

CONTRACT FOR DISCLOSURE COUNSEL LEGAL SERVICES

THIS CONTRACT FOR DISCLOSURE COUNSEL LEGAL SERVICES (“Contract”) is made and entered into as of this, the ___ day of _____, 20___, by and between the Dallas/Fort Worth International Airport Board (the “Board”), and the law firms of _____ and _____ (“Law Firms”).

ARTICLE I.

ENGAGEMENT

- 1.1 Law Firms are hereby retained to jointly provide legal services, as Disclosure Counsel, to the Board in connection with the authorization, sale, issuance and delivery of (i) joint revenue bonds or other commercial paper issued by the Cities of Dallas and Fort Worth (the “Owner Cities”) on behalf of the Board, (ii) bonds issued by the Dallas/Fort Worth International Airport Public Facility Improvement Corporation (“PFIC”), the Dallas/Fort Worth International Airport Facility Improvement Corporation (“FIC”) or such other conduit issuers as may exist from time to time, and (iii) other Board-related public financings as directed by the Board, (herein collectively referred to as the “Bonds”). In addition, the Law Firm may be requested to provide legal services in connection with such other Board-related debt obligations as requested by the General Counsel during the term of this Contract.
- 1.2 This Contract shall be administered on behalf of Board by its General Counsel, or her designee.
- 1.3 The Law Firms shall perform all the legal services as set forth in this Contract in accordance with the terms hereof, including the Guidelines for Law Firms set forth in Exhibit A, which is incorporated herein for all purposes (the “Services”).

ARTICLE II.

DISCLOSURE COUNSEL SERVICES

- 2.1 _____ hereby agrees to perform Disclosure Counsel services in connection with the Bonds, as set forth herein. As Disclosure Counsel, _____ shall be responsible for approximately ___% of the Disclosure Counsel services related to the authorization, sale, issuance and delivery of Bonds, unless otherwise directed by the Board. _____ hereby agrees to work in cooperation with the designated Co-Disclosure Counsel firm of _____ in the provision of legal services for the benefit of the Board, based on an approximate ___% and ___% division of legal work and responsibility.
- 2.2 _____ hereby agrees to perform Co-Disclosure Counsel services in connection with the Bonds, as set forth herein. As Co-Disclosure Counsel, _____ shall be responsible for approximately ___% of the Disclosure Counsel services related to the authorization, sale, issuance and delivery of Bonds, unless otherwise directed by the Board. _____ hereby agrees to work in cooperation with the designated Disclosure Counsel firm of _____ in the provision of legal services for the benefit of the Board, based on an approximate ___% and ___% division of legal work and responsibility.
- 2.3 It is expressly understood and agreed that, while the two Law Firms shall divide the work to be performed for the Board in connection with the Bonds, each Law Firm will act independently in

performing the portions of such work assigned to or assumed by it. Neither Law Firm will have or assume any responsibility for work performed by the other firm and neither firm will have any liability or responsibility whatsoever for errors, omissions, negligence, or other acts or omissions of the other firm in the performance of work undertaken or performed by such other firm; provided, however, that each firm will be responsible for undertaking any necessary review of the documents prepared or work performed by the other firm or by others to the extent necessary, reasonable or appropriate to enable such firm to render opinions, give advice, or otherwise perform the work assigned to or assumed by it in connection with the legal services to be performed hereunder.

- 2.4 After receipt of an assignment from the General Counsel within the scope of this Contract, Law Firms shall present a written schedule of duties and activities deemed necessary and required to accomplish the assignment, demonstrating the division of work between the firms in accordance with this Article II. Schedules submitted are subject to review, revision and approval by the General Counsel, which approval shall not be unreasonably withheld.
- 2.5 The arrangements and undertakings described in this Contract do not evidence, and shall not be construed as establishing, a partnership between the Law Firms.
- 2.6 Independent Contractors. In performing Services under this Contract, the relationship between the Board and the Law Firms is that of independent contractor, and the Board and the Law Firms by the execution of this Contract do not change the independent status of the Law Firms. Law Firms shall exercise independent judgment in performing work under this Contract and are solely responsible for setting working hours, scheduling or prioritizing the work flow and determining how the work is to be performed. No term or provision of this Contract or act of Law Firms in the performance of this Contract shall be construed as making Law Firms the agent, servant or employee of the Board, or making Law Firms or any of their employees eligible for the fringe benefits, such as retirement, insurance and workers compensation, which the Board provides its employees.

ARTICLE III.

