

January 16, 2018



Labor and Employment

City of Willoughby Hills
Willoughby Hills City Hall
35405 Chardon Road
Willoughby Hills, OH 44094
Attn: Stephen L. Byron, Law Director

Dear Mr. Byron:

Benesch, Friedlander, Coplan & Aronoff LLP is pleased to have the opportunity to represent the City of Willoughby Hills as special counsel for labor-related matters and to advise and potentially represent the City on a legal malpractice action against its former law director, Thomas G. Lobe. We have agreed to cap our legal fees for the proposed engagement at \$25,000. Please note that our engagement does not include any tax advice or tax analysis, which we do not believe the City needs for this matter.

Consistent with the rules by which we are bound, we require a written engagement agreement with all new clients, as well as for certain matters that we undertake for existing clients. The engagement agreement between the City and us consists of this letter and the accompanying Terms and Conditions of Engagement (the "Terms and Conditions"). The engagement agreement describes our responsibilities to each other and sets forth certain other matters regarding the attorney-client relationship.

To avoid any misunderstanding as to our billing and collection practices as to this matter and as to future matters in which we may represent the City, the Terms and Conditions describe the basis on which we will provide and bill for such legal services. In addition to fees, our statements will include charges for expenses incurred, as more fully described in the Terms and Conditions. Should you have any questions regarding these practices, please call us immediately.

Please do not hesitate to call us to discuss any questions you may have regarding the engagement agreement.

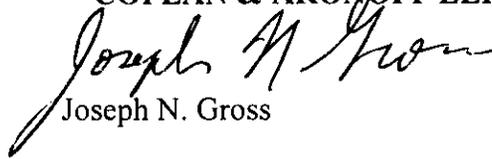
In conformance with the Firm's policy, we cannot commence or continue work on this engagement until we have received the City's acceptance of this engagement agreement as described above.

If you have any questions about or do not agree with one or more of the Terms and Conditions, please advise. Thank you.

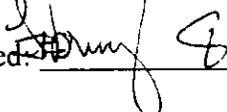
We look forward to a mutually beneficial relationship.

Very truly yours,

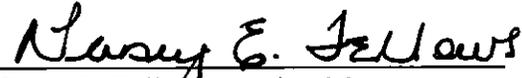
**BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP**


Joseph N. Gross

AGREED:

Dated:  _____, 2018

CITY OF WILLOUGHBY HILLS

By: 
Nancy E. Fellows, Acting Mayor

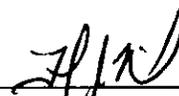
Encl.

CERTIFICATE OF AVAILABLE FUNDS

I, Frank Brichacek, Finance Director of the City of Willoughby Hills, hereby certify that the moneys required to meet the obligations of the City of Willoughby Hills under the foregoing Agreement have been lawfully appropriated for such purposes and are in the treasury of the City of Willoughby Hills or are in the process of collection to an appropriate fund, free from any previous encumbrances. **PURCHASE ORDER No. CT001408**

Dated: JANUARY 26, 2018

CITY OF WILLOUGHBY HILLS

By: 
Frank Brichacek, Finance Director

Benesch, Friedlander, Coplan & Aronoff LLP
Terms and Conditions of Engagement

This document contains the terms and conditions (the “Terms and Conditions”) under which you are engaging Benesch, Friedlander, Coplan & Aronoff LLP to provide legal services. The Terms and Conditions apply to all matters for which you might now or in the future request our assistance and as to which we agree, unless, of course, you and we agree to revised Terms and Conditions regarding this or any other matter for which you engage us.

Communications and Confidentiality

The Firm will keep you informed of the status of the matter or matters for which you are engaging us and we will consult with you when we believe it necessary or appropriate. In the event that you need to reach us and the person sought is unavailable, please leave a message for the person concerned disclosing the nature and urgency of the call.

You understand and agree that, in order for us to represent you effectively, it is necessary for you to assist and cooperate with us during this engagement. You agree to be available to discuss issues as they arise, to attend in person or by conference call and participate in meetings and other activities in connection with our representation, and to provide complete and accurate information and documents to us on a timely basis. Your non-cooperation will be grounds for the Firm’s withdrawal from representing you, and thus, it is essential that we maintain open communications.

