PROFESSIONAL SERVICES CONTRACT
FOR OUTSIDE COUNSEL

THIS CONTRACT is between the Office of the Indiana Attorney General (hereinafter the "State") and John, Lewis and Wilkins, LLP, whose address is 20 North Meridian Street, Fourth Floor, Indianapolis, Indiana 46204 ("JL&W"), and, for the limited purpose set forth herein, Coleman Graham & Stevenson, LLC, 10 West Market Street, Suite 1050, Indianapolis, IN 46204 ("CG&S")

WITNESSETH

WHEREAS, pursuant to IC 34-13-3-15, the Attorney General is authorized to employ counsel to aid in defending or settling tort claims or suits arising in tort against the State; and

WHEREAS, the State has conducted a request for proposals and determined it is in its best interest to hire JL&W to represent the State, its officials, employees, and agencies in the defense of tort claims asserted pursuant to IC 34-13, (the "Legal Services"); and

WHEREAS, JL&W has demonstrated knowledge and expertise in the defense of tort claims asserted against the State, and has the resources and manpower to devote to such activities.

NOW THEREFORE, in consideration of the premises and the mutual promises herein contained, it is agreed by and between the State and JL&W as follows:

1. Duties of JL&W. JL&W shall enter its appearance and defend on behalf of the State tort claims assigned to it by the Office of the Attorney General (the "OAG"), such work to include all trial preparation and litigation. Such defense work shall be performed in consultation with the OAG, and shall not include appellate work. JL&W understands that claims against the State may only be compromised by the Governor and upon the advice and counsel of the OAG. Counsel shall provide the OAG and each defendant with a monthly status report of each case, and shall support the drafting of the annual report required by IC 34-13-3-15 (3) for review by the OAG.

JL&W acknowledges that firm of Coleman Graham & Stevenson, LLC ("CG&S") has been selected to represent the Family and Social Services Administration and the Department of Child Services in tort claims filed against those two agencies, and that the State is entering into a separate contract with CG&S to provide those legal services. However, JL&W shall have general supervisory responsibility for the tort cases assigned to CG&S, and by signing this contract, CG&S agrees to submit to JL&W's general supervision and both JL&W and CG&S agree to cooperate and coordinate fully in the performance of their respective duties and responsibilities.

JL&W acknowledges that the OAG employs a Deputy Attorney General whose offices are in Lake County, Indiana to defend tort claims in that area, and JL&W shall provide consulting services to such DAG. JL&W further acknowledges that the OAG may employ local counsel as it, in its sole discretion, deems appropriate.

JL&W shall execute its responsibilities by following and applying the highest professional standards. If the State becomes dissatisfied with the work product or the working relationship with any individual assigned to work on this Agreement, the State may request in writing the replacement of any or all such individuals, and JL&W shall grant such request.

Pursuant to IC 4-6-5-3 and IC 34-13-3-15, the Indiana Attorney General hereby appoints, employs and hires Counsel to provide the Legal Services.

2. Consideration. JL&W shall be paid the per case per month rate with the not to exceed amount set forth in Exhibit A.

3. Term. The term of this Contract will be from July 1, 2007 to January 31, 2009.

4. Access to Files and Records. The State shall have full, immediate, and unrestricted access to the work product of the JL&W during the term of this Contract. Upon termination or expiration of this Contract, JL&W shall, without further request and at no cost to the State, turn over to the OAG all files relating to the work performed under this Contract. JL&W acknowledges that it may be required to submit to an audit of funds paid pursuant to this Contract and shall maintain at its offices all books, accounting records, and other evidence pertaining to costs incurred and invoiced under this Contract. Such materials shall be available during the term of this Contract and for three (3) years from the date of termination or expiration, for inspection by the State or its authorized designee. Copies thereof shall be furnished at no cost to the State if requested.

5. Assignment; Successors. JL&W binds its successors and assignees to all the terms and conditions of this Contract. JL&W shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. JL&W may assign its right to receive payments to such third parties as JL&W may desire without the prior written consent of the State, provided that JL&W gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Audits. JL&W acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC 5-11-1, et. seq. and audit guidelines specified by the State.

7. Authority to Bind JL&W. The signatory for JL&W represents that he/she has been duly authorized to execute this Contract on behalf of JL&W and has obtained all necessary or applicable approvals to make this Contract fully binding upon JL&W when his/her signature is affixed, and accepted by the State.