SCOPE OF SERVICES

- 3.1 The scope of services for this Contract includes assisting Board staff together with the financial advisor and bond counsel with disclosure services in connection with the authorization, issuance, sale and delivery of Bonds. Disclosure Services shall include, but not be limited to the following:
- A. Preparing and/or reviewing preliminary official statements, and other disclosure documents necessary or appropriate to the authorization, issuance, sale or delivery of municipal securities.
 - B. Analyze and advise on legal issues arising from federal and state legislation as well as rulings and findings by federal and state regulatory agencies, including but not limited to, the IRS, the SEC, and the MSRB which impact the Board's financing and processes including post issuance compliance.
 - C. Preparing the continuing disclosure agreement and providing advice and assistance to the Board in filing its Annual Information Statement and other filings, as necessary, to comply with SEC Rule 15c 2-12(b)(5).
 - D. Providing advice generally on compliance with securities laws.

- E. Performing due diligence and preparing a Rule 10b5-1 negative assurance opinion with respect to disclosure documents.
 - F. Participating in meetings and conference calls with Board staff, financial advisors, bond counsel, underwriters and underwriters' counsel, as necessary or appropriate.
 - G. Participating, when requested, in activities associated with presenting information to rating agencies, potential investors, and/or credit enhancement providers relating to legal issues affecting the Board's public finance transactions.
 - H. Advising Board staff as to regulatory changes with respect to disclosures.
 - I. Assist Board staff in documenting and updating internal written policies and procedures with respect to disclosure activities, including both initial offering documents and ongoing disclosure obligations.
 - J. Assist staff in monitoring disclosure requirements to help staff ensure timely and complete disclosures.
 - K. Providing training for Board members and staff with respect to disclosure rules, regulations and responsibilities.
 - L. Providing any other legal services, advice or opinions as requested related to the Board's financial reporting and financing program.
 - M. Assist in the preparation of annual disclosure documents that serve as annual reports, satisfying Rule 15c 2-12 continuing disclosure obligations, and incorporating by reference into official statements for bond issuance.
 - N. Provide disclosure counsel opinion addressed to the Board and the underwriter, if requested, on the official statement.
- 3.2 In addition to the above Disclosure Services, the Law Firms shall be available to provide legal services at the same hourly rates outlined in **Exhibit B** as directed by the General Counsel that may include similar projects outside of the issuance of bonds such as training for Board staff and Board members with respect to disclosure rules, regulations and responsibilities, keeping the Board abreast of legal developments which might be applicable to the Board's financing programs and disclosure obligations, and such other matters as may be requested from time to time by the General Counsel.
- 3.3 The Law Firms represent that all of their employees or associates who perform legal services under this contract are experienced, qualified attorneys and other professionals who are familiar with the municipal finance and securities laws and will be fully qualified and competent to perform the services described above. All legal services rendered by the Law Firms hereunder shall be completed timely and in the highest professional manner.

ARTICLE IV.

FEES AND EXPENSES FOR SERVICE

- 4.1 Fees for Disclosure Counsel/Co-Disclosure Counsel services rendered in connection with the issuance, sale and delivery of a proposed issuance of Bonds by the Law Firms are set forth on **Exhibit B** and **are contingent upon the sale and delivery of the Bonds**, and shall become due and payable from Bond proceeds, concurrently with the delivery of bonds to the purchaser, after receipt and approval by the General Counsel of all documents and opinions or negative assurance letters to be provided by Law Firms hereunder, and approval by the General Counsel of final billings from both Law Firms. All services shall be performed to the satisfaction of the General Counsel and the Board shall not be liable for any services which are unsatisfactory and which have not been approved by the General Counsel.
- 4.2 Prior to the performance of legal services in connection with a bond sale or other matter authorized pursuant to this Contract, each Law Firm shall submit, in writing, to the General Counsel an estimate of the total hourly fees, expenses and costs (“Estimate”) expected to be incurred by such law firm for each Bond sale or other authorized matter. Each estimate is subject to review and approval by the General Counsel.

The respective Law Firms shall monitor their hourly billings, expenses and costs, and shall notify the General Counsel, in writing, within five (5) business days after the aggregate of the hourly billable fees, expenses and costs reach 75% of the approved Estimate, whether the total hourly fees, expenses and costs to be billed will be in accordance with the approved Estimate amount. If, upon reaching 75% of the approved Estimate, the respective law firm determines that, due to additional services requested by the Board or unforeseen matters (such as, delays in the issuance of bonds or changes in the scope of the bond financing), the total hourly fees, expenses and costs will exceed the approved Estimate, then the respective law firm shall submit, in writing, for the General Counsel’s review and approval, a revised Estimate of the total hourly fees, expenses and costs expected to be incurred. The Board shall not be liable for payment of any amounts exceeding the approved Estimate, unless such additional amounts have been authorized pursuant to a revised Estimate approved by the General Counsel. Failure of the respective law firm to notify the Board, in writing, within five (5) business days of reaching 75% of the approved estimate amount as specified above, shall constitute a waiver of the respective Disclosure Counsel or Co-Disclosure Counsel law firm’s right to compensation for any portion of the total hourly fees, expenses and costs that exceed the approved Estimate amount.

