



Orrick, Herrington & Sutcliffe LLP
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August 8, 2022

VIA EMAIL (supervisor@dryden.ny.us)

Honorable Jason Leifer
Supervisor
Town of Dryden
Town Hall
98 East Main Street
Dryden, NY 13053

Re: Bond Counsel Work for:
Town of Dryden, Tompkins County, NY

Dear Supervisor Leifer:

On behalf of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), I would like to express our appreciation for the opportunity to work with the **Town of Dryden, Tompkins County, NY** (the “Issuer”), in connection with the proposed issuance of notes and/or bonds by the Issuer.

1. Scope of Services. Bond Counsel shall perform the following legal services:

(1) Analysis of eligibility of the object or purpose for financing under State law and for financing with tax-exempt bonds under federal tax law.

(2) Consultation with representatives of the Issuer, including your financial adviser, underwriters and underwriters' counsel (if applicable), and others, with respect to the timing, terms, and legal structure of any proposed Bonds/Notes.

(3) Preparation of documents to be adopted or entered into by the Issuer required for the authorization, sale and issuance of Bonds/Notes (excluding any Bond or Note Purchase Agreement to be prepared by underwriters counsel), including preparation of bond resolutions.

(4) Preparation of the Continuing Disclosure Agreement/Certificates.

(5) Attendance at such meetings or hearings of the Issuer and working group meetings or conference calls as Issuer may request.

(6) Preparation of final closing papers to be executed by Issuer required to effect delivery of the Bonds/Notes (including a Tax Compliance Agreement) and coordination of the Bond/Notes closing.

(7) Rendering of Bond Counsel's customary form of final legal opinion to the Issuer on the validity of the Bonds/Notes and the tax-exempt status of interest thereon.

(8) Preparation and dissemination of closing transcripts.

Our services are limited to those specifically set forth above. For example, our services do not include representing any party in any litigation or other legal or administrative proceeding, audit or investigation. Our services also do not include any responsibility for federal or state securities laws, for real estate, land use, insurance or environmental laws, or for preparation or content of the official statement. This Agreement and all legal services to be rendered under it as to any particular issue of Bonds/Notes will terminate upon issuance of the Bonds/Notes. Our services also do not include matters after closing, such as arbitrage rebate, other post issuance tax compliance or continuing disclosure compliance, unless we are separately engaged in writing for any such work.

2. Fees and Expenses.

a. Fees. (see attached Fee Schedule)

b. Payment. Fees and expenses shall be payable by Issuer at or after issuance of the Bonds/Notes.

3. Termination of Agreement, Legal Services and Other Obligations. This Agreement and all legal services to be rendered under it may be terminated at any time by written notice from either party, with or without cause. In that event, all finished and unfinished documents prepared for adoption or execution by Issuer, shall, at the option of Issuer, become its property and shall be delivered to it or to any party it may designate; provided that Bond Counsel shall have no liability whatsoever for any subsequent use of such documents. In the event of termination by Issuer, Bond Counsel shall be paid for all satisfactory work at its usual hourly rates, unless the termination is made for cause, in which event compensation, if any, shall be adjusted in the light of the particular facts and circumstances involved in the termination. If not sooner terminated as aforesaid, this Agreement and all legal services to be rendered under it shall terminate upon issuance of the Bonds; provided that Issuer shall remain liable for any unpaid compensation or reimbursement due under Section 2 hereof. Upon termination, Bond Counsel shall have no future duty of any kind to or with respect to the Bonds/Notes or the Issuer. This Agreement shall not be the basis of any breach of contract claim that would have the effect of extending the statute of limitations pertaining to legal malpractice to the statute of limitations pertaining to breach of contract. Except as state above, Bond Counsel retains the right to discard any files and materials. It is Bond Counsel's current policy (subject to change) to discard all files and materials after issuance

of the Bonds/Notes (except the closing transcript until after the Bonds/Notes are paid or defeased) or following cessation of work on the financing without issuance of Bonds/Notes.