8. Changes in Work. JL&W shall not commence any additional work or change the scope of the work until authorized in writing by the State. JL&W shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

9. Compliance with Laws and Licensing Requirements.

A. JL&W shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and JL&W to determine whether the provisions of this Contract require formal modification.

B. JL&W represents and warrants that, after due and diligent inquiry, it is satisfied that it has no Conflict of Interest (as that term is defined in the *Indiana Rules of Professional Conduct*) that will preclude it from providing the Legal Services.

C. JL&W and its partners, associates, employees and agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC § 4-2-6 *et seq.*, IC § 4-2-7, *et. seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If JL&W is not familiar with these ethical requirements, JL&W should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at http://www.in.gov/ethics/. If JL&W, its partners, associates, employees agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to JL&W. In addition, JL&W may be subject to penalties under IC §§ 4-2-6, 4-2-7, 35-44-1-3, and under any other applicable laws.

D. JL&W certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State. JL&W agrees that any payments currently due to the State may be withheld from payments due to JL&W. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until JL&W is current in its payments and has submitted proof of such payment to the State.

E. JL&W warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, JL&W agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

F. If a valid dispute exists as to JL&W's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to JL&W, JL&W may request that it be allowed to continue, or receive work, without delay. JL&W must submit, in writing, a request for review to the OAG. A determination by the OAG shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC § 5-17-5.

G. JL&W shall comply with all applicable registration and licensing requirements, rules, standards and codes of conduct governing the practice of law and the transaction of business in Indiana. JL&W shall immediately notify the State if any disciplinary actions are brought against any of its partners or other attorneys. JL&W certifies, by entering into this Contract, that none of its partners or associates are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by

any federal agency or by any department, agency or political subdivision of the State of Indiana.

H. JL&W affirms that, if it is an entity described in Title 23 of the Indiana Code, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

I. As required by IC 5-22-3-7:

(1) JL&W and any principals of JL&W certify that (A) JL&W, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations] , or (iii) IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) JL&W will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

(2) JL&W and any principals of JL&W certify that an affiliate or principal of JL&W and any agent acting on behalf of JL&W or on behalf of an affiliate or principal of JL&W (A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

10. Condition of Payment. All services provided by JL&W under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of and federal, state or local statute, ordinance, rule or regulation.

11. Confidentiality of State Information. JL&W understands and agrees that data, materials, and information disclosed to JL&W may contain confidential and protected information. JL&W covenants that data, material and information gathered, based upon or disclosed to JL&W for the purpose of this Contract, will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by JL&W for the State under this contract may require or allow access to data, materials, and information containing Social Security numbers or other personal information maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), JL&W and the State agree to comply with the provisions of IC 4-1-10 and IC 4-1-11. If any Social Security number(s) or personal information (as defined in IC 4-1-11-3) is/are disclosed by JL&W, JL&W agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

12. Continuity of Services.

A. JL&W recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. JL&W agrees to:

1. Furnish phase-in training, and
2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. JL&W shall, upon the State's written notice:
1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires, and
2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required.

The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. JL&W shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. JL&W shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. JL&W also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, JL&W shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. JL&W shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

13. Debarment and Suspension.

A. JL&W certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of JL&W.

B JL&W certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. JL&W shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

14. Default by State. If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, JL&W may cancel and terminate this Contract and institute the appropriate measures to collect monies due up to and including the date of termination.

15. Disputes.

A. Should any disputes arise with respect to this Contract, JL&W and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. JL&W agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Contract that are not affected by the dispute. Should JL&W fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or JL&W as a result of such failure to proceed shall be borne by JL&W, and JL&W shall make no claim within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:

1. The parties agree to resolve such matters through submission of their dispute to the Dispute Resolution Section of the OAG. The Section shall reduce a decision to writing and mail or otherwise furnish a copy thereof to JL&W and the State within ten (10) working days after presentation of such dispute for action. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration or mediation for a determination, or otherwise the dispute may be submitted to an Indiana court of competent jurisdiction.

2. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to JL&W of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for JL&W to terminate this Contract, and JL&W may bring suit to collect these amounts without following the disputes procedure contained herein.

16. Drug-Free Workplace Certification. JL&W hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. JL&W will give written notice to the State within ten (10) days after receiving actual notice that JL&W or an employee of JL&W in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana.