- 4.3 The Law Firms shall submit, within 60 days after the sale and delivery of the Bonds, a final billing to the Board on behalf of their respective law firms, detailing work performed by each attorney and other personnel, and date and elapsed time, and reimbursable expenses, disbursements and other charges incurred. The Board shall issue separate checks to the Law Firms. Because a financing can require activities over several months, the Law Firms agree to issue to the Board billing statements of activity periodically, as requested by the General Counsel, so that the estimate of services can be monitored.
- 4.4 In addition to the fees for services, the Board agrees to reimburse the Law Firms for reasonable and actual out-of-pocket expenses paid for by the Law Firms on behalf of the Board and incurred in connection with the performance of services hereunder. The Law Firms agree that billings to the Board shall include invoices to support each reimbursable expense, disbursement or other charge for which payment is requested. Individual expenses in excess of \$500 shall be subject to preapproval by the General Counsel, and in no event shall total out-of-pocket expenses, in the

aggregate, exceed \$5,000 per transaction. A list of allowable reimbursable expenses and other charges is attached hereto as Exhibit C.

The Law Firms shall make reasonable efforts to minimize the cost of travel and to telecommute as much as possible. The Law Firms further agree to coordinate with the Board prior to undertaking excessive copying or reproduction of documents in order that a decision may be made about the most cost effective manner of accomplishing this work for the Board.

- 4.5 Approval by the General Counsel of the legal services performed hereunder by the Law Firms shall not constitute or be deemed to be a release of the responsibility and liability of the Law Firms for the accuracy or competency of their services, nor shall such approval by the General Counsel be deemed to be the assumption of such responsibility by the Board for any error or omission in the documents or work prepared by Law Firm.
- 4.6 The Board may, at its option, offset any amounts due and payable under this Contract against any debt (including taxes) lawfully due to the Board from the respective Law Firm, regardless of whether the amount due arises pursuant to the terms of this Contract or otherwise and regardless of whether or not the debt due to the Board has been reduced to judgment by a court.

ARTICLE V.

MANDATORY FEDERAL AVIATION ADMINISTRATION PROVISIONS

- 5.1 General Statement: Federal laws and regulations require that recipients of federal assistance (sponsors) include specific contract provisions in certain contracts, requests for proposals or invitations to bid. The number of mandatory provisions applicable to a specific transaction depends on whether it is federally funded. Federally funded transactions are subject to significantly more mandatory provisions. However, certain provisions must be included in all sponsor contracts, requests for proposals or invitations to bid, regardless of whether or not the transactions are federally funded. This requirement was established when a sponsor accepted the Airport Improvement Program (AIP) grant assurances. Under such federal laws and regulations, Owner is deemed a sponsor and subject to their requirements. For the purposes of this Article V, Law Firms may be referred to as “Contractor” or “Consultant” as applicable.
- 5.2 Law Firm’s Obligations: Law Firms:
- a. (including all subcontractors) must insert these FAA Provisions in each lower tier contract (e.g. subcontract or sub-agreement);
 - b. (including all subcontractors) must incorporate these FAA Provisions by reference for work done under any purchase orders, rental agreements, and other agreements for supplies or services; and
 - c. Is responsible for compliance with these FAA Provisions by any subcontractor, lower-tier subcontractor, or service provider.
- 5.4 Conflicts: All federal laws and regulations applicable to this Contract take precedence over any conflicting local or state laws. Law Firm must comply with the following:
- 5.5 NON-DISCRIMINATION
- 5.5.1 General Civil Rights Provisions. Contractor agrees that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the Contractor

and subcontractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights act of 1964.

- 5.5.2 Compliance with Nondiscrimination Requirements. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees as follows:
- 5.5.2.1 Compliance with Regulations: The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 5.5.2.2 Non-discrimination: The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- 5.5.2.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
- 5.5.2.4 Information and Reports: The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- 5.5.2.5 Sanctions for Noncompliance: In the event of a contractor’s noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
- a. Withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
- 5.5.2.6 Incorporation of Provisions: The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

- 5.5.3 Title VI List of Pertinent Nondiscrimination Authorities—During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:
- 5.5.3.1 Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
 - 5.5.3.2 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
 - 5.5.3.3 The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
 - 5.5.3.4 Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
 - 5.5.3.5 The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
 - 5.5.3.6 Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
 - 5.5.3.7 The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
 - 5.5.3.8 Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
 - 5.5.3.9 The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
 - 5.5.3.10 Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
 - 5.5.3.11 Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
 - 5.5.3.12 Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

5.6 OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (Required by the FAA):

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). The Contractor must

address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

- 5.7 FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE):
- 5.7.1 All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR Part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.
- 5.7.2 Contractor/Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Contractor/Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

ARTICLE VI.