As lawyers, we are always mindful of our central obligation to preserve the precious trust that our clients repose in us – their secrets and confidences. To that end, it is important that we agree from the outset what kinds of communications technology we will employ in the course of this engagement. For instance, depending on the degree of security that you wish to maintain, it may not be appropriate to use email or to speak using cellular telephones (or at least not to do so where substantive information is being discussed). Similarly, the exchange of documents using the Internet, or even direct computer-to-computer data transfer, may involve some risk that information will be retrieved by third parties with no right to see it. Even the use of fax machines can cause problems if documents are sent to numbers where the documents sit in open view. Nevertheless, we will use high tech communication devices such as cellular telephones, the Internet, unencrypted e-mail and fax machines, unless you instruct us not to use one or more of these devices, generally or in specific instances.

Whom Do We Represent?

Our client is the person or entity addressed in the letter accompanying these Terms and Conditions, even though in certain instances the payment of our fees may be the responsibility of others. Throughout these Terms and Conditions, and in the accompanying letter, “you” refers to such individual or entity.

Unless expressly stated in our letter, or unless otherwise required by law, our representation does not extend to any of your affiliates and we do not assume any duties with respect to your affiliates. The word “affiliates” includes parent, entities, subsidiaries, sister corporations, partnerships in which you are a partner, your partners, any entities in which you own an interest, or your owners, employees, officers, directors, members, trustees, shareholders, or, if you are an individual, your spouse, children or other relatives. If you are a governmental entity, our representation does not extend to other governmental entities or agencies, departments, bureaus, or boards. If you are a trustee, only you are our client and only in your capacity as such. The beneficiaries of the trust are not our clients. If you provide us with any

confidential information regarding any of your affiliates, we will honor such confidences in a manner consistent with our ethical duties to you as our client. No one except you is entitled to rely on any advice or other communication we give to you, unless we otherwise mutually agree, in writing.

Conflicts of Interest

We represent and have represented many clients over the years on a variety of legal matters. As a result, you possibly may find yourself in a position adverse to another of our clients in litigation, business negotiations, or some other legal matter in which we do not represent you and which is unrelated to this engagement. Accordingly, we include the following:

You agree that we may continue to represent or may undertake in the future to represent existing or new clients in any matter that is not substantially related to our work for you, even if the interests of such clients in those other matters are directly adverse to your interests. We agree, however, that your prospective consent to conflicting representation contained in the preceding sentence shall not apply in any instance where, as a result of our representation of you, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage. In similar engagement agreements with a number of our other clients, we have asked for similar agreements to preserve our ability to represent you.

Our Fees

Statements generally are rendered on a monthly basis for legal services rendered during the previous month. In determining fees, the major factor is usually time expended. We assign hourly rates for each member of our legal staff based on years of experience, areas of expertise and level of professional attainment.

Our current billing rates for those attorneys we presently expect to work on your matter range from \$245 an hour for the most junior associate to \$465 an hour for Joseph N. Gross, who is a partner of our firm. In an effort to reduce overall legal costs, we utilize paralegal personnel whenever appropriate. Time devoted by such paralegal personnel to client matters is currently charged at a billing rate of \$230 per hour. As a courtesy to the City, our firm will take a 10% discount on all fees associated with this matter. As a further courtesy, Joseph N. Gross will take a 15% discount on his rate of \$465 per hour, reducing it to \$395 per hour. Also, pursuant to our agreement, we have agreed to cap our legal fees at \$25,000 for this matter.

We will use our discretion in staffing in order to provide proper legal representation. Billing rates for both attorneys and paralegal personnel are, from time to time, reviewed and adjusted on a firm-wide basis and may change during the course of our engagement. Our time charges are based on quarter hour increments.

Although we may from time to time, at a client's request, furnish estimates of legal fees and other charges that we anticipate will be incurred, these estimates are by their nature inexact (due to unpredictable circumstances) and, therefore, the actual fees and charges ultimately billed may vary from such estimates.

Payment to the Firm is expected upon receipt of our statement. If at any time during our relationship you find that you are unable to meet the payment arrangement, we urge you to contact us immediately.

