

**WHITE & REGEN, PLC**

ATTORNEYS AT LAW

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October 13, 2020

Hon. James Mayberry  
City of Crossville, Tennessee  
392 North Main Street  
Crossville, Tennessee 38555

Re: Legal Representation

Dear Mayor Mayberry:

We are pleased to confirm the engagement of White & Regen, PLC (the "Firm," "we," "us," "our," or "ours") to serve as bond counsel and disclosure counsel to City of Crossville, Tennessee (the "Client") in connection with the issuance of certain fixed-rate bonds (the "Bonds"), currently estimated to be issued in one or more series of general obligation refunding bonds, general obligation improvement bonds, water and sewer revenue refunding and improvement bonds, and water and sewer revenue improvement bonds, all in an aggregate principal amount not in excess of \$48,685,000, as follows:

**Scope of Representation:**

1. In this engagement, we expect as bond counsel to perform the following duties:

(a) Subject to completion of proceedings to our satisfaction, render one or more legal opinions (collectively and severally the "Bond Opinions") regarding the validity and binding effect of the Bonds, the source of payment of and security for the Bonds, and the excludability of interest paid with respect to the Bonds from gross income for federal and Tennessee income tax purposes.

(b) Prepare and review documents necessary or appropriate to the authorization, issuance, and delivery of the Bonds, coordinate the authorization and execution of such documents, and review enabling legislation.

(c) Assist the Client in seeking from other governmental authorities such approvals, permissions, and exemptions as determined to be necessary or appropriate in connection with the authorization, issuance, and delivery of the Bonds, except that bond counsel will not be responsible for any required blue-sky filings.

(d) Review legal issues relating to the structure of the Bond issue.

Hon. James Mayberry  
City of Crossville, Tennessee  
October 13, 2020  
Page 2

(e) Assist the Client in presenting information to bond rating organizations and providers of credit enhancement relating to legal issues affecting the issuance of the Bonds.

The Bond Opinions will be addressed to the Client and will be delivered on and dated as of the date the Bonds are exchanged for their purchase price (the "Closing"). The Bond Opinions will be based on facts and law existing as of its or their date. In rendering the Bond Opinions, the Firm will rely upon the certified proceedings and other verifications of public officials and other persons furnished to the Firm without undertaking to verify the same by independent investigation, and the Firm will assume for all purposes the continuing compliance by the Client with applicable laws relating to the Bonds. During the course of this engagement, the Firm will rely on you to provide the Firm with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. In rendering the Bond Opinions, the Firm will expressly rely upon the matters set forth in the opinion of your counsel, William T. Ridley.

2. In this engagement, we expect as disclosure counsel to perform the following duties:

(a) In consultation with officials of the Client, including where appropriate the City Manager, the City Clerk, the Director of Finance, the City Engineer, the Client's municipal advisor, and issuer's counsel, develop information from within the Client's records and reports for inclusion with a Preliminary Official Statement and Official Statement, private placement memorandum, bond purchase agreement, or other form of offering or disclosure document to be disseminated in connection with the sale of the Bonds involving the authorization and issuance of, and the security for, the Bonds (collectively and severally, the "Disclosure Documents"). This information will be generally similar in character and format to disclosure documents used by the Client in connection with previous issues of bonds and other indebtedness. We will not, however, undertake to verify independently any information supplied to us by any of the Client's officials or other parties.

(b) Participate in the preparation of the Disclosure Documents, including collecting, compiling, and presenting data and information from third-party sources, including but not limited to publicly-available sources compiled and reported by the State of Tennessee and applicable agencies of the United States; *provided*, however, that we will not conduct any independent examination to verify the accuracy or completeness of any financial, operational, economic, demographic, or other information originating from any source other than the Firm; *provided further*, however, that we will include data or other information only from those sources as to which we have no information tending to show that the information obtained from those sources is unreliable in any material respect.

(c) Assist the Client's staff, counsel, and municipal advisor in determining the extent to which the Client has or has not complied with its continuing disclosure obligations under existing continuing disclosure agreements, and in determining necessary actions to cure any existing non-compliance with any such agreements, to the extent such cure is possible at the present.