JL&W certifies and agrees that it will provide a drug-free workplace by:

A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) JL&W's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify JL&W of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;

E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

17. Employment Option. If the State determines that it would be in the State's best interest to hire an employee of JL&W, JL&W will release the selected employee from any non-compete agreements that may be in effect. This release will be at no cost to the State or the employee.

18. Force Majeure. In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

19. Funding Cancellation. When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of the State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

20. Governing Laws. This Contract shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

21. Indemnification. JL&W agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of JL&W and/or its subcontractors, if any, in the performance of this Contract. The State shall **not** provide such indemnification to JL&W.

22. Independent Contractor. Both parties hereto, in the performance of this Contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of

one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

JL&W shall be responsible for providing all necessary unemployment and workers' compensation insurance for JL&W's employees.

23. Insurance.

A. JL&W shall secure and keep in force during the term of this Contract, the following insurance coverages, covering JL&W for any and all claims of any nature which may in any manner arise out of or result from JL&W's performance under this Contract:

1. Lawyers Professional Liability Insurance with per claim and aggregate limit of $1,000,000/$2,000,000.

2. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits of $700,000 per person and $5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.

3. Automobile liability with minimum liability limits of $700,000 per person and $5,000,000 per occurrence. The State is not to be named as an additional insured on a primary, non-contributory basis.

B. JL&W's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority issued by the Indiana Department of Insurance.
2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of JL&W.
3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by JL&W in excess of the minimum requirements set forth above.
4 The insurance required in this Contract, through a policy of endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the OAG.

C. Prior to commencing operations, JL&W shall furnish a Certificate of Insurance to the OAG, including a provision that coverages may not be canceled, reduced or allowed to expire without thirty (30) days' prior written notice to the OAG. If information concerning cancellation, reduction or expiration of coverage is not timely furnished by the insurer, JL&W shall have the absolute responsibility to timely inform the OAG. Proof of renewal or change of carrier shall be furnished by the insurer and/or the JL&W in a timely manner.

D. Failure to provide insurance as required in this Agreement may be deemed a material breach of Agreement entitling the State to immediately terminate this Agreement.

24. Key Person(s).

A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the State shall have the right to terminate this Contract upon thirty (30) days prior written notice.

B. In the event that JL&W is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for JL&W shall not be permitted without express written consent of the State.

C. Nothing in sections A and B, above shall be construed to prevent JL&W from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. JL&W shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person to this Contract is John Lewis.

25. Merger & Modification. This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented or amended, except by written agreement signed by all necessary parties.

26. Minority and Women's Business Enterprises Compliance. JL&W agrees to comply fully with the provisions of 25 IAC 5 and any participation plan that may have been submitted to the State.

27. Nondiscrimination. Pursuant to the Indiana Civil Rights Law, specifically including IC 22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, JL&W covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee or applicant's: race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Furthermore, JL&W certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services.

28. Notice to Parties. Whenever any notice, statement or other communication is required under this Contract, it shall be sent to the following addresses, unless otherwise specifically advised.

A. Notices to the State shall be sent to:
Charles J. Todd
Office of the Attorney General
302 W. Washington St., IGCS-5th Floor
Indianapolis, IN 46204

B. Notices to JL&W shall be sent to:
John Lewis

John, Lewis & Wilkins, LLP
20 North Meridian Street, Fourth Floor
Indianapolis, Indiana 46204

29. Order of Precedence; Incorporation by Reference. Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) This Contract, (2) attachments prepared by the State.

30. Ownership of Documents and Materials. All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by JL&W prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and JL&W transfers any ownership claim to the State and all such materials will be the property of the State. Use of these materials, other than related to contract performance by JL&W, without the prior written consent of the State, is prohibited. During the performance of this Contract, JL&W shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided while the materials are in the possession of JL&W. Any loss or damage thereto shall be restored at JL&W's expense. JL&W shall provide the State full, immediate, and unrestricted access to the work product during the term of this Contract.

31. Payments. All payments shall be made in arrears in conformance with State fiscal policies and procedures and, as required by IC 4-13-2-14.8, by electronic funds transfer to the financial institution designated by JL&W in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC 4-13-2-20.

