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Via Email: clerk.treasurer@cityofgoldbar.us

April 11, 2019

City of Gold Bar c/o Lisa Stowe Clerk/Treasurer

Re: Legal Representation

Dear Lisa:

Thank you for selecting Pacifica Law Group LLP to represent the City of Gold Bar ("City") to assist in the review of franchise agreements. This letter will also apply to any additional matters that we undertake at your request, unless otherwise specified in a separate engagement letter addressing that matter.

The principal factors in determining our fees will be the time and effort devoted to the matter and the hourly rates of the lawyers and paralegals involved. I will have primary oversight for Pacifica Law Group's representation of City. My hourly rate for this work will be \$395, but in consultation with you we may assign other firm lawyers and paralegals when necessary, beneficial or cost-effective and when desirable to meet the time constraints of the matter. These rates reflect the discount off standard rates we customarily offer public and not-for-profit clients. Billing rates may be adjusted not more frequently than annually, usually on January 1. Services performed after the effective date of the new rates will be charged at the new applicable rates. We do not charge for costs incurred internally (photocopying, long distance telephone charges, electronic legal research services and the like). However, to the extent we incur costs from outside vendors directly related to your work, these costs will be passed through to you without mark-up. We issue invoices for our fees and any disbursements on a monthly basis. These invoices include detail that most of our clients find sufficient, but please let me know at any time if more detailed information is needed on our invoices. You can reach me at the office at 206.245.1718 (my direct dial).

As lawyers, we are of course regulated by ethical rules, including rules governing conflicts of interest, in the jurisdictions in which we practice. Based on our review of our records and the information you have provided regarding adverse or potentially adverse parties, the representation of City on this initial matter does not create a conflict of interest for Pacifica Law Group.

Please let me know immediately if there are other adverse or potentially adverse party names to check, or other names that you believe we should check. If you learn about significant name changes of any of the entities or about additional adverse or potentially adverse parties, please advise us so our records can be updated. Our representation of City does not include acting as counsel for any entity in which City holds equity or any subsidiary, affiliate, equityholder, employee, family member or other person unless such additional representation is separately and clearly undertaken by us.

Pacifica Law Group represents many other companies, individuals and government agencies ("clients"). During the time we are representing City we may be asked to represent:

- (1) other present or future clients in transactions, litigation or other disputes adverse to City that are not substantially related to our representation of City; and/or
- in matters not substantially related to our work for City, parties who have interests adverse to City in matters we are handling for City.

We request City's consent to allow Pacifica Law Group to undertake such future representations without the need to obtain any further or separate approval from City, as long as those matters are not substantially related to matters in which Pacifica Law Group is representing, or has represented, City. Your signature below constitutes City's consent to such representation. We agree not to use any proprietary or other confidential nonpublic information concerning City acquired by us as a result of our representation of City to City's material disadvantage in connection with any litigation or other matter in which we are adverse to City.

During our representation of you, there may from time to time be issues that raise questions as to our duties under the rules of professional conduct that apply to lawyers. These might include, e.g., conflict of interest issues, and could even include issues raised because of a dispute between us and a client over the handling of a matter. Under normal circumstances when such issues arise we would seek the advice of our Professional Standards Counsel, Loss Prevention partners or Professional Standards Conflicts Attorneys who are experts in such matters. Historically, we have considered such consultations to be attorney-client privileged conversations between firm personnel and the counsel for the firm. In recent years, however, there have been judicial decisions indicating that under some circumstances such conversations involve a conflict of interest between client and attorney and that an attorney's consultation with its counsel may not be privileged, unless the attorney either withdraws from the representation of the client or obtains the client's consent to consult with its counsel.

We believe that it is in our client's interests, as well as Pacifica Law Group's interest, that in the event legal ethics or related issues arise during a representation, we receive expert analysis of our obligations. Accordingly, as part of our agreement concerning our representation of City, you agree that if we determine in our own discretion during the course of the representation that it is either necessary or appropriate to consult with our firm counsel (either Pacifica Law Group's

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internal counsel or, if we choose, outside counsel) we have your consent to do so and that our representation of you shall not, thereby, waive any attorney-client privilege that Pacifica Law Group may have to protect the confidentiality of our communications with counsel.

This letter confirms the terms and conditions on which Pacifica Law Group LLP will provide legal services to City. Unless otherwise agreed in writing, the terms of this letter will also apply to any additional matters that we undertake at City's request. If this letter correctly sets forth our understanding, please sign and date a copy of this letter and promptly return it to me. If you have any questions about this letter or generally about our services or bills, please call me at any time. We look forward to working with you and thank you for placing your confidence in Pacifica Law Group.

William & clen rayor 4/25/2019

Sincerely yours,

PACIFICA LAW GROUP LLP

Matthew J. Segal

ACCEPTED AND AGREED:

City of Gold Bar

Lisa Stowe Clerk/Treasurer

Date: 4/14/2019