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December 19, 2013

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LOS ANGELES
SACRAMENTO
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Mr. Sal Lombardi
Controller
City of Glen Cove
Department of Finance
City Hall
Glen Cove, New York 11542

Dear Sal:

Pursuant to your request, we submit this letter providing for the terms of our engagement as bond counsel to the City of Glen Cove, New York (the "City"). If you are in agreement, please arrange for an appropriate officer of the City to sign the enclosed copy of this letter in the space provided. We are available to answer any questions you may have concerning this letter, or any modifications you may wish to suggest. We are pleased to have the opportunity to serve the City.

1. *Client; Limited Scope of Representation.* Our client in this matter will be the City of Glen Cove, New York. We will be engaged hereunder to render legal advice to the City as its bond counsel in connection with the issuance of the bonds or notes of the City pursuant to the New York Local Finance Law and/or other applicable statutes and law (bonds and notes of the City being referred to herein collectively as "Obligations"). Our primary responsibility as Bond Counsel to the City will be to render an opinion, subject to the completion of proceedings to our satisfaction, regarding the validity and binding effect of the Obligations, the source of payment and security for the Obligations and, if applicable, excludability of interest on the Obligations from gross income for federal and state income tax purposes.

A significant emphasis in discharging this responsibility is the preparation of a record sufficient to enable us to render this Opinion. However, in the process of reaching the point at which we have prepared such a record, we expect to be called upon to perform a number of related functions, including the following:

(a) Participation in discussions and conferences with representatives of the City, regarding the City's financing program and requirements;

(b) Preparation of all financing authorization documents, including bond and note resolutions;

(c) Providing advice and consultation with respect to compliance with applicable provisions of the Internal Revenue Code of 1986, as amended, including federal arbitrage regulations and private activity restrictions and attending to all necessary Internal Revenue Service reporting requirements (but not including preparation of arbitrage rebate and similar reports, which would be billed separately, if requested);

(d) Participation in conferences and telephone conversations with representatives of the City and the City's financial advisor in scheduling and structuring each bond and note financing;

(e) Assistance in drafting and review of bond purchase agreements, forms and underlying documentation relating to the financing;

(f) Review of certain sections of the official statement or other form of offering or disclosure document to be disseminated in connection with the sale of the Obligations; however, unless provided for and agreed to in a separate agreement, we will not act as disclosure counsel to the City and therefore will not have any specific responsibility to assist in the preparation of the official statement or advise with respect to compliance with state and federal securities law, other than with respect to the execution and delivery of the appropriate agreement or undertaking regarding continuing disclosure;

(g) Preparation of continuing disclosure agreements, as required under applicable federal securities laws and/or regulations;

(h) Consultation with the City, its accountants and attorneys, credit rating agencies, municipal bond insurers and others in regard to the financing;

(i) Preparation, drafting and review of closing papers;

(j) Review of municipal bond insurance policies and related documents provided by the bond insurer, in the event a bond or note issue is insured;

(k) Delivery of securities to The Depository Trust Company in New York City to be held in escrow until the closing;

(l) Rendering of our final approving legal opinion with respect to each financing.

Our Opinion will be addressed to the City and will be delivered by us on the date the Obligations are exchanged for their purchase price (the "Closing").

The Opinion will be based on facts and law existing as of its date. In rendering our Opinion we will rely upon the certified proceedings and other representations and certifications furnished to us, including representations and certifications of public officials, counsel for and representatives of the City, any credit enhancer of the Obligations, and the underwriters of the Obligations, the trustee for the Obligations, if any, and other persons, without any undertaking by us to verify the same by independent investigation, and we will assume continuing compliance by the City and all other participants in the transaction with applicable laws relating to the Obligations. During the course of this engagement, we will rely on the City to provide us with complete and timely information on all developments pertaining to any aspect of the Obligations and their security. We understand that the City will direct members of its staff and other employees to cooperate with us in this regard. In rendering our Opinion, we are entitled to expressly rely upon the City's other counsel as to the issuance: (i) not constituting or creating a default in the performance of the City's outstanding contractual duties and obligations, (ii) being in contravention of any legislative and regulatory provision and (iii) being in compliance with any outstanding judicial or administrative order or decree. Our duties in this engagement are limited to those expressly set forth above.

