by you. Please contact us if you have any specific concerns or questions about how to communicate securely with us.

### *Fees and Billing*

The fees charged for services rendered are guided primarily by the time and labor required; however, we also consider other appropriate factors, such as the novelty and difficulty of the legal issues involved; the legal skill required to perform the particular assignment; time-saving use of resources (including research, analysis, data and documentation) that we have previously developed and stored electronically or otherwise in quickly retrievable form; the fee customarily charged by comparable firms for similar legal services; the amount of money involved or at risk and the results obtained; and the time constraints imposed by either the client or the circumstances. The firm generally requires a retainer in an amount that is appropriate with respect to the proposed representation. Unless otherwise agreed, the retainer will be applied to the last statement rendered in connection with the representation, with any unused portion being returned to the client.

In determining a reasonable fee for the time and labor required for a particular matter, we consider the ability, experience, and reputation of the lawyer or lawyers in our firm who perform the services. To facilitate this determination, we internally assign to each lawyer an hourly rate based on these factors. Time is recorded and billed in one-tenth hour (six minute) increments.

We will seek to assign lawyers to various tasks at the lowest hourly rates possible and consistent with the skills, time demands, and other factors influencing the professional responsibility involved in each matter. As circumstances require, the services of lawyers in the firm with special skills or experience may be sought when that will either (a) reduce the legal expense to you; (b) provide a specialized legal skill needed; or (c) help move the matter forward more efficiently.

*Out-of-Pocket Expenses.* In addition to legal fees, you are responsible for the reimbursement of out-of-pocket expenses that we have advanced on your behalf which will be itemized on each statement. Advanced expenses generally will include such items as travel, postage, filing fees, recording, certification, and registration fees charged by governmental bodies. Our internal charges typically include such items as toll calls, facsimile transmissions, overnight courier services, mileage, certain charges for terminal time for computer research and complex document production, and charges for printing or photocopying materials sent to the client or third parties or required for our use. We may request an advance cost deposit (in addition to the advance fee deposit) when we expect that we will be required to incur substantial costs on behalf of the client.

During the course of our representation, it may be appropriate to engage third parties to provide services on your behalf which would include consulting or expert testimony, investigators, providers of computerized litigation support, and court reporters. In order to preserve the "work product" protection afforded to such services, our firm may assume responsibility for retaining the appropriate service providers. You are agreeing to be responsible for the payment of all fees and expenses directly to the service providers or reimbursement to PANNONE LOPES DEVEREAUX & O'GARA LLC for payments made on your behalf.

*Billing.* If you require, statements will be forwarded to you on a monthly basis and each statement is due when rendered. The statement will include a summary of each matter for which legal services are rendered and a fee is charged.



In the event that invoices are not paid in a timely manner, we reserve the right to discontinue services (including, without limitation, withdrawing as counsel in any litigation matter) and if a statement has not been paid within thirty (30) days from the date of the statement, we may impose an interest charge of 1.25 percent per month (a 15 percent annual percentage rate) from the 30th day after the date of the statement until it is paid in full. Interest charges apply to specific monthly statements on an individual statement basis. Any payments made on past due statements are applied first to the oldest outstanding statement, including accrued interest. In the event that collection proceedings are required, the firm is entitled to recover its attorneys' fees and expenses.

*Questions About Our Bills.* If you should have any questions concerning an invoice, please direct your inquiry to the Billing Department at 401-824-5100. Our goal with respect to this engagement is for you to be satisfied with the representation which will make every effort to be efficient and reasonable in terms of legal fees for the services rendered. We will attempt to provide as much billing information as you require and in such customary form that you desire, and are willing to discuss with you any of the various billing formats we have available that best suits your needs.

#### *Arbitration of Fee Dispute*

We have the sole and exclusive right to withdraw from representing you in any matter (including a litigation matter) if any of our fees or costs are not paid when due. Any disputes regarding non-payment of fees or costs or the reasonableness of any fees or costs billed by us shall solely and exclusively be submitted for resolution to the fee arbitration procedure established by the Rhode Island Bar Association; provided, however, consent of PANNONE LOPES DEVEREAUX & O'GARA LLC shall be required where the client fails to raise a good faith dispute to payment prior to initiation of collection proceedings against the client. Any such arbitration shall take place in Providence, Rhode Island. The result of any such arbitration shall be binding on both the client and PANNONE LOPES DEVEREAUX & O'GARA LLC to the fullest extent permitted by law.

#### *Relationships with Other Clients*

From time to time, PANNONE LOPES DEVEREAUX & O'GARA LLC represents borrowers and lenders regarding financial, real estate, investment or municipal bond transactions. You agree and acknowledge that this course of representation in and of itself shall not constitute any conflict of interest unless such representation would not comply with the relevant rules of professional conduct.

During the term of this engagement, we agree that we will not accept representation of another client to pursue interests that are directly adverse to your interests unless (a) PANNONE LOPES DEVEREAUX & O'GARA LLC reasonably believes that we will be able to provide competent and diligent representation to you and the other client(s); (b) the representation is not prohibited by law; (c) the representation does not involve the assertion of a claim by you or the other client against the other in the same litigation or other proceeding before a tribunal; and (d) you and the other client give us your respective informed consent, confirmed in writing.

### *Termination*

Upon completion of the matter to which this representation applies, or upon earlier termination of our relationship, the attorney-client relationship will end unless you and we have expressly agreed to a continuation with respect to other matters. The representation is terminable at will by either of us; however, the termination of the representation does not terminate your obligation to pay all fees and expenses incurred prior to the termination.

Your agreement to this engagement constitutes your acceptance of the foregoing terms and conditions. If any of the terms and conditions are unacceptable to you, please advise in order that we may resolve any differences and proceed with a clear, complete, and consistent understanding of our relationship.