4. Nature of Engagement; Client Relationships With Other Parties. The role of bond counsel, generally, is to prepare or review the proceedings for issuance of the bonds, notes or other evidence of indebtedness and to provide an expert legal opinion with respect to the validity thereof and other subjects (usually including the tax status of interest thereon) addressed by the opinion. Consistent with the historical origin and unique role of bond counsel, and reliance thereon by the public finance market, Bond Counsel's role as bond counsel under this Agreement is to provide opinions and related legal services that represent an objective judgment on the matters addressed rather than the partisan position of an advocate.

In performing its services as bond counsel in connection with the Bonds/Notes, Bond Counsel will act as special counsel to Issuer (as such and not any particular body, board, office or official) with respect to issuance of the Bonds/Notes; i.e., Bond Counsel will assist Issuer counsel in representing Issuer but only with respect to validity of the Bonds/Notes and the legal documents related thereto and tax status of interest on the Bonds/Notes, and in a manner not inconsistent with the role of Bond Counsel described in the first sentence of this section.

Issuer acknowledges that Bond Counsel regularly performs legal services for many private and public entities in connection with a wide variety of matters. For example, Bond Counsel has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, contractors, suppliers, financial and other consultants/advisors, accountants, investment and swap providers/brokers, providers/brokers of derivative products and others who may have a role or interest in the financing or the Project or that may be involved with or adverse to Issuer in this or some other matter. Bond/Note Counsel agrees not to represent any such entity in connection with the Bond/Note financing, during the term of this Agreement, without the consent of Issuer. Given the special, limited role of bond counsel described above, Issuer acknowledges and agrees that no conflict of interest exists or would exist, and waives any actual or potential conflict of interest that might be deemed to arise, now or in the future, from this Agreement or any such other relationship that Bond Counsel may have had, have or enter into, and Issuer specifically consents to any and all such relationships.

5. Limitation of Rights to Parties. Nothing in this Agreement or in any of the documents contemplated hereby, expressed or implied, is intended or shall be construed to give any person other than Issuer and Bond Counsel any legal or equitable right or claim under or in respect of this Agreement, and this Agreement shall inure to the sole and exclusive benefit of Issuer and Bond Counsel.

If you have any questions, please feel free to contact the undersigned. If these arrangements are satisfactory, I would appreciate it if you would sign and return a copy of this letter to me.

Honorable Justin Leifer
August 8, 2022
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Sincerely yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: *Douglas Goodfriend*
Name: Douglas E. Goodfriend, Esq.
Title: Partner

AGREED TO:

Town of Dryden, Tompkins County, NY

By: _____
Name: Justin Leifer
Title: Supervisor

ORRICK, HERRINGTON & SUTCLIFFE LLP

GENERAL OBLIGATION FEE SCHEDULE (2022)

BOND ANTICIPATION NOTES

| <u>Principal Amount</u> | <u>Fee</u> |
|------------------------------|--|
| Up to \$ 99,000 | \$ 755 |
| \$100,000 to \$299,000 | \$ 900 |
| \$300,000 to \$599,000 | \$1,030 |
| \$600,000 to \$799,000 | \$1,265 |
| \$800,000 to \$999,999 | \$1,570 |
| \$1,000,000 to \$1,999,999 | \$2,000 <i>plus</i> \$1.00 per \$1,000 on amount over \$1,000,000 |
| \$2,000,000 to \$2,999,999 | \$3,100 <i>plus</i> 85 cents per \$1,000 on amount over \$2,000,000 |
| \$3,000,000 to \$3,999,999 | \$4,265 <i>plus</i> 75 cents per \$1,000 on amount over \$3,000,000 |
| \$4,000,000 and \$19,999,999 | \$5,735 <i>plus</i> 65 cents per \$1,000 on amount over \$4,000,000 |
| \$20,000,000 to \$49,999,999 | \$15,425 <i>plus</i> 55 cents per \$1,000 on amount over \$20,000,000 |
| \$50,000,000 and up | \$32,000 <i>plus</i> 50 cents per \$1,000 on amount over \$50,000,000 |
| <i>PLUS</i> | \$300 for each extra set of closing papers (separate purchasers). |
| <i>PLUS</i> | A one-time charge of \$350 for the drafting of any bond resolution (if not previously billed). |
| <i>PLUS</i> | \$875 for review of Official Statement. |
| <i>PLUS</i> | \$350 for Material Events or Continuing Disclosure (SEC Rule 15c2-12) certification. |
| <i>PLUS</i> | \$350 for bond tax law review including Construction Election Certificate (IRS Arbitrage Rules) determining to pay penalty or arbitrage rebate for construction projects, if applicable, with Arbitrage Certificate. |

NO INCIDENTAL EXPENSE CHARGES

NO HOURLY RATES

24/7/365 ACCESSIBILITY

CASH FLOW FINANCINGS

RANs: Base fee \$1,500, plus \$0.90 cents per \$1,000.