Unless agreed to in advance by the City as services to be provided on an hourly basis, as discussed in Exhibit A, our duties do not include, among other things:

- (i) Except as described in paragraphs (f) and (g) above, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Obligations, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;
- (ii) Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission;
- (iii) Preparing blue sky or investment surveys with respect to the Obligations.
- (iv) Drafting state constitutional or legislative amendments;
- (v) Pursuing test cases or other litigation such as contested validation proceedings;

- (vi) Making an investigation or expressing any view as to the creditworthiness or financial strength of the City or any other party or of the Obligations;
- (vii) Representing the City in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations; and
- (viii) Addressing any other matter not specifically set forth above that is not required to render our Opinion.

It is expressly agreed that the City shall not request the firm to provide predictions or advice regarding, and that the firm shall provide no predictions or advice and owes the City no duty regarding, the financial structuring or feasibility of any arrangement or any predictions or advice as to the ability or likelihood of any other party actually performing its obligations relating thereto.

In delivering our Opinion, the firm does not represent, warrant or guarantee that a court will not invalidate either any of the procedures or contracts being utilized in connection with the issuance of the Bonds, nor does the firm represent, warrant or guarantee the actual performance rendered by participants in any transaction with the City.

It is also expressly agreed that (i) our client for purposes of this representation is the City and not any of its officers or employees, members, creditors, bondholders, or any other entities having any interest in the City or in which the City has an interest, and (ii) accordingly, this engagement will not establish an attorney-client relationship between the firm and any such individual, member or other entity.

2. *Term of Engagement.* Either the City or the firm may terminate this engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. In the event that we terminate the engagement, we will take such steps as are reasonably practicable to protect the City's interests in matters within the scope of this engagement. In the event of termination of this engagement for any reason, the firm will be paid for services satisfactorily rendered by the firm up to the date of termination, and for any post-termination services requested by the City in connection with the termination.

3. *Conclusion of Representation; Retention and Disposition of Documents.* At the City's request, its papers and property will be returned to it or delivered to successor counsel, as it may direct, promptly upon receipt of payment of outstanding fees and expenses. Our own files pertaining to this engagement will be retained by the firm. These firm files include, for example, firm administrative records, time and expense reports, and accounting records, as well as internal lawyer's work product such as drafts, notes, internal memoranda, and legal and factual research prepared by or for the internal use of lawyers. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of this engagement.

4. *Post-Engagement Matters.* After completion of this engagement, changes may occur in applicable laws or regulations, or in administrative or judicial interpretations thereof, that could have an impact upon issues as to which we have advised the City during the course of this engagement. Unless you subsequently engage us, after completion of this engagement, to provide additional advice on such issues, the firm has no continuing obligation to advise you with respect to any such future legal developments.

5. *Fees and Expenses.* Fees for our services in connection with this engagement shall be calculated as described in the attached Exhibit A. In addition to, and not in limitation of, any other rights, the City may have a right to arbitrate fee disputes under applicable law, including Part 137 of Title 22 of the Codes, Rules and Regulations of the State of New York, to the extent applicable, a copy of which we will provide you upon request.

6. *Consent to Conflict; Non-reliance upon Hawkins Representations.* The firm from time to time has represented, currently represents, and may in the future represent, various underwriters or purchasers of municipal bonds in financings involving other issuers. The City consents to the firm simultaneously representing such underwriters or purchasers and the City. The City acknowledges and agrees that it has not relied upon any firm representations or statements of any kind in deciding to give its consent. Instead, to the extent it has deemed it necessary, the City has consulted with other independent counsel and that it has exclusively relied upon such other counsel, if any, in deciding to consent.

7. *Attorney-Client Privilege.* In recent years, several courts have held that when a firm reviews its compliance with professional conduct rules or other law in the representation of a client, the firm may not be able to claim attorney-client privilege for its review unless the firm withdraws from representing the particular client before conducting the review or the client agrees that the firm can assert privilege for any such review. We believe it is in the interest of our clients that the firm have the protection of the privilege in connection with internal reviews of its work for you. The City agrees that any communications between the lawyers and staff working on the City of Glen Cove matters and the lawyers at the firm who may be reviewing that work for compliance with professional conduct rules or other law will be protected by the firm's own attorney-client privilege and that any such review will not constitute a conflict between our interests and your interests.

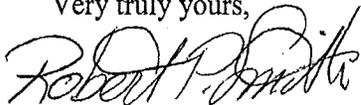
8. *Client Responsibilities.* The City agrees to cooperate fully with us and to provide promptly all information known or available to the City relevant to our representation. The City also agrees to pay our statements for services and expenses in accordance with paragraph 5 above.

