LEGAL SERVICES AGREEMENT

OCT 1 9 2006

THIS AGREEMENT made and entered into this 17th day of October, 2004, between the Montana Department of Corrections, hereinafter-called "Agency", and Mike McCarter and Luxan and Murfitt, PLLP, hereinafter called the "Contractor".

Contractor and the Agency, in consideration of the mutual covenants and stipulations set forth herein, agree as follows:

SECTION 1. SCOPE OF WORK. The Contractor agrees to provide professional legal services to the Agency in matters relating to wage claims of prison employees David Ball, Toni Barclay, Tery Cochrane, Nick Cook, Art Garrison, Bob Hust, Deb Hust, Barrie Malcom, Bob Morani, Bob Shaw, Roland Smathers, and Carla Strutzel.

SECTION 2. PAYMENT. Contractor shall be paid the sum of $140 per hour. In addition to the above compensation, payment for expenses relative to travel, meals and lodging shall be reimbursed at the rate paid state employees pursuant to Title 2, Chapter 18, part 5 MCA. Payment shall be made on a monthly basis upon submission by Contractor of a claim for services rendered and expenses incurred which shall list the total number of hours worked by the Contractor and the expenses incurred during the preceding calendar month. Claim for expenses incurred shall be supported by proper documentation, such as copies of receipts attached to the claim. Contractor agrees to abide by any billing guidelines provided to him in writing by the Agency during the term of this

contract, provided that such guidelines will not impose any obligations on Contractor with respect to conduct occurring prior to Contractor's receipt of the guidelines in writing. Such billing guidelines, when received by the Contractor in writing, become part of this agreement unless, within ten days of their receipt in writing by the Contractor, the Contractor exercises his right to terminate the agreement under Section 17 or the parties otherwise agree in writing pursuant to Section 12.

SECTION 3. TERM. Performance shall commence upon execution of this Agreement and shall terminate one year after execution unless the contract is extended by written agreement of the parties or earlier terminated as provided in Section 17.

SECTION 4. ACCESS. The Agency agrees to provide the Contractor reasonable access, during the normal business hours, to all personnel files, and other information not privileged or confidential, necessary for the Contractor to perform his obligations under this Agreement, or, the Agency shall allow personnel from the Contractor reasonable access, during the normal business hours, to the Agency's records, personnel files, properties for research and any other information not privileged or confidential necessary for the Contractor to accomplish the purposes set forth in Section 1, Scope of Work.

SECTION 5. RECORDS. The contractor shall record all information and data obtained in the performance of the Agreement and shall make such information available to the Agency upon request. Upon completion of this Agreement, all information and

data shall become the property of the Agency, but an office copy may be maintained by the Contractor.

SECTION 6. PUBLIC INFORMATION. The Contractor and the Agency agree that any legal advice, recommendations or conclusions pertaining to the subject matter of this Agreement shall be confidential and submitted for review to the Agency. It is further agreed that any and all public releases of information pertaining to this Agreement be submitted to, approved, and released by the Agency provided, that the Agency may authorize the Contractor in writing to release such information.

SECTION 7. AGENCY ASSISTANCE. It is agreed the Agency shall cooperate with the Contractor and provide such access to agency records as is consistent with law and necessary for Contractor to provide professional services as set forth in Section 1.

SECTION 8. AUDIT. The Contractor shall maintain reasonable records of performance under this Agreement. The Contractor agrees that the Legislative Auditor and the Legislative Fiscal Analyst may audit all records, reports, and other documents, which the Contractor maintains under or in the course of this Agreement to insure compliance with this Agreement. Such records, reports, and other documents may be audited at any reasonable time.

SECTION 9. PERSONNEL. It is mutually agreed that the Contractor is an independent contractor and will furnish to the Agency certification from the appropriate state regulatory agency establishing either that the Contractor has elected workers'

compensation coverage for herself or has an approved exemption from coverage, as required by applicable state law.

SECTION 10. INDEMNITY AND LIABILITY. The Contractor shall indemnify and hold harmless the Agency from and against any and all claims, demands, or actions from damages to property or injury to persons or other damage to persons or entities arising out of, or resulting from the Contractor's performance of this Agreement, including but not limited to damages, costs, and attorney fees, provided such damage to property or injury to persons is caused in whole or in part by the negligent act, error, or omission of the Contractor or any of her employees, agents, consultants, or subcontractors.

SECTION 11. ASSIGNMENTS AND CONSULTANTS. The parties mutually agree that there will be no assignment, transfer or subcontracting of the contract or any interest therein, unless agreed to by both parties in writing as provided in Section 12, Modifications. Contractor agrees that any consultants, investigators, or experts required for the representation provided herein may be hired only with the prior written approval of the Agency.

SECTION 12. MODIFICATIONS. Except as provided in Section 2, no letter or other communication passing between the parties to this Agreement, concerning any matter during this contract period shall be deemed a part of this Agreement unless it is distinctly stated in such letter or communication that it is to constitute part of this Agreement, and such letter or communication is attached as an Appendix to this Agreement and is signed by the

authorized representatives of each of the parties to this Agreement.

SECTION 13. SUCCESSORS AND ASSIGNS. This Agreement shall be binding on all successors and assigns of the Contractor, including successors in interest.

SECTION 14. LIMITS OF AGREEMENT. This instrument contains the entire Agreement between the parties, and except as provided in Section 2 no statements, promises of inducements made by either party, or agents of either party, which are not contained in the written Agreement shall be valid or binding. This Agreement may not be enlarged, modified or altered except as provided in Section 12, Modifications.

SECTION 15. DISCRIMINATION. Any hiring of employees under this contract by the Contractor shall be on the basis of merit and qualifications, and there shall be no discrimination in such hiring on the basis or race, color, religious creed, political ideas, sex, age, marital status, physical or mental handicap, national origin, or ancestry. As used herein, "qualifications" mean qualifications as are generally related to competent performance of the particular occupational task.

SECTION 16. LIAISON. The Agency has designated Colleen A. White 444-4152, as its liaison officer to whom Contractor is to direct communications concerning the Agreement.

SECTION 17. TERMINATIONS. This Agreement shall continue in force and govern all transactions between the parties for the term stated in Section 3, or until canceled or terminated by either

party. It is further agreed that either party may cancel this Agreement without cause upon 10 days written notice to the other party, by certified mail. In the event of termination, the Contractor shall be paid for the work performed or services rendered through the date of termination and the original copies of all pleadings, exhibits, notices, attorney's memoranda, forms, photographs, and expert's reports prepared by the Contractor prior to termination shall become the property of the Agency and shall be delivered to the Agency within a reasonable time.

SECTION 18. DISPUTES. This Agreement shall be governed by the laws of the State of Montana. In the event of litigation concerning the terms of this Contract, venue shall be in the Montana First Judicial Court, County of Lewis and Clark.

DATED this 17th day of October, 2006.

Contractor

Colleen A. White

Agency