## **Notification to Clients of Their Rights and Responsibilities**

### **Client's Statement of Rights and Responsibilities**

In an attorney/client relationship, each party has certain rights. A right that both parties have is to be treated at all times with courtesy and respect. This statement first explains your rights as a client when you hire an attorney, and immediately afterwards what your attorney has the right to expect of you. This statement is intended to promote better communication and prevent misunderstandings between you and your attorney.

As the client in a legal matter, you have the right to expect that:

1. Your attorney will handle your legal matter competently. When hiring an attorney, you have the right to ask questions about the attorney's education, training, and experience and expect that your attorney will remain current with recent developments in the law that relate to your matter.

2. Your attorney will charge you a reasonable fee and explain how it will be computed and when payments are expected from you. If you are not a regular client, your attorney will give you a written statement before, or as soon as the work begins indicating the basis or rate of the fee you will be charged. If you are asked to pay a retainer, your attorney will explain how it will be spent and, if you ask, will provide you with a periodic written statement detailing how it has been spent. If your attorney is working on a contingent-fee basis, your attorney will put in writing, in advance, what the attorney's percentage will be, whether you will be billed for costs and expenses, and whether deductions will be taken from your settlement prior to calculating the fee.

3. Your attorney will work diligently for you and pursue the lawful means necessary to present or defend your case.

4. Your attorney will strive to resolve your legal matter promptly and will inform you if for any reason it cannot be resolved in a timely fashion.

5. Your attorney will respond to reasonable questions about the progress of your legal matter and will explain office policies to you to ensure satisfactory communication with you, including:

How to reach your attorney.

When and how your telephone calls will be returned.

How to obtain copies of paper/documents from your legal file.

6. Your attorney will exercise independent, professional judgment on your behalf free from any conflict of interest.

7. Most of your communications with your attorney are confidential. Your attorney will explain to you when the statements you make or secrets you reveal about your case cannot be kept confidential.

8. You have the right to make final decisions regarding your legal matter. Your attorney will discuss the negotiation process with you and will agree to a settlement offer only if you have approved it.

9. Your attorney will explain to you, in advance, any major expenses anticipated in your legal matter.

10. Your attorney will tell you if other lawyers will be involved in your representation and how the cost to you for their involvement will be calculated.

11. When your fee is not a single, set amount, your attorney will give you periodic billings detailing your fees, costs, and expenses.

12. If legal fees will be applied against a settlement, your attorney will provide you with a final statement after the matter is concluded detailing what costs and expenses are being applied against your settlement and the amount you will receive.

As your legal advisor, your attorney has the right to expect that:

1. You will make a full and honest disclosure of all of the facts - good and bad - that relate to your legal matter and you will inform your attorney about any new facts or circumstances that may affect your case as they arise.

2. You will adhere to your fee agreement with your attorney, pay your bills for all work that has been performed, and pay for all costs advanced for you. If you have any questions about your bill, you will discuss them with your attorney.

3. You will seek your attorney's advice before discussing any information relating to your legal matter with others.

4. You will tell your attorney if you have any concerns or reservations about the advice you are being given.

5. You will be on time for all court hearings and appointments with your attorney or let your attorney know in advance if you cannot be on time.

6. If you cannot reach your attorney when you telephone the office, you will leave your name and telephone number and a brief message.

7. You will complete the tasks requested by your attorney in a timely fashion or let your attorney know when you cannot.



8. You will discuss your expectations about what you want to accomplish in your legal matter with your attorney. When your expectations are not being met, you will talk to your attorney about it. You have the right to change attorneys if you are dissatisfied with the representation you are receiving. However, in certain circumstances, you will need the court's permission. It is also important for you to know that your attorney may decide to stop representing you. This may be due to your not meeting your obligations to your attorney or for some other reason. This too may require court permission.

This Client's Statement of Rights and Responsibilities is based on the Rhode Island Rules of Professional Conduct for attorneys. If you have any questions about this statement of your rights and obligations, you should contact the Rhode Island Bar Association at 115 Cedar Street, Providence, Rhode Island 02903 telephone: (401) 421-5740.



PANNONE LOPES DEVEREAUX & O’GARA LLC

PRIVACY STATEMENT

PANNONE LOPES DEVEREAUX & O’GARA LLC is committed to safeguarding the confidential information of its clients. As required by our profession’s ethical and legal obligations, maintaining the confidentiality of your personal information is one of our primary responsibilities. Consistent with these obligations we are sending you this privacy notice to help you understand how we handle and protect the personal information we collect.

The nonpublic personal information we collect from a client depends upon the scope of the client engagement. It may include:

Information we receive from you, including name, address, telephone number, Social Security number and information about your financial status, such as employment, income, monthly expenses, and assets; and

Information about your transactions with third parties, including information regarding your financial status and financial history.

Consistent with the ethical obligations of our profession, we hold all nonpublic personal information provided to our firm by its clients in the strictest confidence. We also limit access to your information to those attorneys and staff members who have a professional reason for knowing the information and to other persons who are assisting us in the representation and to whom you have permitted us to disclose the information. We do not provide non-affiliated persons, firms or companies with your personal information unless you have authorized such disclosure or such disclosure is permitted or required by law.

As technology continues to advance, you can be sure that we will maintain the physical, electronic, and procedural safeguards necessary to keep your personal financial information confidential and secure. PANNONE LOPES DEVEREAUX & O’GARA LLC will notify you of any changes in its ethical obligations applicable to your confidential information or in the firm practice with respect to discharging such obligations.

We value your trust and are firmly committed to protecting the security and privacy of information that you share with us.

