

June 3, 2013

Jan Gustafson Corea
Chief Executive Officer
California Association for Bilingual Education
16033 E. San Bernardino Road
Covina, CA 91722

Re: Flat Fee Retainer Agreement

Dear Jan:

On behalf of *Garcia, Hernández, Sawhney & Bermudez, LLP*, I'd like to express our appreciation to you and the California Association for Bilingual Education (CABE) for providing us the continuing opportunity to provide legal services to CABE. This letter sets forth our firm's new proposal for the provision of General Counsel legal services on a flat fee basis to CABE per our recent discussions.

California Business and Professions Code Section 6148 requires a written fee agreement between CABE and *Garcia, Hernández, Sawhney & Bermudez, LLP* (the "Firm"). The written fee agreement must set forth the scope of the legal services which the attorneys of the Firm have been retained to perform and the fees that we will charge for those services. This letter, when executed by an authorized representative of CABE in the space provided below, is intended to fulfill the requirements of Section 6148. The Firm hereby informs CABE that we carry errors-and-omissions insurance coverage applicable to the services to be rendered.

Scope of Services

Garcia, Hernández, Sawhney & Bermudez, LLP partner Mary Hernandez will act as CABE's General Counsel. The Firm will provide legal services reasonably required to represent CABE's best interests in all matters forwarded to us for handling. We will keep CABE informed of significant developments and promptly respond to all of its inquiries. For its part, CABE agrees to cooperate with us, to keep us informed of developments, and to pay our bills and all costs incurred on its behalf in a timely manner.

Fees

The Firm will charge a fixed monthly fee for all routine general legal matters forwarded to us for handling on a monthly fixed or flat fee basis of \$1,600.00 per month, plus expenses, commencing July 1, 2013. The services to be provided by the firm shall include attendance at Board meetings, general administrative matters, contract review and negotiations and advice and counsel on employment matters that may arise from time to time.

The monthly retainer does not include extraordinary matters, which are defined as: (1) arbitration, litigation or the preparation for arbitration or litigation; (2) formal investigations of complaints or investigations of CABE personnel, vendors or contractors; (3) legal services provided by the Firm on any other matter which the Board or CEO, after consultation with me, determines to be extraordinary; or (4) services provided by any other law firm, attorney or paralegal not affiliated with the Firm. For extraordinary matters, the discounted hourly rates charged by the Firm for such matter(s) shall be the discounted blended hourly rate of \$220.00 per hour for attorneys, \$150 per hour for law clerks and \$130.00 per hour for paralegals.

Prior to May 31st of each year, the CEO and General Counsel shall meet and reach agreement on proposed changes, if any, that shall apply for the next fiscal year to the flat rate or may agree to revert back to providing legal services on an hourly basis (at the discounted hourly rate of \$220). The terms of any agreed upon changes shall become effective upon the giving of written notice by the Firm to CABE confirming the terms of such agreement.

Costs and Expenses

CABE hereby authorizes us to incur all reasonable costs and to hire any consultant, expert, or other service reasonably necessary in our judgment to accomplish the tasks for which we have been retained. We agree to notify CABE prior to retaining any consultant, expert, or other necessary outside service. We reserve the right to advance payment on these costs or, in the alternative, to request the service provider/vendor to bill CABE directly. CABE agrees to reimburse us for costs advanced on its behalf and pay service providers/vendors immediately when we have asked them to bill CABE directly. The Firm will absorb incidental charges such as minor in-house copy jobs, facsimile and minor postage charges. Other incidentals, such as filing fees, messenger and other delivery fees, parking, mileage at the IRS rate, travel expenses (including airfare at the least expensive rates, lodging, meals, and ground transportation), charges for outside assisted legal research, investigation expenses, and consultants' fees, are billed to the client on a monthly basis at cost. Our firm does not mark-up any of these incidental expenses. The Firm would, of course, itemize all costs incurred and provide back-up documentation upon request.

Billings

We will bill CABE for legal services and costs on a monthly basis. CABE agrees to pay the full amount set forth in our statements within thirty (30) days.

Potential Conflicts of Interest

You understand that the Firm serves as General Counsel for a number of school districts throughout the State of California, including Garvey, Gilroy, John Swett, Hayward, Hueneme, McFarland, Oxnard and Parlier, as well as special counsel on particular matters to many other districts (where overlap with CABE matters is unlikely but possible) and the Alameda County Office of Education. We have discussed the fact that while CABE's interests are usually aligned with the districts we represent, there is the possibility that the Firm's concurrent representation of CABE and one of these districts and their respective boards may give rise to potential conflicts of interest.

The Firm cannot and will not advise CABE or any of its school districts as to any matters in which an actual conflict of interest develops among you, unless certain steps are taken. Accordingly, in the event that any conflict, dispute or disagreement arises, the Firm will request that all entities involved into a waiver of *actual* conflict, will decline to represent all entities involved in connection with that matter or will terminate this retainer agreement. Your signature on this retainer agreement will operate as written consent to this arrangement.

Discharge

CABE may discharge us at any time without prior notice, and it agrees to execute all documents reasonably necessary to complete our discharge. In the exercise of our sole discretion and consistent with the rules of ethics, we reserve the right to withdraw from representing CABE in any matter, and CABE agrees to execute all documents reasonably necessary to complete our withdrawal. Conduct which may cause us to withdraw includes, but is not limited, to: (a) any failure to timely pay our statements or costs (b) any refusal to cooperate with us on a material matter; or (c) any fact or circumstance that would render our continuing representation unlawful or unethical.

We appreciate the opportunity to represent CABE's interests and work with you. Should you have any questions, comments or concerns, please do not hesitate to contact me.

Very truly yours,

Mary T. Hernández

Mary T. Hernández
Garcia, Hernández, Sawhney & Bermudez, LLP

On behalf of the California Association for Bilingual Education
I have read and am authorized to agree to the foregoing:

CABE

Dated: _____

By: _____
Jan Gustafson Corea, CEO