

**CITY OF EL PASO, TEXAS
REQUEST FOR COUNCIL ACTION (RCA)**

DEPARTMENT: Financial and Administrative Services
AGENDA DATE: February 26, 2008
CONTACT PERSON/PHONE: William F. Studer, Deputy City Manager, Financial and Administrative Services, 541-4011 and Carmen Arrieta-Candelaria, Chief Financial Officer, 541-4293
DISTRICT(S) AFFECTED: All

SUBJECT:

Discussion and action on a resolution to authorize the City Manager to sign a letter of engagement with Paul A. Braden, Fulbright and Jaworski, LLP to serve as the City's bond counsel.

BACKGROUND / DISCUSSION:

The attached resolution authorizes the City Manager to enter into a contract with Paul A. Braden, from the firm of Fulbright and Jaworski, for bond counsel services. Mr. Braden has served as bond counsel for various prior bond issuances. He has extensive experience in providing bond counsel services to various governmental entities in El Paso. Although Fulbright and Jaworski is based in Dallas, Texas, Mr. Braden maintains a local office in El Paso. Mr. Braden's services will be utilized on an as-needed basis depending on the needs of the City.

PRIOR COUNCIL ACTION:

City council has entered into prior contracts for bond counsel.

AMOUNT AND SOURCE OF FUNDING:

Funded through future bond issuances or other debt instruments issued. Included in the contract is the Schedule of Fees to be charged per bond issuance.

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: Carmen Arrieta-Candelaria
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Letter of Engagement by and between the **CITY OF EL PASO** and **PAUL A. BRADEN, Fulbright & Jaworski L.L.P.**, to serve as bond counsel to the City of El Paso.

APPROVED this 26th day of February 2008.

THE CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



John R. Batoon
Assistant City Attorney

FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP
2200 ROSS AVENUE, SUITE 2800
DALLAS, TEXAS 75201-2784
WWW.FULBRIGHT.COM

PAUL A. BRADEN
PARTNER
PBRADEN@FULBRIGHT.COM

DIRECT DIAL: (214) 855-8189
TELEPHONE: (214) 855-8000
FACSIMILE: (214) 855-8200

January 18, 2008

Ms. Joyce Wilson
City Manager
City of El Paso
2 Civic Center Plaza
El Paso, Texas 79901

Re: Legal Representation of City of El Paso regarding the Issuance of Obligations

Dear Ms. Wilson:

As discussed, we are pleased to submit to you a proposed agreement for Fulbright & Jaworski L.L.P., to serve as bond counsel ("*Bond Counsel*") to the City of El Paso (the "*Issuer*") with respect to the issuance of tax-exempt debt obligations and such other obligations, if any, that the Issuer may elect to issue from time to time (the "*Obligations*"). When approved by you, this letter, together with the *Additional Terms of Engagement* attached hereto, will become effective and will evidence an agreement between the Issuer and our firm with respect to our representation of the Issuer as bond counsel (the "Representation").

Terms of Engagement

This letter sets out the terms of our engagement in the Representation. Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

As Bond Counsel, we will prepare, or assist the appropriate Issuer officials and staff in the preparation of, all required legal proceedings and will perform certain other necessary legal work in connection with the Issuer's authorization, issuance, and sale of the Obligations. Our services as Bond Counsel will include the following Basic Services, which we will carry out directly or in concert with officials and staff of the Issuer, as follows:

1. Preparation of legal proceedings and documents to call and hold bond elections, if applicable.

2. Preparation of the resolution or ordinance authorizing issuance of the Obligations and all other instruments which comprise the transcript of legal proceedings pertaining to the authorization, issuance, and sale of the Obligations, as well as legal research, document preparation, and consultation with respect to related municipal finance legal issues;

3. Attendance at meetings called by the appropriate Issuer officials, to the extent required or requested by the Issuer, to discuss sale of the Obligations or other municipal finance related legal issues;