(d) Review those sections of the Disclosure Documents not prepared by us or in which we have not participated for compliance with applicable standards of disclosure in connection with offerings of municipal securities; *provided*, however, that our representation does not include any undertaking to conduct any independent investigation of any statement contained in any such section(s), or of the failure of any such section to make any statement necessary to make any other statement contained therein or elsewhere not misleading under the circumstances.

The Firm's duties in this engagement are limited to those expressly set forth above. Among other things, the Firm's duties do not include –

(1) Except as described in paragraph 2 above, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds, or performing an independent investigation to determine the accuracy, completeness, or sufficiency of any such document, or rendering any 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 are made, not misleading.

(2) Preparing requests for tax rulings from the Internal Revenue Service, or no-action letters from the Securities and Exchange Commission.

(3) Preparing blue-sky or investment surveys with respect to the Bonds or giving any advice regarding any state or federal securities laws.

(4) Drafting state constitutional or legislative amendments.

(5) Pursuing test cases or other litigation.

(6) Making an investigation or expressing any view as to the creditworthiness of the Client or the Bonds.

(7) After Closing, providing advice concerning any actions necessary to assure on-going compliance with any continuing disclosure undertaking.

(8) Representing the Client in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.

(9) After Closing, providing continuing advice to the Client or any other party concerning any actions necessary to assure that interest paid in respect of the Bonds will continue to be excludable from gross income for federal income tax purposes (*e.g.*, the Firm's engagement does not include rebate calculations in respect of the Bonds, or monitoring of the Client's use of any public works projects to ensure that the Bonds do not become "private activity bonds" as defined by the Code).

Hon. James Mayberry  
City of Crossville, Tennessee  
October 13, 2020  
Page 4

(10) Addressing any other matter not specifically set forth above that is not required to render the Bond Opinions.

Upon execution of this engagement letter, the Client will be our client and an attorney-client relationship will exist between us. As stated above, we understand that William T. Ridley serves as general counsel to the Client. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Client; that we are not counsel to any other party; and, that we are not acting as an intermediary among the parties. Our services as bond counsel and disclosure counsel are limited to those contracted for in this letter; the Client's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Client will not affect, however, our responsibility to render an objective Bond Opinions.

Our representation of the Client and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Form 8038, file the Tennessee State Comptroller Form CT-0253, and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

If the Client requests us to represent the Client in any additional matters, we will then assess our availability. If we actively undertake representation of the Client in an additional matter without a specific additional engagement letter, the general terms of this letter will apply, but our fee for such undertaking will be our normal hourly rates for time actually spent on the Client's behalf.

We are not engaged to give professional advice on accounting, financial, or investment matters, and the Client will obtain separate advice to the extent that advice is needed in these areas.

**Staffing.** The undersigned will serve as the Client's contact with our firm, will obtain the assistance of other attorneys and paralegals in our firm as necessary. If at any time you should have questions about our staffing or there is some particular action on our part that will better serve your needs, please contact us promptly. We want you to be fully satisfied with the legal services we provide.

**Designated Representative.** We understand that the Client has designated Larry Kidwell of Kidwell & Co. as the Client's authorized representative in dealing with us on this matter, and he has the authority to communicate with us regarding the status of this matter and to advise us of all necessary decisions on the Client's behalf. We assume no duty to keep any person other than Larry Kidwell and the Client's general manager informed of the status of this matter, as he or they will keep the Client's other constituents informed as he deems appropriate.

**Charges and Billing.** Based upon (i) our current understanding of the terms, structure, size, and schedule of the financing represented by the Bonds; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financing; and, (iv) the responsibilities we

Hon. James Mayberry  
City of Crossville, Tennessee  
October 13, 2020  
Page 5

will assume in connection therewith, the combined total fee for bond counsel and disclosure counsel services will be \$3.00 per \$1,000 principal amount of the Bonds as actually issued; *provided*, however, that the parties may enter into a substituted engagement letter upon material alteration in the structure of the issue.

Bond counsel's and disclosure counsel's fee and reimbursement of client charges are usually paid at the Closing of the Bonds' issue, and we customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing. If this financing is delayed beyond December 31, 2020, we reserve the right to present for payment an interim statement. We may submit an additional statement for client charges following the Closing.

All bills are due upon receipt.

We will use the above address at the Client's billing address unless otherwise advised in writing.

