



WARREN CHARTER LAW

PLC

September 2, 2019

VIA EMAIL

Ms. Sandra M. Zupetz
Pensar Academy
6135 North Black Canyon Highway
Phoenix, Arizona 85015

RE: Professional Services Engagement

Dear Ms. Zupetz:

We are pleased to present you with this letter of engagement, detailing the services we will provide for Pensar Academy, an Arizona nonprofit corporation (“Pensar”) and establishing a basis for the fees and costs associated with our services. This letter will confirm the terms under which we are engaged and define the terms of our engagement, in addition to satisfying the requirements of the State Bar of Arizona and our professional liability insurer. For ease of reference in this letter, I will refer to our firm using personal pronouns, such as “we,” “us,” and “our” and I will sometimes refer to Pensar using personal pronouns such as “you” and “your.”

Representation. For this engagement we will be representing Pensar as legal counsel in a bond-loan finance transaction related to the Pensar campus located at 6135 North Black Canyon Highway, Phoenix, Arizona, including the due diligence related to the finance transaction, real property due diligence and acquisition, architectural and construction contracting (if required), other real estate matters and other matters incidental to such representation. Upon completion of this limited representation our representation will end and the attorney-client relationship between our firm and Pensar will terminate.

Client Represented. Our “client” for this engagement will be Pensar. We will be representing the best interests of Pensar, not any individual director, officer or employee of Pensar. Each of the directors, officers and employees of Pensar, understand that, when dealing with matters covered by this letter, we are solely representing Pensar.

Staffing. For this engagement, I will be the attorney primarily responsible for representing you in these matters, although we may use other attorneys or paralegals to perform portions of the work. We will make staffing decisions with the objective of rendering efficient and cost-effective services.

Commencement; Services. Under our ethics and insurance requirements, we are not permitted to commence our services under this engagement until you sign and return this engagement letter. Of course, our goal is to work with you to achieve the results you desire, using our best judgment and skill. You understand, however, that we cannot and have not made any guarantees regarding the results of our services.



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Fees and Costs. Our firm bills for professional services in accordance with Rule 1.5 of the Rules of Professional Conduct established by the Arizona Supreme Court. Our hourly fee schedule below is based on years of experience, specialized training and level of professional attainment. We periodically review our hourly-rate schedule and make adjustments as necessary. Our current, *regular* hourly rates for our professional staff follow:

Terry Warren	\$400.00
Paralegal/Specialized Assistants	\$ 150.00
General Assistants	\$ 75.00

However, we allow discounts for nonprofit charter schools. Accordingly, we are pleased to offer you the following discounted billing rates:

Terry Warren	\$325.00
Legal and Specialized Assistants	\$120.00
General Legal Staff	\$ 60.00

Unlike most law firms, we do not bill for ordinary out-of-pocket disbursements incurred on your behalf. Ordinary expenses include such items as: automobile travel expenses, long-distance telephone calls (including long-distance fax transmissions) and photocopying. We believe these ordinary expenses are a necessary part of the services we provide to you and include such costs in our overhead expenses. However, you will be responsible for extraordinary out-of-pocket disbursements and third-party advances incurred on your behalf, such as: public-record searches, costs of certified documents, appraisal fees, survey costs, title fees, environmental assessment fees, overnight-delivery or courier service charges, conference line charges, third-party costs associated with online storage, research and retrieval charges. We frequently advance such costs and bill them with our regular billing, but we reserve the right to have you pay large items directly to the service provider.

There are several areas of service required to close the bond transaction. These areas comprise: (1) the actual bond portion of the transaction (*e.g.*, conferences and meeting with the bond team, reviewing and negotiating bond documents, investor conferences, closing the transaction, etc.); (2) compliance matters, including corporate and charter-contract compliance; (3) post-closing matters sometimes required for bond-finance transactions; (4) the real estate portion of the transaction (*e.g.*, reviewing and negotiating the title work, obtaining, reviewing and revising the appraisal, environmental reports and survey, closing the real estate transaction, etc.); and (5) architectural and construction matters.

Based upon our understanding of your project, we will agree not to charge our hourly billing rates, but rather, we will agree to a fixed fee for items (1) through (5) listed above of \$50,000.00. For any services outside of the listed items (1) through (5), our discounted hourly billing rates will apply.