32. Penalties/Interest/Attorney's Fees. The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1.

Notwithstanding the provisions contained in IC 5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

33. Renewal Option. This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC 5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

34. Security and Privacy of Health Information. JL&W agrees to comply with all requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) in all activities related to this Contract, to maintain compliance throughout the life of this Contract, to operate any systems used to fulfill the requirements of this Contract in full compliance with HIPAA and to take no action which adversely affects the State's HIPAA compliance.

The parties acknowledge that the Department of Health and Human Services has issued the Final Rule, as amended from time to time, on the Standards for Privacy of Individually Identifiable Health Information, as required by HIPAA. To the extent required by the provisions of HIPAA

and regulations promulgated thereunder, JL&W covenants that it will appropriately safeguard Protected Health Information (PHI), as defined by the regulations, which is made available to or obtained by JL&W in the course of its work under this Contract. JL&W agrees to comply with applicable requirements of law relating to PHI with respect to any task or other activity it performs for the State as required by the final regulations.

35. Severability. The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

36. Substantial Performance. This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

37. Taxes. The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on JL&W as a result of this Contract.

38. Termination for Convenience. This Contract may be terminated, in whole or in part, by the State whenever, for any reason, the State determines that such termination is in its best interest. Termination of services shall be effected by delivery to JL&W of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. JL&W shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. JL&W shall be compensated for services herein provided but in no case shall total payment made to JL&W exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

39. Termination for Default.

A. With the provision of thirty (30) days notice to JL&W, the State may terminate this Contract in whole or in part if JL&W fails to:

1. Correct or cure any breach of this Contract;
2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
3. Make progress so as to endanger performance of this Contract; or
4. Perform any of the other provisions of this Contract.

B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and JL&W will be liable to the State for any excess costs for those supplies or services. However, JL&W shall continue the work not terminated.

C. The State shall pay the contract price for completed supplies delivered and services accepted. JL&W and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

40. Travel. No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by JL&W for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

41. Waiver of Rights. No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the State's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and JL&W shall be and remain liable to the State in accordance with applicable law for all damages to the State caused by JL&W's negligent performance of any of the services furnished under this Contract.

42. Work Standards. JL&W shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and JL&W shall grant such request.

THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, he/she is the properly authorized representative, agent, member or officer of JL&W, that he/she has not, nor has any other partner, member, employee, representative, agent or officer of JL&W, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Contract other than that which appears upon the face of this Contract.

In Witness Whereof, JL&W and the State of Indiana have, through duly authorized representatives, entered into this Contract. The parties having read and understand the foregoing terms of this Contract do by their respective signatures dated below hereby agree to the terms thereof.

John, Lewis & Wilkins, LLP:

By: _____
Printed Name: John. W. Lewis
Title: Partner
Date: 6/25/07

For the limited purpose set forth in Paragraph 1
Coleman Graham & Stevenson, LLC

By: _____
Printed Name: HOWARD STEVENSON
Title: MEMBER
Date: 6-25-07

Office of the Attorney General

By: _____ (for)
Stephen Carter,
Attorney General
Date: June 26, 2007

Approved by:
Department of Administration

_____ (for)
Carrie Henderson,
Commissioner
Date: 6/26/07

Approved by:
State Budget Agency

_____ (for)
Christopher A. Ruhl,
Director
Date: 6-28-07

Approved as to Form and Legality:
Office of the Attorney General

_____ (for)
Stephen Carter
Attorney General
Date: 6/28/07

Exhibit A

Consideration and Payment Schedule. The rate at which JL&W shall be paid is determined by the number of case files ("Files") which are active between the first day of each month and up to and including the last day of every month according to the following payment schedule:

If the total is between one (1) and up to including one hundred ninety-nine (199) Files, the per File, per month cost is two hundred seven dollars and fifty cents ($207.50).

If the total is between two hundred (200) and up to and including three hundred (300) Files, the per File, per month cost is one hundred eighty-seven dollars and fifty cents ($187.50).

If the total is more than three hundred (300) Files, the per File, per month cost is one hundred sixty-seven dollars and fifty cents ($167.50).

Consultation on Files held by the State for the Lake County Office ("Office") and work with the tort Deputy Attorney General in the Office will be at a per File, per month cost of fifty dollars ($50). In addition, consultation and work on small claims cases maintained by the Office will be provided at a minimal, negotiable rate if the Office determines this is a cost-effective way to handles these Files.

Work and consulting with State-approved local counsel on tort cases will be at no extra cost in order to allow a concise flow of information in tort cases in instances where such use of local counsel will benefit the State of Indiana.

