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VIA E-MAIL ONLY

Cindy Cathey
Superintendent
San Leandro Unified School District
14735 Juniper Street
San Leandro, CA 94579-1222

Re: San Leandro Unified School District and Orbach, Huff & Suarez LLP

Dear Ms. Cathey:

Our firm is extremely pleased to continue to represent San Leandro Unified School District. This letter shall serve to outline the terms and conditions of that representation. If you have any questions concerning any of the information provided in this letter, I welcome your call.

1. Scope of Services.

Our responsibilities on your behalf shall be to represent the San Leandro Unified School District (District) in matters related to its facilities, property and construction programs and on other matters from time to time as your District may request.

2. Fees.

The measure for our services will be the actual time expended performing legal services at hourly rates in effect at the time services are performed for the lawyers, paralegals and clerks who are directly involved in the matters for which you have retained us. Our regular hourly rates are $400 per hour for partners and of counsel; $225 to $300 per hour for associate attorneys; $100 to $150 per hour for paralegals; and $25 to $50 per hour for clerks. Because of its public mission and it being our privilege to perform services for your District, we will discount our regular rates and charge your District a maximum of $250 per hour for all attorneys, whether partner or associate. My rate (Phil Henderson) will be $225 per hour as it

has been for the past 5 years, and will stay at that rate until at least July, 2013.

Our firm may change the hourly rates for its personnel. We will, however, advise you as to any change in our hourly rates before they become effective.

3. Retainer.

As a matter of policy, we require new clients of the firm to pay us an initial retainer to be applied towards fees and costs. In your instance, however, we are willing to waive this policy.

4. Expenses Incurred and Other Charges.

In addition to our fee, we will expect your District to reimburse us for all expenses we incur on its behalf, including expert witness fees, long distance telephone calls, travel costs, air freight, commercial messengers, computer research terminal time and printing costs, secretarial and word processing overtime when dictated by your needs and the like; we will expect your District to pay us for all photocopying (currently 25¢ per page) and telecopying (currently $1.00 per page) done by us with respect to its matter(s).

5. Billing Practices.

We will send an invoice to you monthly detailing all of the expenses incurred during the previous month. These invoices will be of sufficient detail to enable you to determine the nature of any expenses incurred.

6. Termination of Representation.

The attorney-client relationship is one of mutual trust and confidence, and you are, of course, free to terminate our relationship at any time. We will also be free to terminate the relationship at any time, and should that unlikely event occur, we will do so in a manner which complies with applicable law, court rules and the Rules of Professional Conduct of the State Bar of California. These rules permit us to withdraw if, among other reasons, your conduct renders it unreasonably difficult for us to carry out the representation effectively.

7. Professional Liability Insurance.

Orbach, Huff & Suarez LLP carries professional errors and omissions liability insurance. No representation is made by Orbach, Huff & Suarez LLP as to "insurance coverage" for the types

of service which we may perform for you.

8. Arbitration and Costs.

We look forward to a beneficial and mutually productive relationship with your District. If, however, you become dissatisfied for any reason with the services we have performed, we encourage you to bring that to our attention immediately. It is our belief that most such problems can be resolved by good faith discussions between the parties. Nevertheless, it is always possible that some dispute may arise which cannot be resolved by discussions between us. We believe that such disputes can be resolved more expeditiously and with less expense to all concerned by binding arbitration than by court proceedings.

Arbitration is a process by which both parties to a dispute agree to submit the matter to an arbitrator and to abide by the arbitrator's decision. In arbitration, there is no right to a trial by jury, and the arbitrator's legal and factual determinations are generally not subject to appellate review. Rules of evidence and procedure are often less formal and rigid than in a court trial. Arbitration usually results in a decision much more quickly than proceedings in court, and the attorneys' fees and other costs incurred by both sides are usually substantially less. Of course, you are encouraged to discuss the advisability of arbitration with other counsel or any of your other advisors and to ask any questions which you may have.

Any dispute based upon, arising out of or relating to our engagement, this letter agreement and/or the performance or non-performance of services (including, without limitation, claims of professional negligence) as well as any dispute as to the arbitrability of any such claims will be subject to binding arbitration to be held in the California county in which your District office is located, before a retired California superior court judge pursuant to the commercial arbitration rules of the American Arbitration Association. The arbitrator's award will be final and binding and judgment thereon may be entered in any court of competent jurisdiction. As a practical matter, by agreeing to arbitrate all parties are waiving jury trial.

The prevailing party in any such arbitration or litigation will be entitled to recover all attorney's fees (including, in the event we are the prevailing party, the value of the time of all attorneys in our firm who perform legal services in any such arbitration or litigation, computed at their normal billing rates), all experts' fees and expenses and all costs (whether or not such costs are recoverable pursuant to the California Code of Civil Procedure) which may be incurred in connection with either obtaining or collecting any judgment and/or arbitration award, in addition to any other relief to which that party may be entitled.

If you ever have any concerns about our work, please contact me at any time.

If you agree with the foregoing, please print and sign two (2) of the enclosed copies of this letter, and return them to me. We will execute one of those and return it to you for your records.

I look forward to continuing to work with you and thank you again for your trust in choosing Orbach, Huff & Suarez LLP.

Very truly yours,
ORBACH, HUFF & SUAREZ LLP

Philip J. Henderson

Accepted and agreed by Orbach, Huff & Suarez LLP on _____, 2012

By: _____

The undersigned has read and understood this agreement, represents the authority to execute this agreement on behalf of San Leandro Unified School District, and acknowledges that this agreement is subject to binding arbitration as provided above. The foregoing accurately sets forth all the terms of your engagement and is approved and accepted on _____, 2012.

By: _____

Title: _____

At its public meeting of _____, 2012, the District's Board of Education approved or ratified / will approve or ratify this Agreement.