4. Preparation and submission of transcripts of legal proceedings pertaining to the issuance of the Obligations to the Attorney General of Texas to obtain an approving opinion;

5. Consultation with Issuer officials and staff and the Issuer's financial advisor, together with underwriters, if any, to review information to be included in the offering documents for the Obligations, but only to the extent that such information describes the Obligations, the security therefor, federal income tax status and our opinion;

6. Supervision of the printing or preparation of the Obligations and the delivery thereof to the purchasers thereof;

7. At the closing of the sale of the Obligations, delivery of an approving opinion, based on facts and law existing as of its date, as to the due authorization of the issuance, execution, and delivery of the Obligations, the validity of the Obligations, and the tax-exempt status of the interest thereon, if applicable;

8. Prior to and in connection with the closing of the Obligations, giving advice to the Issuer to enable appropriate officials to comply with the arbitrage requirements of the Internal Revenue Code of 1986 as they affect the Obligations, including yield restrictions and arbitrage rebate requirements; and

9. After the closing of the sale of the Obligations and upon specific request of the Issuer, providing assistance to the Issuer concerning questions and issues that may arise prior to the maturity, and with respect to the terms, of the Obligations.

Our engagement is to advise you with respect to legal issues only, we understand that you have or are in the process of engaging an investment banking firm as your financial advisor, and unless otherwise instructed by you we will also consult with and take direction from your financial advisor in the issuance of the Obligations. Unless we are separately engaged to provide such services, our duties as bond counsel specifically do not include:

1. except as described above, or except as specifically engaged for such purpose, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Obligations, or performing an independent

investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

2. preparing requests for tax rulings from the Internal Revenue Service;
3. preparing blue sky or investment surveys with respect to the Obligations;
4. drafting of state constitutional amendments or preparation of authorizing legislation;
5. making an investigation or expressing any view of the creditworthiness of the Issuer or of the Obligations or any obligor therefor;
6. except if specifically engaged for such purpose, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Obligations and, after initial delivery of the Obligations, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking;
7. responding to Internal Revenue Service audits or Securities and Exchange Commission investigations; or
8. any other matter not specifically set forth above that is not required to render the Bond Opinion.

It is understood and agreed that our engagement is limited to the Representation. We are not being retained as general counsel, and our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

Our Personnel Who Will Be Working on the Representation

I will be working on any proposed offering and sale of Obligations. Other firm personnel, including firm lawyers and legal assistants, will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

Our Legal Fees and Other Charges

For the services performed in connection with the issuance of Obligations, we will be paid a fee as set forth on the attached schedule of fees. Such fees(s) shall be paid from the proceeds of the sale of the Obligations or from other funds, as the Issuer deems appropriate, and, except to the extent otherwise provided herein, are contingent on a successful closing of the Obligation sale unless otherwise agreed to by the parties hereof. We customarily do not submit any statement for fees and out-of-pocket expenses until the closing of the sale of Obligations;

however, if there is a substantial delay in completing the financing or if it is determined that the financing will not proceed to a closing, we will submit a statement for any-out-of-pocket expenses reasonably incurred.

In addition to our fees for rendering professional services, you will compensate us for expenses and non-professional services incurred incident to the performance of our legal services, such as photocopying, delivery charges, travel expenses, long-distance telephone calls, facsimile transmissions, overtime for secretaries and other nonlegal staff, specialized computer applications such as computerized legal research, and filing fees, whether or not the Obligations are issued.

In the event we are requested by the Issuer to perform services beyond the scope of Bond Counsel or to perform services as Bond Counsel, including the issuance of a legal opinion, which are not directly related to the issuance of Obligations, the Firm's hourly rates apply and the fees are not contingent. Any such work that is not directly related to an offering of Obligations or that is beyond the scope of Bond Counsel must be specifically authorized by the City Attorney, the City Manager or Deputy City Manager for Financial and Administrative Services prior to such work being performed. Our statements for any such hourly services and expenses relating to such work will normally be rendered on a monthly basis and are due and payable upon receipt by you.