Expenses incurred on behalf of the State of Indiana in the defense of claims such as depositions, mediations, exhibit preparation, mileage costs and local counsel costs will be presented to the State every month for payment in the following month. The expenses will be presented in an invoice in one packet with an acknowledgment that the services were rendered to the State of Indiana and recognition of the File associated with the expense.

Expenses such as file necessities, paper, copying, computer usage, research and other traditional firm expenses will be paid for by Counsel.

The maximum amount payable under this Agreement shall not exceed five hundred fifty-one thousand seven hundred thirty-seven dollars and thirty-two cents ($551,737.32) per annum. JL&W shall submit monthly invoices to the State showing with particularity the date and description of the Legal Services rendered, including the number of new Files opened and old Files closed. All payments shall be made in arrears in accordance with Indiana law and state fiscal policies and procedures. In accordance with I.C. 4-13-2-20, the parties acknowledge that no retainer fee has been paid in connection with this Agreement.

Parking in the State garages is NOT part of the consideration paid under this Agreement.

PROFESSIONAL SERVICES CONTRACT
FOR OUTSIDE COUNSEL

THIS CONTRACT is between the Office of the Indiana Attorney General (hereinafter the "State") and Coleman Graham and Stevenson LLC, 10 West Market Street, Suite 1050, Indianapolis, IN 46204 ("CG&S") and, for the limited purpose set forth herein, John, Lewis and Wilkins, LLP, 20 North Meridian Street, 4th Floor, Indianapolis, IN 46204 ("JL&W")

WITNESSETH

WHEREAS, pursuant to IC 34-13-3-15, the Attorney General is authorized to employ counsel to aid in defending or settling tort claims or suits arising in tort against the State; and

WHEREAS, the State has conducted a request for proposals and determined it is in its best interest to hire CG&S to represent the State, its officials, employees, and agencies in the defense of certain tort claims asserted pursuant to IC 34-13, (the "Legal Services"); and

WHEREAS, CG&S has demonstrated knowledge and expertise in the defense of certain tort claims asserted against the State, and has the resources and manpower to devote to such activities.

NOW THEREFORE, in consideration of the premises and the mutual promises herein contained, it is agreed by and between the State and CG&S as follows:

1. Duties of CG&S. CG&S shall enter its appearance and defend on behalf of the State tort claims assigned to it by the Office of the Attorney General (the "OAG"), such work to include all trial preparation and litigation. The tort claims to be assigned by the OAG shall be those filed against the Family and Social Services Administration and the Department of Child Services.

CGS acknowledges that JL&W has been selected to represent the State in all tort claims filed against all other agencies, and that the OAG has entered into a separate contract with JL&W. However, JL&W shall have general supervisory responsibility for the tort cases assigned to CG&S, and by signing this contract, CG&S agrees to submit to JL&W's general supervision and both CG&S and JL&W agree to cooperate and coordinate fully in the performance of their respective duties and responsibilities.

CG&S shall execute its responsibilities by following and applying the highest professional standards. If the State becomes dissatisfied with the work product or the working relationship with any individual assigned to work on this Agreement, the State may request in writing the replacement of any or all such individuals, and CG&S shall grant such request.

Pursuant to IC 4-6-5-3 and IC 34-13-3-15, the Indiana Attorney General hereby appoints, employs and hires Counsel to provide the Legal Services.

2. Consideration. CG&S shall be paid the monthly rate with the not to exceed amount set forth in Exhibit A.

3. Term. The term of this Contract will be from July 1, 2007 to January 31, 2009, a period of nineteen (19) months.

4. Access to Files and Records. The State shall have full, immediate, and unrestricted access to the work product of the CG&S during the term of this Contract. Upon termination or expiration of this Contract, CG&S shall, without further request and at no cost to the State, turn over to the OAG all files relating to the work performed under this Contract. CG&S acknowledges that it may be required to submit to an audit of funds paid pursuant to this Contract and shall maintain at its offices all books, accounting records, and other evidence pertaining to costs incurred and invoiced under this Contract. Such materials shall be available during the term of this Contract and for three (3) years from the date of termination or expiration, for inspection by the State or its authorized designee. Copies thereof shall be furnished at no cost to the State if requested.