Charges for Expenses

In addition to fees, our statements will include charges for expenses, including but not limited to photocopying, travel (transportation, lodging and meals), computerized legal research, facsimiles sent from our office, messenger and courier services, long distance telephone charges, and filing fees. We will be happy to provide you with a breakdown and explanation of the various rates charged for these items, at your request. In general, such expenses are billed to you to reflect our direct out-of-pocket expense. Certain of these expenses may include a surcharge reflecting overhead, as well as other factors. Often, however, certain client charges of particular magnitude, such as court reporter fees, costs incurred in compliance with electronic discovery, expert witnesses, consultants, major travel expenses, and title examinations, necessitate direct payment by the client. In these situations, you will be billed directly on our instructions to the providers or we will send the provider's statement to you for direct payment. As is sometimes the case, expense charges may not be current at the time of billing, whether final or interim, because of delays in the receipt of third-party bills and the posting of accounts. Remaining expense charges, if any, will be billed at a later date.

Payment Obligations

You acknowledge that the law provides us with an attorneys' lien on any judgment, decree, or award that we may obtain for you, but only to the extent of any proceeds therefrom and only in an amount sufficient to pay our fees and other charges related to our obtaining the judgment, decree, or award. However, you also acknowledge that, whether or not there are any proceeds resulting from such judgment, decree, or award, you nevertheless are obligated to pay our fees and other charges for our services in the matter, unless we have agreed otherwise in writing.

Termination of Representation

Our relationship may be terminated by either of us by giving written notice to the other party. If you terminate this representation at any time, you will have the obligation to pay any outstanding and final billing from us. We may withdraw from this representation at any time consistent with applicable rules of ethical conduct, on reasonable notice, without your consent. Our withdrawal may be based upon, but is not limited to: (a) your failure to cooperate with us as provided above; (b) your failure to pay any of our bills when due; (c) any fact or circumstance that would render our continuing representation unlawful or unethical; (d) your failure to follow our advice; or (e) when we have reached an irreconcilable difference of views on the handling of your matter(s). Any termination by us of our representation will be subject to such approval as may be required from any court or other body before which we may be appearing on your behalf.

In the event of termination of our relationship, you agree that you will take all necessary steps to free us of any obligation to perform further, including the execution of any documents necessary or reasonably requested to complete our withdrawal.

When we complete the services you have retained us to perform, our attorney-client relationship for that matter will be terminated. Unless previously terminated by the completion of our services or otherwise, our representation will terminate no later than the date of our final statement for services and expenses for the particular matter. If you later retain us to perform further or additional services, our attorney-client relationship will commence again, subject to our original engagement agreement, unless we change its terms, in writing, at that time.

After termination of our attorney-client relationship regarding any particular matter, changes may occur in applicable laws that could impact your future rights and liabilities. Unless you actually engage us, in writing, to provide additional advice on issues arising from that matter after its completion, we will have no continuing obligation to advise you with respect to future legal developments.

Client Files

When we no longer represent you in a matter, or at your request at any time during the course of our representation, we will take steps, to the extent reasonably practicable, to promptly deliver to you or to whomever you designate, in writing, your papers and property to which you are entitled. As to your client files, this means that you are entitled to copies of all correspondence, pleadings, deposition transcripts, exhibits, physical evidence, expert reports, and other items reasonably necessary to your representation. The foregoing obligation, however, is also subject to any attorney lien under applicable law that may be available to us to secure payment of our outstanding fees and other charges, and is also subject to our right, after completion of any matter for you, to destroy your files that we have maintained for such matter, so long as such destruction is consistent with our then current file retention policies and is consistent with applicable law and ethical requirements. You agree that we will be entitled to be paid at our then current rates for all attorney and paralegal time spent and that we will be entitled to be reimbursed for all expenses incurred in connection with such delivery of your personal property, except for copying costs.

Entire Agreement

The engagement agreement represented by the Terms and Conditions and the accompanying letter supersedes all prior or other contemporaneous written or oral agreements and understandings between us and constitutes the entire agreement between us. The engagement agreement may be modified only in a writing signed by you and by us. You acknowledge that no promises have been made to you other than those contained in the engagement agreement.

Governing Law

Unless otherwise specified in the accompanying letter, all questions arising under this engagement agreement or concerning rights and duties between us will be governed by the law of the jurisdiction in which the Benesch attorney sending you this engagement agreement principally practices, excluding choice of law provisions that might select the law of a different jurisdiction. If any provision of the engagement agreement is held by any court or tribunal to be unenforceable, the remainder of the engagement agreement shall not be affected thereby and shall be enforced.

Miscellaneous

You understand, of course, that we cannot guarantee the outcome of any aspect of this or any other matter as to which we may represent you. Our services and advice will be based on the law at the time of such services and advice and on the extent of our actual knowledge of the applicable facts.