MISCELLANEOUS

- 6.1 This Contract shall be effective as of _____, 20__ (the “Effective Date”), and remain in effect for a period of five (5) years ending _____, (the “Original Term”). This Contract may be extended for two (2) additional one (1)-year periods upon the mutual agreement of the Board and the respective Law Firms. (The Original Term plus any extension exercised hereunder shall be collectively referred to herein as the “Term”.) This Contract may be terminated by either Law Firm (but only with respect to that particular Law Firm) by providing thirty (30) days written notice of the intent to terminate to the General Counsel. The Board, acting through the General Counsel, may terminate this Contract, in whole or in part, for cause or for convenience, on ten (10) days written notice to either, or both, Law Firms. In the event of termination, it is understood and agreed that the Law Firms will cease performing services under this Contract upon the date specified in such notice of termination and release to the Board all pertinent Board files, Law Firm’s work product related to this Contract and related bond data which may be requested by the Board. Law Firms shall not be entitled to lost or anticipated profits should the Board choose to exercise its option to terminate, whether for cause or convenience. Law Firms shall invoice Board for all services provided and expenses, disbursements and other charges incurred prior to the effective date of termination, and Law Firms shall be compensated in accordance with this Contract; provided, however, in no event shall Law Firms be entitled to any contingent fees for services performed under this Contract, if: (1) the Board terminates this Contract for cause; or (2) the sale and delivery of the Bonds to which the contingent fees relate does not occur within one year following the date of termination of this Contract. Notwithstanding the foregoing, the firms understand and agree that in the event the Board exercises its termination rights hereunder, the Board shall be immediately empowered to appoint replacement Disclosure Counsel or Co-Disclosure Counsel, without liability or consultation with either of the Law Firms, and Law Firms agree to cooperate with the Board and any replacement Disclosure Counsel or Co-Disclosure Counsel.
- 6.2 In the event that any claim, demand, or other action is made or brought by any person, firm, corporation, or other entity against either of the Law Firms related to their services hereunder, the Law Firm shall give written notice thereof to the Board no later than five (5) days after being notified of such claim, demand, suit, or action. Such notice shall state the date and hour of notification of any such claim, demand, suit or other action; the name and address of the person, firm, corporation or other entity making such claim or that instituted or threatened to institute any type of action or proceeding; and the name of any person against whom such claim is being made or threatened. Such written notice shall be delivered either personally or by certified mail, return

receipt requested and shall be sent to the Legal Department, Dallas/Fort Worth International Airport Board, P.O. Box 619428, DFW Airport, Texas 75261-9428, Attention: General Counsel.

- 6.3 The Board recognizes that the Law Firms may represent other clients, including other governmental entities and political subdivisions, as Disclosure Counsel, Bond Counsel or in other capacities; except that the Law Firms shall be disqualified from representing any other client (i) in any matter which is substantially related to their representation of the Board, and (ii) with respect to any matter where there is a reasonable probability that confidential information furnished by the Board to the Law Firms could be used to the disadvantage of the Board or the Owner Cities. The Law Firms may not act as counsel to underwriters, trustees, or other third parties in connection with the issuance of the Bonds or debt obligations of Board conduit issuers. The Law Firms may represent, from time to time, a number of financial institutions, including institutions that act as financial advisors or underwriters in connection with obligations issued by entities other than the Board. This will not in any way affect the diligence or vigor with which the Law Firms will represent the Board's interests in connection with the issuance of Bonds.

Notwithstanding the preceding paragraph, the Law Firms shall comply with the Texas Disciplinary Rules of Professional Conduct in providing legal services pursuant to this Contract. The Law Firms acknowledge that they are not currently involved in any litigation in which they represent a party who is adverse to the Board or the Owner Cities, and the Law Firms agree that they will not undertake any litigation adverse to the Board or the Owner Cities, or any employee or officer thereof in their official capacity, during the term of this Contract, without the prior written approval of the General Counsel. Law Firms may not undertake representation adverse to the Board, the Owner Cities or any employee or officer thereof as a result of information obtained by virtue of this Contract. Notwithstanding any other provision of this Contract, the General Counsel may terminate this Contract with a Law Firm immediately, for cause, upon violation of this Section 5.3.