5. Assignment; Successors. CG&S binds its successors and assignees to all the terms and conditions of this Contract. CG&S shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. CG&S may assign its right to receive payments to such third parties as CG&S may desire without the prior written consent of the State, provided that CG&S gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Audits. CG&S acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC 5-11-1, et. seq. and audit guidelines specified by the State.

7. Authority to Bind CG&S. The signatory for CG&S represents that he/she has been duly authorized to execute this Contract on behalf of CG&S and has obtained all necessary or applicable approvals to make this Contract fully binding upon CG&S when his/her signature is affixed, and accepted by the State.

8. Changes in Work. CG&S shall not commence any additional work or change the scope of the work until authorized in writing by the State. CG&S shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

9. Compliance with Laws and Licensing Requirements.

A. CG&S shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and CG&S to determine whether the provisions of this Contract require formal modification.

B. CG&S represents and warrants that, after due and diligent inquiry, it is satisfied that it has no Conflict of Interest (as that term is defined in the *Indiana Rules of Professional Conduct*) that will preclude it from providing the Legal Services.

C. CG&S and its partners, associates, employees and agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC § 4-2-6 *et seq.*, IC § 4-2-7, *et. seq.*, the regulations promulgated thereunder, and

Executive Order 04-08, dated April 27, 2004. If CG&S is not familiar with these ethical requirements, CG&S should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at http://www.in.gov/ethics/. If CG&S, its partners, associates, employees agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to CG&S. In addition, CG&S may be subject to penalties under IC §§ 4-2-6, 4-2-7, 35-44-1-3, and under any other applicable laws.

D. CG&S certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State. CG&S agrees that any payments currently due to the State may be withheld from payments due to CG&S. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until CG&S is current in its payments and has submitted proof of such payment to the State.

E. CG&S warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, CG&S agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

F. If a valid dispute exists as to CG&S's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to CG&S, CG&S may request that it be allowed to continue, or receive work, without delay. CG&S must submit, in writing, a request for review to the OAG. A determination by the OAG shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC § 5-17-5.

G. CG&S shall comply with all applicable registration and licensing requirements, rules, standards and codes of conduct governing the practice of law and the transaction of business in Indiana. CG&S shall immediately notify the State if any disciplinary actions are brought against any of its partners or other attorneys. CG&S certifies, by entering into this Contract, that none of its partners or associates are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana.

H. CG&S affirms that, if it is an entity described in Title 23 of the Indiana Code, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

I. As required by IC 5-22-3-7:

(1) CG&S and any principals of CG&S certify that (A) CG&S, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations] , or (iii) IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) CG&S will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

(2) CG&S and any principals of CG&S certify that an affiliate or principal of CG&S and any agent acting on behalf of CG&S or on behalf of an affiliate or principal of CG&S (A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

10. Condition of Payment. All services provided by CG&S under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of and federal, state or local statute, ordinance, rule or regulation.

11. Confidentiality of State Information. CG&S understands and agrees that data, materials, and information disclosed to CG&S may contain confidential and protected information. CG&S covenants that data, material and information gathered, based upon or disclosed to CG&S for the purpose of this Contract, will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by CG&S for the State under this contract may require or allow access to data, materials, and information containing Social Security numbers or other personal information maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), CG&S and the State agree to comply with the provisions of IC 4-1-10 and IC 4-1-11. If any Social Security number(s) or personal information (as defined in IC 4-1-11-3) is/are disclosed by CG&S, CG&S agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

12. Continuity of Services.

A. CG&S recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. CG&S agrees to:
   1. Furnish phase-in training, and
   2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. CG&S shall, upon the State's written notice:
   1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires, and
   2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required.

   The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. CG&S shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. CG&S shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. CG&S also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, CG&S shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. CG&S shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

13. Debarment and Suspension.

A. CG&S certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of CG&S.

B CG&S certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. CG&S shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

14. Default by State. If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, CG&S may cancel and terminate this Contract and institute the appropriate measures to collect monies due up to and including the date of termination.

15. Disputes.

A. Should any disputes arise with respect to this Contract, CG&S and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. CG&S agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Contract that are not affected by the dispute. Should CG&S fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or CG&S as a result of such failure to proceed shall be borne by CG&S, and CG&S shall make no claim within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:

1. The parties agree to resolve such matters through submission of their dispute to the Dispute Resolution Section of the OAG. The Section shall reduce a decision to writing and mail or otherwise furnish a copy thereof to CG&S and the State within ten (10)

working days after presentation of such dispute for action. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration or mediation for a determination, or otherwise the dispute may be submitted to an Indiana court of competent jurisdiction.

2. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to CG&S of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for CG&S to terminate this Contract, and CG&S may bring suit to collect these amounts without following the disputes procedure contained herein.

16. Drug-Free Workplace Certification. CG&S hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. CG&S will give written notice to the State within ten (10) days after receiving actual notice that CG&S or an employee of CG&S in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana.

CG&S certifies and agrees that it will provide a drug-free workplace by:

A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) CG&S's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify CG&S of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;

E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for

such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

17. Employment Option. If the State determines that it would be in the State's best interest to hire an employee of CG&S, CG&S will release the selected employee from any non-compete agreements that may be in effect. This release will be at no cost to the State or the employee.

18. Force Majeure. In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

19. Funding Cancellation. When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of the State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

20. Governing Laws. This Contract shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

21. Indemnification. CG&S agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of CG&S and/or its subcontractors, if any, in the performance of this Contract. The State shall **not** provide such indemnification to CG&S.

22. Independent Contractor. Both parties hereto, in the performance of this Contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

CG&S shall be responsible for providing all necessary unemployment and workers' compensation insurance for CG&S's employees.

23. Insurance.

A. CG&S shall secure and keep in force during the term of this Contract, the following insurance coverages, covering CG&S for any and all claims of any nature which may in any manner arise out of or result from CG&S's performance under this Contract:

1. Lawyers Professional Liability Insurance with per claim and aggregate limit of $1,000,000/$2,000,000.

2. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits of $700,000 per person and $5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.

3. Automobile liability with minimum liability limits of $700,000 per person and $5,000,000 per occurrence. The State is not to be named as an additional insured on a primary, non-contributory basis.

B. CG&S's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority issued by the Indiana Department of Insurance.
2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of CG&S.
3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by CG&S in excess of the minimum requirements set forth above.
4 The insurance required in this Contract, through a policy of endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the OAG.

C. Prior to commencing operations, CG&S shall furnish a Certificate of Insurance to the OAG, including a provision that coverages may not be canceled, reduced or allowed to expire without thirty (30) days' prior written notice to the OAG. If information concerning cancellation, reduction or expiration of coverage is not timely furnished by the insurer, CG&S shall have the absolute responsibility to timely inform the OAG. Proof of renewal or change of carrier shall be furnished by the insurer and/or the CG&S in a timely manner.

D. Failure to provide insurance as required in this Agreement may be deemed a material breach of Agreement entitling the State to immediately terminate this Agreement.

24. Key Person(s).

A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the State shall have the right to terminate this Contract upon thirty (30) days prior written notice.

B. In the event that CG&S is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for CG&S shall not be permitted without express written consent of the State.

C. Nothing in sections A and B, above shall be construed to prevent CG&S from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common

labor duties. CG&S shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person to this Contract is Howard Stevenson.

25. Merger & Modification. This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented or amended, except by written agreement signed by all necessary parties.

26. Minority and Women's Business Enterprises Compliance. CG&S agrees to comply fully with the provisions of 25 IAC 5 and any participation plan that may have been submitted to the State.

27. Nondiscrimination. Pursuant to the Indiana Civil Rights Law, specifically including IC 22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, CG&S covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee or applicant's: race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Furthermore, CG&S certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services.

28. Notice to Parties. Whenever any notice, statement or other communication is required under this Contract, it shall be sent to the following addresses, unless otherwise specifically advised.

A. Notices to the State shall be sent to:
Charles J. Todd
Office of the Attorney General
302 W. Washington St., IGCS-5th Floor
Indianapolis, IN 46204

B. Notices to CG&S shall be sent to:
Howard L. Stevenson
Coleman Graham & Stevenson, LLC
10 West Market Street, Suite 1050
Indianapolis, Indiana 46204

29. Order of Precedence; Incorporation by Reference. Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) This Contract, (2) attachments prepared by the State.

30. Ownership of Documents and Materials. All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by CG&S prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and CG&S transfers any ownership claim to the State and all such materials will be the property of the State. Use of these materials, other than related to contract performance by

CG&S, without the prior written consent of the State, is prohibited. During the performance of this Contract, CG&S shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided while the materials are in the possession of CG&S. Any loss or damage thereto shall be restored at CG&S's expense. CG&S shall provide the State full, immediate, and unrestricted access to the work product during the term of this Contract.

