EISENSTEIN MALANCHUK LLP

May 1, 2020

Mr. Michael J. Mortell
City Attorney
City of Stuart
121 SW Flagler Avenue
Stuart, FL 349944

Re: Environmental Insurance Cost Recovery

Dear Mr. Mortell:

To follow up our discussions, this letter sets forth the terms under which the City of Stuart ("the City") is retaining Eisenstein Malanchuk LLP ("EM") to present and help negotiate environmental insurance coverage claims on behalf of the City.

The terms of the retainer are as follows:

A. Fee Agreement

1. The City will pay a fee to EM of 35% of all gross recovery on this project. The term "gross recovery" means all monetary payments made by insurers, or other tangible benefits accepted in lieu of monetary payments, before consideration of any income tax matters. The City will pay the fee related to each such payment by wire transfer or check within ten (10) days after settlement funds have been received; if settlement funds are received by EM in trust for the City, EM similarly will pay the settlement amount (net of fees) to the City by wire transfer or check within ten (10) days after the settlement funds have been received.

2. No fees will be paid to EM before funds are received by the City or by the City's designated recipient of the payments. The City will have no monetary obligations to EM on this project other than payment of the fee specified in paragraph A.1. Among other things, EM will bear all of its own costs and expenses in pursuing this project (including for travel, copying, computerized research, etc.), and will also fully fund any necessary expert work, including for any needed insurance archeology or environmental experts (which firms can be selected by EM, subject to the City's approval, which shall not be unreasonably withheld).

3. In light of the potential expense of coverage litigation, the parties agree to seek to pursue settlement negotiations to resolve these insurance claims. In the event that litigation is undertaken relating to these claims, EM and the City agree to discuss the fee agreement for such litigation; provided, however, that EM will have the right to decline to represent the City in such litigation, and the City will

have the right to decline to utilize EM for such litigation. It is further understood that EM's service will not necessarily include efforts necessary to collect from London Market companies or other insurers who are insolvent or subject to liquidation proceedings, formal or informal, except to the extent mutually agreed by the City and EM.

4. EM will have the right to withdraw from the retention if EM determines, in its sole discretion, that further pursuit of these claims is no longer practicable. In this event no additional fees whatsoever will be payable to EM. Except to the extent such action is taken for the purpose of avoiding payment of fees to EM, the City also will have the right to terminate this engagement at any time, however EM shall receive payments in accordance with paragraph A.1. with respect to any settlements in principle concluded with insurers as a result (in whole or in substantial part) of EM's efforts.

5. In the event of a dispute regarding this agreement or the payment of fees, EM and the City agree to attempt in good faith to resolve the dispute through mediation. If the Parties are unable to resolve the dispute within sixty (60) days (or such longer time as the Parties mutually agree), then the dispute shall be resolved by binding arbitration, with each Party to bear its own costs and attorneys' fees. The procedures specified in this paragraph shall be the sole and exclusive procedures for the resolution of disputes among the Parties with respect to any matters arising out of this agreement.

6. EM intends solely to keep electronic copies of documents and records. As a result, documents or records provided to EM or utilized in this representation will, to the extent practical, be digitized and stored electronically. The City agrees that EM can retain such documents and records solely in an electronic form, and further agrees that paper copies of such documents or records may be destroyed, except to the extent the City specifically requests the return or retention of such material.

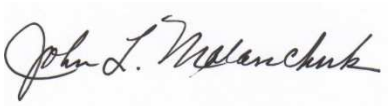
B. Confidentiality

The City is retaining EM for the purpose of obtaining legal advice. EM's services will be undertaken in anticipation of litigation, and will be confidential and subject to the protection of the attorney-client privilege and the work product doctrine. The City and EM further anticipate that they will disclose certain confidential and proprietary information to each other in the course of this engagement. The parties mutually agree not to disclose such information – without prior authorization – to anyone other than the persons working on this specific project. Such information will be used solely for purposes of the negotiations and for no other purpose whatsoever. The City further agrees, to the extent allowed by law, not to disclose information that is confidential and proprietary to EM to anyone other than the City's employees or consultants.

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If these terms are acceptable, please sign and return this letter. We very much look forward to working with you on this project.

Sincerely,



John L. Malanchuk
Partner

SO APPROVED for the City of Stuart, FL

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By:
Dated: May ___, 2020