

January 31, 2014

VIA EMAIL

PRIVILEGED AND CONFIDENTIAL

Mr. Scott R. Niehaus
Village Manager
Village of Lombard
255 E. Wilson Avenue
Lombard, IL 60148

RE: ENGAGEMENT LETTER AGREEMENT

Dear Mr. Niehaus:

We are pleased that you have engaged Arnstein & Lehr LLP (the "Firm") to represent the Village of Lombard (the "Village") in connection with the current status of the Lombard Public Facilities Corporation ("LPFC") debt service payments on the revenue bonds (the "Bonds"). We look forward to working with you on this matter. This letter states our common understanding of the terms and conditions of this engagement.

You have asked us, at this time, to advise the Village on issues related to the current financial condition of the LPFC and payment of debt service on the Bonds. This will require us, *inter alia*, to review various documents relating to the LPFC. Any services that you may require from us for any additional projects, will be subject to further discussion and agreement.

We have searched our records and find no conflicts in the representation of the Village in this matter. If we become aware of the possibility of a conflict during the course of our representation of the Village in this matter, we will inform you promptly.

Arthur L. Janura, Randall S. Kulat, David A. Golin and I will be working on this matter. If needed, I may ask others in the Firm to assist.

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We will charge for our time at municipal rates. The hourly rates for Arthur L. Janura, Randall S. Kulat, David A. Golin and me will be \$290.00, \$290.00, \$277.50 and \$325.00, respectively.

Each of our attorneys and legal assistants maintains detailed time records of services performed. This results in a monthly billing statement showing, on a daily basis, work performed by each billing professional, the time spent by such billing professional on each day and the total amount charged. To the extent practicable, this time is reported on the basis of one-tenth an hour increments. If you wish, we can provide statements more frequently than at the end of each month.

In addition, we will charge for costs and expenses that we incur on behalf of the Village. These include long distance telephone calls, facsimile transmissions, messenger services, special postage charges, and in-house support services such as photocopying, computerized research, and staff overtime when necessary.

Expense items will be shown on our bills and may include a surcharge to recapture related overhead and expenses. While we try to bill all costs and expenses in the month they are incurred, normal accounting delays sometimes result in the billing of these matters in a subsequent month.

We reserve the right to withdraw from this matter should it become apparent that our representation is impaired because of lack of cooperation on the part of the Village, such as refusal to follow our advice, or refusal to provide us with information we believe is necessary.

Our bills are due in accordance with the Illinois Prompt Payment Act. We also reserve the right to withdraw from this matter at any time if our bills are not paid in a timely manner.

After termination of our representation, if you wish us to return any documents to you, please let us know. We will maintain our files in accordance with our records retention program, which provides for destruction of files at designated periods, typically after 7 years.

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We invite any questions you may have concerning the terms of this agreement or any other aspect of our relationship. We believe that candid communication is essential and we welcome any suggestions you may have at any time as to how we might better be of service. If the terms and conditions set forth above are acceptable, please sign, date and return this agreement to me.

Arnstein & Lehr LLP



By: _____

Michael L. Gesas

CC: Arthur L. Janura

AGREED TO:

Village of Lombard

By: _____


Scott R. Niehaus, Village Manager

MLG

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Pursuant to Internal Revenue Service guidance, be advised that any federal tax advice contained in this written or electronic communication, including any attachments or enclosures, is not intended or written to be used and it cannot be used by any person or entity for the purpose of (i) avoiding any tax penalties that may be imposed by the Internal Revenue Service or any other U.S. Federal taxing authority or agency or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.