9. *Fully Integrated Agreement; Merger; No Oral Amendments or Modifications.* This agreement is intended as a complete integration of the terms of this engagement and, as such, all prior understandings, representations, warranties and agreements are fully and completely merged herein.

Of course, you may limit or expand the scope of our representation from time to time, provided that any such expansion is agreed to by each of us and memorialized in a supplement hereto.

We are pleased to have this opportunity to work with the City. I trust that you will not hesitate to call me if you have any questions or comments during the course of this engagement.

Very truly yours,



Robert P. Smith

Agreed and Accepted:

CITY OF GLEN COVE

By: _____

Title: _____

Date: _____

Exhibit A

FEES

Transactional Fees

The bond counsel fees for the rendition of legal opinions concurrently with the issuance of bonds and notes by the City of Glen Cove the ("City") would generally be based upon the principal amount of obligations issued. Our fees for approving various forms of City obligations would be computed as follows:

Serial Bonds

Base charge of \$1,500 in connection with the preparation of proceedings relating to the public or private sale of serial bonds, plus a charge of \$1.00 per \$1,000 principal amount of bonds issued up to \$5,000,000, and 75¢ per \$1,000 principal amount of bonds in excess of \$5,000,000.

Notes

Our schedule of fees for notes, including bond anticipation notes, tax and revenue anticipation notes, capital notes and budget notes, whether original or renewal issues, or issues which combine new obligations with renewal obligations, is 60¢ per \$1,000 principal amount of notes issued up to \$5,000,000, and 40¢ per \$1,000 principal amount of notes in excess of \$5,000,000, subject to a minimum fee of \$600 with respect to original issues and \$450 with respect to renewal issues.

The foregoing fees do not include legal services for the preparation of bond and note resolutions and other necessary proceedings which must be undertaken prior to debt issuance. Our fee for preparation of bond resolutions, including SEQR review (absent unusual issues), range between \$300 and \$750 depending upon the degree of research and complexity involved in the preparation of each bond resolution. Our fee for preparation of tax anticipation and revenue anticipation note resolutions is \$300.

Hourly Fees

The scope of bond counsel services required in connection with a particular financing is often impossible to anticipate. Therefore, in addition to the foregoing fees, we would propose to charge a fee of \$195 per hour (being a "blended" rate) for attorney time spent in meetings with City officials in the City or elsewhere, for attendance at rating agency sessions, for working group sessions with the City's financial advisor and its own finance team and for our work on drafting and reviewing disclosure materials and any documentation which is required in connection with the negotiation by private sale of any City obligations.

For matters apart from the foregoing, including research on behalf of the City and attendance at meetings in connection with the development of possible new financing alternatives for the City and review of proposals submitted to the City by investment bankers relating to other than routine financings, we would propose to bill at our customary hourly rates or at a blended rate, as the City may agree, subject to a maximum agreed upon fee for each matter. A schedule of hourly rates based on experience and capabilities of each individual within the firm is in effect for this purpose and is revised from time to time by the firm as appropriate.

Incidental Expenses

In addition to the aforesaid fees, we generally bill for our out-of-pocket disbursements, including the following specific items: telephone tolls, postage, duplication of documents, facsimile transmission, postage, overnight delivery and messenger charges, preparation and filing of Internal Revenue Service Reporting Forms, word processing, and incidental closing expenses. The aggregate amount of disbursements is usually nominal, but not subject to precise statement in advance.

All services provided by outside vendors (telecopier, express delivery and messenger service), are billed at actual cost to the firm. Charges for note and bond printing provided by outside vendors are billed directly by such vendors.

In the event the City should utilize the book-entry system of security issuance, we will print, in-house, all necessary bond and note certificates. We charge \$115.00 for the initial book-entry instrument for each issue, and \$15.00 for each additional instrument. Our charge includes our costs of security preparation, as well as our services in delivering such securities to The Depository Trust Company in escrow pending a closing.

Billing Procedure

With respect to bond and note issues, it is our practice to submit a bill within two to four weeks following a closing. Unless otherwise requested by our clients, our statements identify the pertinent financing, state the fee, and enumerate by general category the total amount of disbursements. With respect to other matters, our statement would list and identify by number of hours and name, the time spent by individual attorneys on particular matters. Such billings would ordinarily occur not more than monthly, subject to modification demanded by the intensity of our involvement with the City. We, however, would gladly provide more detailed documentation of any or all charges at the request of the City.

Should you have any questions with respect to the foregoing or should such billing method not be desirable, we would appreciate the opportunity to consult with you in order to formulate a new method satisfactory to you.