- 6.4 The Law Firms covenant that they will take all necessary actions to insure that, in connection with any work under this Contract, Law Firms will not discriminate in the treatment or employment of any individual or groups of individuals on the grounds of race, color, religion, national origin, age, sex or handicap unrelated to job performance, wither directly, indirectly or through contractual or other arrangements. Law Firms shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. Sections 121091-12213, as amended.
- 6.5 This Contract shall be binding upon the parties, their successors, and assignees; provided, however, that this Contract is for professional services and neither Law Firm shall assign this Contract, in whole or in part, without the prior written consent of the Board.
- 6.6 All notices, communications, and reports required or permitted under this Contract shall be by personal delivery, by facsimile transmission, or by mail to the respective parties by depositing same in the United States mail, postage prepaid at the addresses shown below. Mailed notices shall be deemed communicated as of five (5) days after mailing.

The current addresses of the parties are as follows:

BOARD:

Dallas/Fort Worth International Airport Board
P.O. Box 619428
DFW Airport, Texas 75261-9428
Attn.: General Counsel
Phone: (972) 973-5487
Fax: (972) 973-5481

DISCLOSURE COUNSEL:

CO-DISCLOSURE COUNSEL:

- 6.7 If any word, phrase, clause, sentence or provision of this Contract, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, invalid or unenforceable, that finding shall only effect such word, phrase, clause, sentence or provision, and such finding shall not affect the remaining portions of this Contract, this being the intent of the parties in entering into this transaction; and all provisions of this Contract are declared to be severable for this purpose.
- 6.8 Law Firms must comply with all applicable federal, state and local laws applicable to this Contract and the Services.
- 6.9 This Contract shall be governed by Texas law and venue for any legal action under this Contract shall lie exclusively in Dallas County or Tarrant County, Texas.
- 6.10 All Board employees must adhere to the Board’s Code of Business Ethics, which is included in this Section by reference. Law Firms are therefore prohibited from offering or providing Board employees, directly or indirectly, any gifts or other items that the Board’s Code of Business Ethics does not allow the employee to accept.
- 6.11 Law Firms shall procure, pay for and maintain during the term of this Contract, the minimum insurance coverage required in **Exhibit D**.
- 6.12 Law Firms shall retain all records relating to this Contract for a minimum of 3 years following termination, during which time the Board reserves the right to audit such records at its election. Law Firms shall maintain strict confidentiality in the performance of this Contract and shall not disclose any information or documentation related to the subject matter of this Contract without the written approval of the General Counsel.
- 6.13 The Board retains the right to inspect all Board client files maintained by each Law Firm in connection with this Contract. The Board also retains the right to audit the bills submitted by

each Law Firm for a claim for fees, expenses, disbursements or other charges under this Contract. Any such audits shall be conducted at Board expense in a manner that does not disrupt the business of such firm.

6.14 Failure by the Board to insist in any one or more instances upon performance of any of the terms and conditions of this Contract shall not be construed as a waiver or relinquishment of the future performance of any terms and conditions, and the law firms' obligation with respect to such performance shall continue in full force and effect.

6.15 This Contract represents the entire agreement between the Board and the Law Firms and supersedes all prior negotiations, representations or agreements, either written or oral, relating to matters in this Contract. Any change(s) to this Contract shall be in writing in the form of an amendment mutually agreed upon and duly executed by the parties, and shall be attached to and made a part of this Contract.

6.16 This Contract may be executed in multiple counterparts each one of which shall act as an original.

IN WITNESS WHEREOF, the persons whose names appear below have affixed their signatures hereto on behalf of their respective principals as of the dates shown.

DISCLOSURE COUNSEL:

CO-DISCLOSURE COUNSEL:

By: _____
_____, Partner

By: _____
_____, Partner

DALLAS/FORT WORTH
INTERNATIONAL AIRPORT BOARD

By: _____
Sean Donohue
Chief Executive Officer

APPROVED AS TO FORM:

By: _____
General Counsel

ATTACHMENTS:

- Exhibit A** – Guidelines for Law Firms
- Exhibit B** – Disclosure Counsel Fees; Hourly Rates
- Exhibit C** – Reimbursable Expenses
- Exhibit D** – Insurance Requirements
- Exhibit E** – MWBE Special Contract Provisions

CONTRACT NO. _____

EXHIBIT A
GUIDELINES FOR LAW FIRMS

1) General:

- a) Board's General Counsel has prepared these Guidelines for Law Firms and they generally describe the role of Law Firms and the expected interaction with the Board, its General Counsel and other attorneys in its Legal Department.
- b) Unless expressly modified in writing, these Guidelines are an integral part of and govern the representation relationship between Law Firms and the Board. Any questions concerning the interpretation and application of these Guidelines should be submitted to Board's General Counsel, whose determination will be final.