31. Payments. All payments shall be made in arrears in conformance with State fiscal policies and procedures and, as required by IC 4-13-2-14.8, by electronic funds transfer to the financial institution designated by CG&S in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC 4-13-2-20.

32. Penalties/Interest/Attorney's Fees. The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1.

Notwithstanding the provisions contained in IC 5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

33. Renewal Option. This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC 5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

34. Security and Privacy of Health Information. CG&S agrees to comply with all requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) in all activities related to this Contract, to maintain compliance throughout the life of this Contract, to operate any systems used to fulfill the requirements of this Contract in full compliance with HIPAA and to take no action which adversely affects the State's HIPAA compliance.

The parties acknowledge that the Department of Health and Human Services has issued the Final Rule, as amended from time to time, on the Standards for Privacy of Individually Identifiable Health Information, as required by HIPAA. To the extent required by the provisions of HIPAA and regulations promulgated thereunder, CG&S covenants that it will appropriately safeguard Protected Health Information (PHI), as defined by the regulations, which is made available to or obtained by CG&S in the course of its work under this Contract. CG&S agrees to comply with applicable requirements of law relating to PHI with respect to any task or other activity it performs for the State as required by the final regulations.

35. Severability. The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

36. Substantial Performance. This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

37. Taxes. The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on CG&S as a result of this Contract.

38. Termination for Convenience. This Contract may be terminated, in whole or in part, by the State whenever, for any reason, the State determines that such termination is in its best interest. Termination of services shall be effected by delivery to CG&S of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. CG&S shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. CG&S shall be compensated for services herein provided but in no case shall total payment made to CG&S exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

39. Termination for Default.

A. With the provision of thirty (30) days notice to CG&S, the State may terminate this Contract in whole or in part if CG&S fails to:

1. Correct or cure any breach of this Contract;
2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
3. Make progress so as to endanger performance of this Contract; or
4. Perform any of the other provisions of this Contract.

B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and CG&S will be liable to the State for any excess costs for those supplies or services. However, CG&S shall continue the work not terminated.

C. The State shall pay the contract price for completed supplies delivered and services accepted. CG&S and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

40. Travel. No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by CG&S for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

41. Waiver of Rights. No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, he/she is the properly authorized representative, agent, member or officer of CG&S, that he/she has not, nor has any other partner, member, employee, representative, agent or officer of CG&S, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Contract other than that which appears upon the face of this Contract.

In Witness Whereof, CG&S and the State of Indiana have, through duly authorized representatives, entered into this Contract. The parties having read and understand the foregoing terms of this Contract do by their respective signatures dated below hereby agree to the terms thereof.

Coleman Graham & Stevenson, LLC:

By: _____
Printed Name: HOWARD STEVENSON
Title: MEMBER
Date: 6-25-07

For the limited purpose set forth in Paragraph 1
John, Lewis & Wilkins, LLP

By: _____
Printed Name: John H. Lewis
Title: Partner
Date: 6/25/07

Office of the Attorney General

By: _____ (for)
Stephen Carter,
Attorney General
Date: June 26, 2007

Approved by:
Department of Administration

_____ (for)
Carrie Henderson,
Commissioner
Date: 6/26/07

Approved by:
State Budget Agency

_____ (for)
Christopher A. Ruhl,
Director
Date: 6-28-07

Approved as to Form and Legality:
Office of the Attorney General

_____ (for)
Stephen Carter
Attorney General
Date: 6/28/007

EXHIBIT A

For fewer than 15 active files on the first of each month: $8,000 a month

For between 16 and 49 active files on the first of each month: $10,000 a month

For over 50 active files on the first of each month: $15,000 a month

The maximum amount payable under this Agreement shall not exceed one hundred twenty thousand dollars ($120,000) per annum. CG&S shall submit monthly invoices to the State showing with particularity the date and description of the Legal Services rendered, including the number of new Files opened and old Files closed. All payments shall be made in arrears in accordance with Indiana law and state fiscal policies and procedures. In accordance with I.C. 4-13-2-20, the parties acknowledge that no retainer fee has been paid in connection with this Agreement.

Parking in the State garages is NOT part of the consideration paid under this Agreement.