There shall be no individual liability to any member of the City Council of the Issuer, or any other official of the Issuer for the payment of any amounts due hereunder.

If this agreement is terminated by you and a sale of Obligations which we worked on closes, we will be entitled to payment of reasonable fees in compensation for the work performed by us to the date of termination, based upon our standard hourly rates and the time expended on the transaction.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing the Issuer in the Matter. Based on the information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation, and the execution and return of the enclosed copy of this letter by the Issuer represents an express agreement to the applicability of those rules.

We also note that we represent many issuers, investment banking firms, commercial banks, and other parties to public finance transactions from time to time in connection with issuance of bonds other than the Obligations or in non-bond-related matters, including your financial advisor and possible purchasers of the Obligations.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, other counsel involved in issuance of the Obligations may be a lawyer or law firm that we may represent now or in the future. Likewise, such counsel may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations.

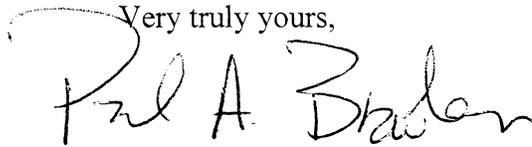
It is our professional judgment that such relationships with the others described in this section do not adversely affect our ability to represent the Issuer in this matter. Your acceptance of these terms of engagement represents your consent to our representation of those persons now and in the future on the terms outlined in this section.

Conclusion

This letter, the attached *Additional Terms of Engagement* and the other attachments constitute the entire terms of the engagement of Fulbright & Jaworski L.L.P. in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by the Issuer and Fulbright & Jaworski L.L.P. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the Issuer or Fulbright & Jaworski L.L.P.

January 18, 2008
Page 6

Please carefully review this letter and the attached *Additional Terms of Engagement*. If both documents are acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation. Thank you for the opportunity to be of service to the City of El Paso.

Very truly yours,

Paul A. Braden

PAB/emt

cc: William F. Studer
Deputy City Manager -
Financial and Administrative Services

Charles McNabb
City Attorney

City of El Paso
Agrees to and Accepts this Letter and the
Attached Terms of Engagement:

City of El Paso

By: _____
Title: _____
Date: _____

SCHEDULE OF FEES

- A. Tax Supported New Money General Obligations and Certificates of Obligation: \$5,000 + (i) \$1.00 for each \$1,000 of par value of Obligations issued for all amounts up to \$50 million, and thereafter (ii) \$0.80 for each \$1,000 of par value of Obligations issued, with a minimum of \$7,500.
- B. Refunding Bonds: 1.25 times above amounts.
- C. Revenue or Other Special Obligations: 1.5 times above amounts and/or by agreement.

Expenses. In addition to bond counsel fees, the Firm would be entitled to payment or reimbursement for out-of-pocket expenses incurred in performing services in this engagement, including in-house photocopying (\$0.10 per page), local messenger and delivery service, long-distance telephone and telecopying services, computerized research, travel, overnight courier services, filing or document retrieval fees and large reproduction projects sent outside the Firm.

FULBRIGHT & JAWORSKI L.L.P.

Additional Terms of Engagement

This is a supplement to our engagement letter, dated January 18, 2008. The purpose of this document is to set out additional terms of our agreement to provide the representation described in our engagement letter (the "*Representation*") concerning any proposed offering and sale of Obligations (the "*Matter*"). Because these additional terms of engagement are a part of our agreement to provide legal services, the Issuer should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that the Issuer retain this statement of additional terms along with our engagement letter and any related documents.

The Scope of the Representation

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in the Matter, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on the Issuer's behalf, Fulbright & Jaworski L.L.P. agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter, and in reliance upon information and guidance provided by the Issuer; and (2) keep the Issuer reasonably informed about the status and progress of the Representation.