TANs: Base fee \$1,500 plus \$0.90 cents per \$1,000.

Budget or Deficiency Notes: Base fee \$1,500 plus \$1.00 per \$1,000.

PLUS \$875 for review of Official Statement.

PLUS \$0 for Material Events continuing disclosure (SEC Rule 15c2-12) certification.

PLUS \$0 for bond tax law review. (IRS Arbitrage rules) (Both included)

No charge for RAN/TAN resolutions.

BOND ISSUES (PUBLIC SALE)

\$8,500 base fee **PLUS** (if applicable):

- 1) \$875 Review of Official Statement.
- 2) \$500 Review of bond insurance documents, if applicable.
- 3) \$350 Continuing Disclosure certification (SEC Rule 15c2-12).
- 4) \$350 Bond Tax Law Review including Construction Election Certificate (IRS Arbitrage Rule) determining to pay penalty or arbitrage rebate for construction projects, with Arbitrage Certificate.
- 5) \$1.25/\$1,000 principal amount of the issue up to and including the first \$25,000,000 principal amount of the bond issue.
- 6) \$1.00 /\$1,000 thereafter.
- 7) A one-time charge of \$350 for the drafting of any bond resolution (if not previously billed).

NO INCIDENTAL EXPENSE CHARGES

NO HOURLY RATES

24/7/365 ACCESSIBILITY

SERIAL BOND ISSUES LESS THAN \$5,000,000 (PRIVATE SALE)

The same fee schedule and billing procedure set forth for Bond Issues (Public Sale) shall apply for bond issues with a principal amount of less than \$5,000,000 sold at private sale, except that the base fee shall be \$4,750 for issues sold on a non-competitive basis (hence, no Notice of Bond Sale) and \$6,000 for issues sold on a competitive basis (necessitating a Notice of Bond Sale). Additional fee for sale of bonds to DASNY, to be approved in advance.

SERIAL BOND ISSUES \$5,000,000 AND OVER (NEGOTIATED SALE)
(E.G., ADVANCE REFUNDINGS, DISCOUNT, DASNY BONDS)

Same as for public sale with the addition of negotiated fee for time expended in connection with documents, conferences and other matters relating to issue. To be approved in advance.

STATUTORY INSTALLMENT BONDS

\$2,200 base fee.

PLUS \$1.25/\$1,000 principal amount of the issue.

PLUS A one-time charge of \$350 for the drafting of any bond resolution (if not previously billed).

DISTRICT PROCEEDINGS/ELECTION PROCEEDINGS

\$750 for School District proposition election proceedings or Town, Village or Fire District election proceedings for bond resolution referendum.

\$2,500 for Town district formation proceedings including election proceedings required or desired.

\$3,000 for Town district consolidation proceedings.

\$750 for Town district Section 202-b improvement proceedings.

HOURLY RATES

All billings will be on the basis of this fee schedule without the addition of hourly rates for attorneys or paralegals.

NO INCIDENTAL EXPENSE CHARGES

NO HOURLY RATES

24/7/365 ACCESSIBILITY

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ORRICK'S FEE COVENANTS

Orrick makes the following covenants with respect to its fees:

- 1) Once retained as Bond Counsel by any client pursuant to this schedule, the fees for any financing initiated on or after the date of this schedule shall be charged according to this schedule and will not be subject to increase by any subsequent fee schedule changes;
- 2) Any fees charged pursuant to this schedule shall remain in full force and effect for the entire course of the financing no matter how long it takes to complete the financing;
- 3) Orrick will not share any portion of its fees with any other professionals engaged by the Issuer in connection with the proposed financing; and
- 4) Orrick will not share in the fees of any other professionals engaged by the issuer in connection with the proposed financing.

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