- 2) **Women/Minority Diversity Utilization:** The Board understands that Law Firm is, and will continue to be, an equal employment opportunity employer and that Law Firm will continue to actively recruit and promote women and minorities. Law Firm agrees to bring to the Board's attention and consider for assignment to the Board's legal matters, women and minority employees or partners of Law Firm with appropriate experience for the particular matter. Law Firm shall report to the Board annually the number of women and minority lawyers and partners in the firm and a calculation of the percentage of fees billed to the Board during the year that relate to services rendered by women and minorities, separately.

- 3) **Authorization to Perform Services:** During Law Firm's provision of Services, it may be contacted by Board representatives or employees, other than Board's General Counsel, to request the provision of Services related to this Contract or the provision of legal services or advice on any matter unrelated to this Contract and/or not previously approved by Board's General Counsel. In such instances, Law Firm performs such Services/services at its own risk and may not bill and will not be paid for such Services/services.

4) Billing Procedures:

- a) When billing on an hourly basis, billing increments of 0.1 hours (six minutes) should be utilized.
- b) Each invoice should contain a detailed itemization of each Service provided with the specific date of Service, the identity of the authorized person who provided the Service, the amount of time spent in providing the Service, a description of the Service performed, and the amount charged for the Service.
- c) Unless prior written approval has been given by General Counsel or Liaison Attorney, Board will not pay for more than one representative of Law Firm at meetings, court appearances, hearings, depositions, etc. If Board is represented by more than one law firm, Board will only pay for one representative from one of the law firms, not one representative from each law firm.
- d) Board will not pay for the educational or developmental costs of Law Firms becoming familiar with the law pertinent to Board or the Litigation. Law Firm agrees to absorb the cost of developing an understanding of issues required to represent Board. In addition, Board will not pay for extensive research on routine legal matters or issues that should be known by experienced Law Firms. Accordingly, all substantial research projects (more than four hours of attorney time

or more than 30 minutes of on-line computer charges) undertaken during the course of Services require the prior approval of General Counsel or Liaison Attorney. Fees and expenses (including Westlaw, Lexis or other on-line computer charges) for unauthorized research may not be billed and will not be paid.

- e) Board will not reimburse Law Firms for basic support services, clerical or administrative tasks, which Board deems to be part of a Law Firm's overhead and built into its rate structure. For example, Board will not pay for tasks by secretaries, word processors, proofreaders, managing clerks, information system technicians, librarians, computer operators, internal messengers, etc., including any fees or expenses related to overtime, wages, meals, and transportation. Non-reimbursable tasks include, but are not limited to: photocopying, printing, binding or scanning; bates stamping, indexing, collating, coding of documents; filing (including indexing pleadings, opening or closing files, updating or organizing files); preparing transmittal letters or proofs of service; mailing, faxing or emailing; processing of mail or faxes; word processing; proofreading; maintenance of a calendar or tickler system, case tracking; scheduling appointments, events, depositions, conferences, deliveries or travel; data entry, loading or conversion; database administration and maintenance; review and/or processing of vendor, expert or local counsel billing statements; interaction with vendors; investigating potential conflicts; library usage or library staff time, filing, serving or hand-delivering documents; and other general clerical and ministerial functions.
- f) Board will not pay any standard minimum charges or "flat charges" (for example, "opening file", "organizing file", "closing file").
- g) Board will not pay for time spent preparing, discussing or supporting Law Firms' invoices, nor will Board pay for time spent preparing retainer letters, written budgets, management plans, status reports, or any other reporting tool, unless otherwise agreed to in writing in advance by General Counsel or Liaison Attorney.
- h) Board expects to benefit from previously prepared briefs and memoranda on legal subjects applicable to it and the Litigation and, when such briefs or memoranda exist, will pay only for actual time spent updating or tailoring them to the particular needs of the Litigation. Likewise, if legal research benefits other clients, only a proportionate share of the cost should be billed to Board. Fees charged by electronic or other research services, including library fees, Westlaw, Lexis, or other online services are considered general overhead and are not reimbursable.
- i) If intra-office conferences of Law Firm's representatives are required for effective representation (other than a brief conference to allocate Services responsibilities), the detailed description in the invoice must list all persons present and the subject matter. Ordinarily, unless specific prior approval has been given, billing for extended intra-office conferences is expected to be limited to a single charge for the time spent by the conference participant with the highest authorized billing rate.
- j) Attorney travel time outside the metropolitan area in which Law Firm is located should be charged at no more than 50% of the hourly rate charged to Board for charges based on billable hours. If Services are billed as being performed during travel time, travel time billing should be reduced accordingly. Under no circumstances should Law Firms bill travel time to Board if, during that travel time, Law Firm was working on another matter for another client.
- k) Time devoted to preparation of bills, including accompanying cover letters, should not be included in invoices.