**Conflicts of Interest.** We have evaluated this engagement for conflicts purposes assuming that we represent only the Client. For example, we do not represent any of the Client's directors, commissioners, councilmembers, officers, employees, agents, or affiliates, if any, as our clients within the scope of this engagement.

In the future if parties are identified as adverse to the Client or are discovered to be adverse to the Client, ethical rules require that we then re-evaluate our availability for this representation.

Based upon the foregoing, we are not aware of any conflict of interest that would preclude this representation.

It is possible that one or more of our present or future clients will in the future have disputes, transactions, or potential conflicts of interest with the Client. By signing below, the Client agrees 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 the Client, even if the interests of such clients in those other matters are directly adverse to the Client's interests. We agree, however, that the Client's prospective consent to conflicting representations will not apply in any instance where, as a result of this engagement, we have obtained confidential information that, if known to our other client, could be used by such other client to the Client's material disadvantage, unless screening procedures and similar measures would be sufficient under applicable ethical requirements to protect the confidentiality of that information.

Your signature below constitutes approval of our representation of existing and future clients and waiver of the conflicts under the circumstances, and subject to the conditions, identified above.

**Term of Representation.** As stated above, this engagement will terminate upon the issuance of the Bonds, except for those specific services described above to be rendered after the Closing. The Client

Hon. James Mayberry  
City of Crossville, Tennessee  
October 13, 2020  
Page 6

may terminate our representation at any time by written notice. We may also terminate this representation at any time, by written notice, subject to any applicable rules of professional conduct. The Client will be responsible for our fees and expenses through and incidental to any termination.

**Document Retention.** Please retain all documents and copies of documents that we send to the Client in the course of our engagement in accordance with the Client's own records retention policies. At the Client's request, and provided that all of our fees and expenses have been paid, we will provide the Client with additional copies of such documents at the Client's expense as long as the documents are readily available to us. Our internal documents retention practices may vary from time to time. The Client may use any attorney work product that we distribute to the Client for the Client's purposes and it will also remain part of our firm's reference library. Attorney work product that is not distributed to the Client in the course of representation will remain our exclusive property.

**Electronic Communications.** It is likely that during the course of this engagement both you and we will use electronic devices and Internet services (which may include encrypted or unencrypted wired or wireless e-mail, cellular telephones, voice-over-Internet, electronic data/document web sites, and other technology) to communicate and to send documents or make documents available. Although the use of this technology involves some degree of risk that third parties (including but not limited to federal and/or state law enforcement and/or intelligence agencies and/or their contractors) may "hack into" or otherwise obtain illegal or otherwise unauthorized access to confidential communications, we believe and, by signing this letter, you agree that the benefits of using this technology outweigh the risk of undesired or unauthorized disclosure through such occurrences.

Nevertheless, just as we have policies and systems in place designed to make our electronic communications with you reasonably secure, it is equally important that you also communicate with us in a manner that reasonably protects the confidentiality of information we share and any attorney-client privilege that may apply to our communications. This means that you should not use any computers or other electronic devices, networks, or Internet addresses that are owned, controlled, or may be accessed by others, including but not limited to, a hotel, library, or Internet cafe, or a shared home computer, to send or receive confidential information to or from us. Any device you use should be password-protected and not accessible for use by any third party.

**No Continuing Obligations.** The Client is engaging this firm to provide legal services specifically in connection with this matter, namely issuance of the Bonds. After this matter is completed, changes may occur in applicable laws or regulations that could have an impact upon the Client's future rights and liabilities. Unless we are actually and specifically engaged after completion of this matter to provide additional services regarding issues arising from or relating to this matter, the firm has no continuing obligation to advise the Client with respect to future legal developments relating to this matter.

**General Provisions.** This engagement will in all respects be subject to the substantive laws of the State of Tennessee. This letter includes all of the terms of this engagement, and may amended or waived only in writing.

Hon. James Mayberry  
City of Crossville, Tennessee  
October 13, 2020  
Page 7

If the above terms are satisfactory to you, please sign and return a hard copy of the manually signed letter.

We very much look forward to working with you in this representation.

With kindest personal regards, we are

Yours very truly,

WHITE & REGEN, PLC

By: 

Benjamin C. Regen, Member

**Acceptance**

The undersigned agrees to the above terms of engagement as of the date stated above.

CITY OF CROSSVILLE, TENNESSEE

By: \_\_\_\_\_

James S. Mayberry, Mayor