To enable us to provide effective representation, the Issuer agrees to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request; (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material; (3) attend meetings, conferences, and other proceedings when it is reasonable to do so; and (4) otherwise cooperate fully with us.

Our firm has been engaged to provide legal services in connection with the Representation in the Matter, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect the Issuer's future rights and liabilities in regard to the Matter. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Matter.

It is our policy and the Issuer's agreement that the person or entity that we represent is the one identified in our engagement letter, and that our attorney-client relationship does not include any related persons or entities. For example, if a corporation, partnership, or other organization is identified as our client in our engagement letter referenced above, we do not represent any related parent companies, subsidiaries, affiliates, employees, officers, directors, shareholders,

partners, members, commonly owned corporations or partnerships, or other such persons, entities, or affiliates, whether becoming such by virtue of merger, dissolution, acquisition, or any other means. Accordingly, it is understood that we may represent another client with interests adverse to any such affiliated or related person or entity without first obtaining consent from the Issuer.

It is further agreed that the attorney-client relationship terminates upon our completion of the services for which we have been retained in the Representation.

Who Will Provide the Legal Services

As our engagement letter confirms, Fulbright & Jaworski L.L.P. will represent the Issuer in the Matter. Fulbright & Jaworski L.L.P. is a registered limited liability partnership that has elected to adopt the Texas Revised Partnership Act.

Although our firm will be providing legal services, each client of the firm customarily has a relationship principally with one attorney, or perhaps a few attorneys. At the same time, however, the work required in the Representation, or parts of it, may be performed by other firm personnel, including lawyers and legal assistants. Such delegation may be for the purpose of involving other firm personnel with experience in a given area or for the purpose of providing services on an efficient and timely basis.

Our Relationships With Others

Our law firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our firm that prepares the engagement letter for a particular matter. The acceptance by the Issuer of our engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

From time to time, our firm may concurrently represent one client in a particular case or matter and, at the same time, our firm may be asked to represent an adversary of that same client in an unrelated case or matter. We would consider doing so only if it is our professional judgment that the firm could undertake the concurrent representation impartially and without any adverse effect on the responsibilities that the firm has to either client.

Specifically, it is possible that, during the Representation, some of our present or future clients will have disputes with the Issuer. By accepting these terms of engagement, it is expressly understood and agreed 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 the Representation, even if the interests of such clients in those other matters are directly adverse to the Issuer. We agree, however, that the prospective consent to conflicting representation contained in the preceding sentence shall not apply if, as a result of the Representation, we have

obtained proprietary or other confidential information of a non-public nature that, if known to the other client, could be used in any other matter by that client with the result of any material disadvantage to the Issuer.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel in the Matter may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel in the Matter may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to the Issuer in the Matter that is the subject of this engagement or in some other matter.

Communications and Confidentiality

We have available Internet communication procedures that allow our attorneys to use e-mail for client communications in many instances. Accordingly, unless the Issuer specifically directs us otherwise, we may use unencrypted e-mail sent on the Internet to communicate with the Issuer and to send documents we have prepared or reviewed.

We recognize our obligation to preserve the confidentiality of attorney-client communications as well as client confidences, as required by the governing rules of professional responsibility. If the Matter involves transactions, litigation or administrative proceedings or like proceedings in which our firm appears as counsel of record for the Issuer in publicly available records, we reserve the right to inform others of the fact of our representation of the Issuer in the Matter and (if likewise reflected of record in publicly available records) the results obtained, unless the Issuer specifically directs otherwise.

Disclaimer

Fulbright & Jaworski L.L.P. has made no promises or guarantees to the Issuer about the outcome of the Representation or the Matter, and nothing in these terms of engagement shall be construed as such a promise or guarantee.