- l) Time devoted by an attorney to become familiar with a file due to a prior attorney leaving Law Firm’s firm may not be billed and will not be paid.
- m) Law Firms may not charge for routinely digesting, abstracting or summarizing documents and depositions.
- n) Law Firms may not assign specific tasks to persons who are either over-qualified (e.g., routine document review by a senior lawyer) or under-qualified (e.g., extensive research of specific principles of law by junior associates).
- o) Any activity that takes less than .1 hour to complete should be grouped with other similar activities so that their performance collectively takes .1 hour. For instance, if Law Firm receives 6 letters, each of which would take 1 minute to review, the review of those letters should be collectively billed as .1 hour, rather than 6 .1 hour time entries.
- p) The following are examples of inadequate time descriptions in invoices to Board:
 - “Conference regarding case and issues”;
 - “Review and conference regarding documents”;
 - “Telephone re documents and various issues”;
 - “Conference re strategy”; and
 - “Review papers”.
- q) Board will not pay for “block filled entries” on invoices. A “block filled entry” on an invoice is a line item with a single time charge for multiple activities or disbursements. A time charge must accompany each fee activity and Law Firms must itemize each disbursement entry. For example, the following format is not acceptable:

1/2/2014	Billing Attorney	Phone conference with opposing counsel re depositions; conference with client re same; prepare deposition notices; prepare subpoena duces tecums; prepare deposition outlines; travel to deposition of Mr. Smith, Ms. Anderson and Mr. Taylor	Hours: 12.0	Charges: \$3600
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The following example represents an acceptable breakdown of those activities and disbursements:

1/2/2014	Billing Attorney	Phone conference with opposing counsel re depositions (.2); conference with client re same (.2); prepare deposition notices (.6); prepare subpoena duces tecums (.6); prepare deposition outlines (2); travel to depositions of Mr. Smith, Ms. Anderson and Mr. Taylor (.4); attend depositions of Mr. Smith, Ms. Anderson and Mr. Taylor (8)	Hours: 12.0	Charges: \$3600
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- r) Law Firms should clearly show the total of the current bill and also include a running total for Services to date. Prior balances or payment history should be shown, if at all, on a separate page. Law Firms must include with the invoice both time sheet or diary detail for time charges and copies of invoices or internal data compilations for all disbursements.

- s) Submission of bulk time entries that are not sufficiently itemized per time unit and per assigned staff will be returned for correction and resubmission.
 - t) Every invoice from Law Firm is deemed a certification that the Services and disbursements reflected on the invoice are reasonable for the Litigation and necessary for the proper provision of Services. Attorney and paralegal time and disbursements that are not necessary for the cost-effective handling of the Litigation should be deleted and will not be reimbursed.
 - u) Invoices that do not conform to these Guidelines and require adjustments to the amounts owed in order to conform to these Guidelines will be returned to Law Firms to be rescinded and reissued (in order to avoid unapproved balances being carried forward).
- 5) **Retention of Experts:** Retention of experts and other consultants requires advance written approval from General Counsel. Unless agreed otherwise, experts and other consultants must be retained, supervised and paid for by Law Firms. Such expenses should be included in Law Firm's invoices to Board.
- 6) **Technology:** The effective use of technology in legal matters is critical to generating superior work product efficiently, at a significantly lower cost and in an environmentally sound manner. Board expects that, unless another format is required or agreed to by Board, Law Firms will utilize software and technology compatible with Board's technology. Board will not be responsible for any costs associated with the purchase or installation of hardware or software by Law Firms for Board matters.
- 7) **Review:** Absent extreme urgency, all Litigation filings/submissions must be submitted to Liaison Attorney for review before filing (preferably via e-mail, unless the materials are extremely voluminous, i.e., SJ motions). The proposed filing should be submitted for review at least 5 business days before it will be filed/submitted. All major strategic decisions (i.e., whether or not to file a dispositive motion, which depositions to take, etc.) must be discussed with Liaison Attorney. All other significant documents and/or papers not under filing deadlines in court (e.g. agreements, letters, reports, mediation submittals, etc.) that will be provided to third-parties by Law Firms on behalf of Board should be provided to Liaison Attorney in sufficient advance time for an appropriate review to be done. The failure to timely provide Liaison Attorney written materials for review may justify Board declining to pay for the preparation of such materials.

CONTRACT NO. _____

**EXHIBIT B
DISCLOSURE COUNSEL FEES; HOURLY RATES**

DISCLOSURE COUNSEL FEES:

[To be determined]

HOURLY RATES:

Assigned Partners:

Hourly Rates:

\$
\$
\$

Assigned Associates:

\$
\$
\$

Paralegals or Other Billable Timekeepers:

\$
\$
\$

CONTRACT NO. _____

**EXHIBIT C
REIMBURSABLE EXPENSES**

Law Firms shall be reimbursed the necessary, actual, and reasonable direct non-salary costs (expenses) directly incidental to the Services in accordance with the Board's Cost Principles in effect at the time of Contract Award.