Advance Deposit. The advance deposit is waived.

Billing. We generally prepare and deliver monthly billing statements. However, for this transaction, with your approval, we will defer billing and collection of our fees until the closing date. Our bills are normally due and payable upon receipt and considered past due 15 days after the invoice date



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(which, in this case, will be the closing date). We reserve the right to assess interest at the rate of 1 percent per month for all bills not paid within 30 days. Subject to our ethical and professional obligations, you agree that we may decline further services or discontinue our representation if you do not timely pay our bills.

Your Responsibilities. We cannot effectively represent you without your cooperation and assistance. Accordingly, you agree to: (i) cooperate with us and to promptly provide all necessary information or materials related to specific matters; (ii) provide information and documents requested in a timely fashion; (iii) cooperate in scheduling and related matters; (iv) respond to telephone calls and correspondence in a timely manner; (v) keep us fully and completely informed as to any matter for which we are representing you; and (vi) inform us of changes in your addresses or telephone numbers.

Advance Waiver of Conflicts. We represent, and may in the future represent, other companies, corporations and individuals. It is possible that one or more of our present or future clients could have disputes or transactions with you or have interests that are averse to you. You agree that we may continue to represent existing clients or may represent new clients in any matter that is not substantially related to our work for you, even if the interests of other clients are averse to you. We agree, however, that your consent in this paragraph does not apply to any matter where, as a result of representing you, we have obtained privileged, proprietary or other confidential information that, if known to other clients, could be used to your material disadvantage.

Document Retention. During the course of our engagement we will prepare documents for you and you may provide us with additional documents or materials. It is our policy to retain and store all of these documents in a digitized, electronic format (signed, original contracts will be returned to you) for you for three years after our representation ends or as otherwise required by law. For documents or materials that you provide to us, please provide us with copies of such materials or, if you provide originals, please identify the materials as originals at the time of delivery. If you notify us that you provided originals, we will scan them to digitized, electronic format and return the originals to you. At your written request upon termination of our representation, we will return electronic copies of your file to you. In the event we do not receive such a written request, we will destroy such electronic files, documents and materials at the end of the retention period. By signing below you agree to this policy.

Termination of Engagement; Post-Engagement Matters. Subject, on our part, to our professional code of conduct, either you or we may terminate this engagement at any time and for any reason by written notice. In the event that we terminate the engagement, we will take such steps as are reasonably practicable to protect your interests and, if you terminate this engagement, we will provide your new counsel with any documents or materials you have provided to us. Your responsibility will be to pay all of our outstanding fees and costs, if any. After termination of this engagement, changes may occur in laws or regulations that apply to you that could have an impact upon your future rights and liabilities. Unless you continue to engage us to provide additional advice, we will have no continuing obligation to advise you with respect to future legal developments.

Arbitration. In the event of any unresolved dispute regarding our fees or services, you agree to resolve the dispute through the arbitration services offered by the Arizona State Bar Association, whose decision will be binding on both you and us.



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Electronic Communications. Electronic communications, such as cellular telephones and computer email, are commonplace. However, such types of communication are subject to interception and could be overheard by unintended third parties. Because of the possibility of interception, we require your approval before using such forms of communication. Please select only one of the choices below to indicate whether you authorize our use of such forms of communication, noting that, if such forms are restricted, it could delay certain communications due to delays in the mail or facsimile transmissions.

Please choose only ONE of the following:

Warren Charter Law is authorized to use any and all forms of communication _____
initial

OR

Warren Charter Law is prohibited from using cell phones and computer transmissions _____
initial

No Advice Regarding This Fee Agreement. We will be happy to answer your questions or discuss any issues in this letter with you. However, we cannot, and we are not, acting as your counsel in advising you with respect to this letter, as we would obviously have a conflict of interest in doing so. If you wish to be advised by independent counsel in regard to this letter, we recommend that you consult with independent counsel of your choice.

If our terms of engagement are acceptable, please sign one in the space provided and return a scanned, pdf copy of the signed letter to us via email. Thank you for your consideration. We look forward to working with you.

Sincerely,

Terry D. Warren

AGREED AND ACCEPTED:

PENSAR ACADEMY, an Arizona nonprofit corporation

By: _____

Printed Name: _____

Title: _____

Date: _____