Termination

At any time, the Issuer may, with or without cause, terminate the Representation by notifying us of the Issuer's intention to do so. Any such termination of services will not affect the obligation to pay for legal services rendered and expenses and charges incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the Matter.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or charges; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

A failure by the Issuer to meet any obligations under these terms of engagement shall entitle Fulbright & Jaworski L.L.P. to terminate the Representation. In that event, the Issuer will take all steps necessary to release Fulbright & Jaworski L.L.P. of any further obligations in the Representation or the Matter, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the Matter. The right of Fulbright & Jaworski L.L.P. to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct.

Billing Arrangements and Terms of Payment

Our engagement letter specifically explains our fees for services in the Matter. It is agreed that the Issuer will make full payment within 30 days of receiving our statement. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and the Issuer does not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

Document Retention

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.

At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

Charges for Other Expenses and Services

Typically, our invoices will include amounts, not only for legal services rendered, but also for other expenses and services. Examples include charges for photocopying, long-distance telephone calls, travel and conference expenses, messenger deliveries, computerized research, and facsimile and other electronic transmissions. In addition, we reserve the right to send to the Issuer for direct payment any invoices delivered to us by others, including experts and any vendors.

In situations where we can readily determine the exact amount of expenses for products and services provided by third parties to be charged to the Issuer's account, our invoices will reflect the cost to us of the products and services. In many situations, however, the precise total cost of providing a product or service is difficult to establish, in which case we will use our professional judgment on the charges to be made for such product or service, which charges may vary from or exceed our direct cost of such product or service. In some situations, we can arrange for ancillary services to be provided by third parties with direct billing to the client. Attached is a copy of our current recharge schedule for expenses and services, which is subject to change from time to time.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In

addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

THE TEXAS LAWYER'S CREED — A Mandate for Professionalism

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable, when hearings,

depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.

FULBRIGHT & JAWORSKI L.L.P.
(Dallas)

Expenses and Services Summary

<i>EXPENSE/SERVICE</i>	<i>CHARGE</i>
Binding	\$2.00 per book (Pricing varies in other office locations)
Data Base Research Lexis, Westlaw, Information America	Costs allocated by the firm
Deliveries	
Overnight/Express	Direct Cost
Outside Courier	Direct Cost
In-House	N/A (Pricing varies in other office locations)
Courthouse Messengers	\$25.00/Hour plus Transportation - Bankruptcy Filings @ \$10.00 per filing (Pricing varies in other office locations)
Document Scanning	\$.12 per page – Direct Cost
Duplicating	
Photocopy	\$0.15 per page
Color photocopy	\$0.85 per page
Microfilm/Microfiche	\$0.50 per page
Videography (duplication)	\$5.00/tape plus \$20.00/duplication
Electronic Mail (via Internet)	No Charge
Library Research by Library Staff	\$130.00 per hour
Weekend & Late Evening Air Conditioning	N/A (Pricing varies in other office locations)
Postage	Direct Cost on any item or group of items which cost \$1.00 or more
Secretarial Overtime	\$28.00 per hour plus supper allowance paid for overtime in excess of 2 hours per day during the week and 6 hours per day on weekends (Pricing varies in other office locations)
Facsimile (Outgoing)	\$0.80 per page plus applicable LD charges

EXPENSE/SERVICE

CHARGE

Telephone	
Long Distance (Domestic)	\$0.30 per minute
Long Distance (International)	80% of direct dial rate
File Storage Retrieval	N/A (Pricing varies in other office locations)
Transportation	
Mileage (personal automobile)	Applicable IRS allowable rate per mile
Lodging	Direct Cost
Meals	Direct Cost
Car Rental/Airline/Rail/Etc.	Direct Cost
CD-ROM Research	\$30.00 - \$50.00 per Search (rate varies based on length of search)
Graphic Arts	\$120.00 - \$150.00 per hour, plus direct cost of supplies
Practice Support	\$60.00 - \$215.00 per hour
E-Discovery	Direct Cost