Receipts or invoices shall be required on all individual expenditures exceeding \$25.00.

1.0 TRAVEL AND LIVING EXPENSES

1.1 Air Travel - At the lesser of actual cost or airline **coach rates**, air travel shall be reimbursed when supported with legible copies of airline tickets or the travel itinerary for ticket-less or electronic ticket travel. Official travel shall be by the most direct routing. Reimbursement for the difference between direct and indirect travel will be considered with a written explanation.

1.2 Motel/Hotel - Actual and reasonable costs for accommodations of Law Firm personnel when in travel status overnight. Costs shall be supported with legible, itemized motel/hotel bills that reflect all charges for each night registered. Costs shall not exceed the Daily Average Range for **first class** (or less) lodging for the appropriate cities, including travel to the DFW Metroplex area, as identified in the current edition of the Runzheimer Guide to Daily Prices (hereafter referred to as **Runzheimer Guide**), Runzheimer Park, Rochester, Wisconsin, 53167-0009, 1-800-558-1702, www.runzheimer.com. Lodging expense amounts reflected in the **Runzheimer Guide** include single occupancy rates plus applicable sales and lodging taxes.

1.3 Meals - Actual and reasonable costs for Law Firm personnel meals shall not exceed the Daily Average Range for meals for the appropriate cities, including travel to the DFW Metroplex area, as identified in the **Runzheimer Guide**. Meal expense amounts reflected in the **Runzheimer Guide** include all applicable taxes plus a 15% gratuity.

Reimbursement for meals applies only to Law Firm personnel working on Board business. Law Firm staff members for whom meals were provided shall be identified. Payment of meals for other than Law Firm personnel is not reimbursable, **including** meals for Board staff.

1.4 Local Transportation - Transportation costs incurred by Law Firms while in travel status shall be reimbursed as follows:

Taxi/limousine/airport shuttle - Reimbursable at actual cost.

Rental Automobiles - Actual and reasonable costs for rental of intermediate or smaller size automobiles, when in travel status, and not to exceed the Average Daily Rate for the appropriate cities, including travel to the DFW Metroplex area, as identified in the **Runzheimer Guide**. Rental automobiles shall be used only when their use will affect savings or other advantages, or when the use of other transportation is not feasible. Written explanation is required to substantiate automobile rental upgrade. A legible copy of the automobile rental agreement is required.

Private Automobile - Use of private automobile is reimbursable **only** for travel outside of Law Firm's home-office area. All mileage will be reimbursed at the current rate as set by the IRS and should be supported with copies of a travel log itemizing Law Firm employee name, dates, destination and distance traveled.

If another form of transportation is used in lieu of coach-class air travel, the lesser cost of the two modes, for travel to DFW Airport, is reimbursable.

Destination parking charges and tolls charged for use of ferries, roads, bridges, and tunnels, while traveling to and from Airport, are reimbursable at actual cost.

2.0 REIMBURSEMENTS

2.1 Sub-Consultants - Actual costs incurred by Sub-Consultant and supported by actual invoice support. Invoices should list professionals or para-professionals (by position and name) performing the Services, in addition to hourly rates and total hours worked. All reimbursable expenses submitted by a Sub-Consultant are subject to the same requirements discussed herein.

2.3 Outside Reproduction- actual cost required in the furtherance of Services is reimbursable when supported by invoice.

2.4 Research - Research charges should be supported with an itemized list of the charges and/or copies of an invoice reflecting submitted charges.

2.5 All Other - Actual cost for other expenses, exclusive of normal expenses, incurred and as approved by Board staff. Additionally, written explanation and justification should accompany charges not clearly identified as a valid business expense on support provided.

3.0 NON-ALLOWABLE EXPENSES - Non-allowable costs shall include, but are not limited to: internal photocopying charges, charges for entertainment, first class airfare, expenses incurred by traveler accompanying Law Firm on official Board business, bidding and proposal costs, contributions, subscriptions, alcoholic beverages, automobile rental for travel in Law Firm's home-base area, and personal expenses including but not limited to: communication charges, cellular phone usage, transportation, costs associated with personal pursuits, gifts, gratuities, and other charges expressly disallowed under the terms of this agreement. Expenses other than those discussed herein require advance Board staff written approval.

CONTRACT NO. _____

EXHIBIT D
INSURANCE REQUIREMENTS

CONTRACT NO. _____

EXHIBIT D
MWBE SPECIAL CONTRACT PROVISIONS