

CONTRACT FOR CONTINUING LEGAL SERVICES

This Contract for continuing legal services is made on June 6, 2013, by and between the CITY OF PONTIAC, a Michigan Municipal Corporation (the "City"), whose address is 47450 Woodward Avenue, Pontiac, Michigan 48342 and GIARMARCO, MULLINS, & HORTON, P.C., a Michigan Law Firm ("Law Firm"), whose address is 101 West Big Beaver, 10th Floor, Troy, Michigan 48084.

RECITALS

WHEREAS, on or about October 28, 2011, pursuant to Emergency Manager Executive Order No. S-107, the Law Firm of Giarmarco, Mullins, & Horton, P.C. was appointed to perform "all duties and responsibilities as performed by the Law Department."

WHEREAS, this appointment was made pursuant to Public Act 4 of 2011, and then reconfirmed under Public Act 436 of 2012.

WHEREAS, the Emergency Manager believes the Law Firm should continue to represent the City regarding all legal matters, as defined below.

NOW THEREFORE, the parties to this Contract agree, as follows:

TERMS AND CONDITIONS

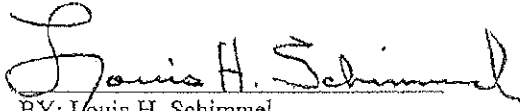
1. **Scope of Representation:** Law Firm shall represent the City of Pontiac in all matters as properly assigned, and as articulated in the City Charter, including but not limited to:
 - a) Supervising the conduct of all the legal business of the City and its departments;
 - b) Drafting all ordinance proposals or approving them as to form;
 - c) Preparing such leases, deeds, contracts or other papers as may be required by the Mayor, City Council or any department;
 - d) Instituting and conducting, on behalf of the People, all cases arising from the provisions of the charter or ordinances and, when authorized by law, cases arising under state law;
 - e) Defending all actions or proceedings against the City;
 - f) Prosecuting/Defending all civil actions to which the City is a party or in which the City has an interest, when directed to do so by the Emergency Manager or the Mayor; notice of any such action shall immediately be given to the City Council;
 - g) Representing the Emergency Manager, any elective officer or appointee of the City in any action court proceedings involving official duties;

- h) Performing all legal work related to central City services; labor and employment; City prosecutions; tax matters, real estate matters; or any other legal matter; and
 - i) Performing other duties assigned by any Resolution or Order.
- 2. **Rate:** All duties performed shall be paid at an hourly rate of \$125 dollars, or each part thereof. The hourly rate for MMRMA files is \$135. The rate may only be changed by written agreement of the parties.
 - a. **Statements for Legal Services:** The Law Firm shall send the City a statement on a monthly basis. The statement shall describe the services rendered and costs incurred to date. The City agrees to pay each statement within 21 days.
 - b. **Questions Regarding Statements:** Any questions or objections to a bill or statement given by the Law Firm to the City must be made within 60 days of the billing date. If the City fails to raise a question or objection within this time, the City agrees that the bill or statement is accurate and fully due and payable.
 - c. **Interest on Late Payments:** Any attorney fees or costs advanced that are not paid within 21 days after a statement is submitted to the City will accrue interest at the rate of seven percent per year until paid. Payments shall be applied first to accrued interest, then to costs, and then to attorney fees.
- 3. **Expenses:** In addition to the fees charged, the City shall pay the Law Firm for all expenses and court costs resulting from the City's legal matters, including, but not limited to, long-distance telephone charges, express mail delivery, copying, mileage, filing fees, service fees, court reporter fees and expert witness fees. Expenses under this Section will be billed and paid by the City as they are actually incurred.
- 4. **Termination:** This Contract is terminable only by:
 - a. Executive Order of the Emergency Manager;
 - b. Resolution of the City of Pontiac Receivership Transition Advisory Board, if one is appointed pursuant to Section 23 of Public Act 436 of 2012;
 - c. In accordance with the City Charter, and with 90 days' written notice to the Law Firm, but only in the event that the State of Michigan has removed the City from Receivership as defined in Public Act 436 of 2012, including the removal of the Receivership Transition Advisory Board, if one is appointed, and the State, having determined that the City's financial emergency has been rectified, has otherwise ceded and returned all control of the local government back to the City's Mayor and City Council. This third provision (known as "c") shall not apply unless all of the provisions set forth above have been met and fully satisfied.

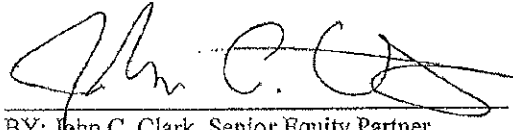
IN WITNESS THEREOF, this Contract is entered into by and between the parties on the 6th day of June, 2013

CITY OF PONTIAC

GIARMARCO, MULLINS & HORTON, P.C.



BY: Louis H. Schimmel
Its: Emergency Manager



BY: John C. Clark, Senior Equity Partner