

September 19, 2007

PRIVILEGED AND CONFIDENTIAL

Mark and Carol DeCoursey
8209 172nd Ave. NE
Redmond, WA 98052

Re: *V & E Medical Imaging Service, Inc., Paul Stickney Automated Home Solutions,*
[REDACTED] Windermere Real Estate, [REDACTED] Construction
Credit Corp., Herman, Recor, Araki Law Firm

Dear Mark and Carol:

Thank you for engaging Lane Powell PC to represent you in connection with the above referenced matter. We are pleased to have you as a client and look forward to working with you.

This letter and the attached statement set forth the terms that will govern our engagement. Please review the terms carefully, and if you have any questions or concerns about them, please contact me to discuss them. Except for the recitations as to the scope of the representation, the attorneys responsible for that representation, and our hourly rates, the terms of this letter and the attached statement will apply to all future matters in which we represent you.

Scope of the Representation. You have engaged us to represent you in connection with the above referenced lawsuit. Our services will be limited to providing the foregoing representation and will not extend to your general business, personal or legal affairs, or to any other aspect of its activities. Mark and Carol DeCoursey understand and agree that our receipt or use of confidential or other information from them or anyone else in the course of this representation will not give rise to any expectation by them that we will render any other advice or services.

We also understand that you have represented yourselves in the present lawsuit *pro se*. At this time you have performed some motions practice as well as discovery. Trial is currently set for January 22, 2008 and the discovery cutoff date is December 4, 2008. Our representation of you in this matter may be limited by events and/or occurrences that have already come to pass in this litigation. At the same time, we understand that given your familiarity with the facts of the case and your desire for cost efficient representation, you may wish to make significant contributions to our efforts to represent you.

Responsibility. The attorneys and paralegals of our firm have extensive experience in a large variety of legal specialties and disciplines. We assign work in a matter to the person best suited to perform it, with the goal of creating the best quality product on the most cost-effective basis. At all times, however, I will remain personally responsible and accountable to you. If you have any question or concern about our staffing or provision of services to you, please do not hesitate to contact me at 206-223-7963 or, if you prefer, our President, Lewis M. Horowitz at 503-778-2171.

Fees. As the attached statement explains in more detail, our fees are ordinarily based on the hourly rates for attorneys and others who work on a matter. These rates are reset from time to time, usually at the beginning of each year, with changes reflected in the following month's billing statement. My current hourly rate is \$275. Other attorneys who may be involved in this engagement include Dennis M. Strasser, whose current hourly rate is \$350, as well as Andrew Yates, whose current hourly rate is \$270. Rates for other attorneys in the firm currently range from \$230 to \$400 per hour. We may use other attorneys in the firm to assist in the representation as appropriate.

Invoices. As explained in the attached statement, we will bill you monthly and request payment upon receipt. We charge interest on unpaid invoices. If any invoice remains unpaid for more than 60 days, we may, consistent with our ethical obligations and requirements, cease performing services until satisfactory arrangements have been made.

Deposits. Our policy is to ask new clients to make an advance fee deposit, sometimes referred to as a retainer. At our request, you have agreed to pay us a retainer of \$5,000, which we will deposit in our client trust account. That initial retainer will be held in our client trust account until the conclusion of this matter, at which time, payment of our outstanding invoices will be paid from the retainer.

Document Retention. Please note that at the conclusion of the engagement, you may request the return of original records you have provided to us, and of original records we have created for you. If you request additional materials or a copy of your entire file, you agree to pay our reasonable copying expenses. Materials associated with this matter that are not returned may be destroyed in accordance with our file retention policy.

Agreement. Our policy is that we cannot begin work on this engagement until we have received a copy of this letter and attached statement, countersigned by you. Accordingly, if the terms meet your approval, please sign and return the enclosed copy to me upon receipt. If you ask us to start work before then, we will be happy to do so, but will consider that request as your agreement to the terms of the letter and statement.

We appreciate your choice of Lane Powell PC to serve your legal needs. As in every engagement we undertake, our goal is to understand your needs, provide the highest quality

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service, and exceed your expectations. We welcome discussion of all matters stated in this letter and in the attached statement, and we encourage you to be frank with us about how best to serve you. Should you ever have any questions about any aspect of our engagement, please do not hesitate to contact me.

Sincerely,

LANE POWELL PC



Breff L. Nourse

Mark and Carol DeCoursey agree to the above terms of engagement.

Mark DeCoursey

Date: _____

Carol DeCoursey

Date: _____

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LANE POWELL PC

STATEMENT OF TERMS OF ENGAGEMENT

In addition to the foregoing letter, the following terms are an important part of our agreement with you and may be modified only if both parties agree in writing. Unless expressly changed, these terms will apply to the matter described in the engagement letter and to future matters in which we represent you. Please review these terms carefully and keep this document and the engagement letter in your files.

CONFLICTS

We have examined our internal data to determine whether any conflicts of interest exist that would preclude us from representing you, and have found no such conflicts. Our examination is based upon our existing information and the information you have provided to us. Because circumstances change, both we and you must be continually alert to the development of additional information that may give rise to a conflict. Please call us immediately if you become aware of such information.

We do not want to represent clients in connection with matters in which their interests are adverse to another client's interests. It is possible, however, that in the future, existing or new clients may seek our services in connection with matters that are not substantially related to our work for you, but in which the interests of those clients may be adverse to yours. Please understand that our firm cannot undertake to represent you without your assurance that you will not seek, on the basis of that representation, to disqualify us from representing other clients in any matter that is not substantially related to our work for you. Your prospective consent to such conflicting representation would not apply in an instance where, as the result of representing you, we have obtained sensitive, proprietary, or otherwise confidential information that, if known to any other client, could be used by them to your material disadvantage.

COOPERATION

We want to provide you the best representation possible. To do so, it is essential that you cooperate with us, by providing timely, complete, and accurate responses to our requests for information. In addition, it may be necessary for you to make employees available to discuss issues and to participate in meetings, work sessions, or judicial proceedings related to the matter. We cannot be responsible for the consequences of a failure to

cooperate in these respects: not only will it hinder our ability to represent your interests, but it could necessitate our withdrawal from representation.

CONFIDENCES

With rare exceptions, ethical rules prevent us from disclosing to persons outside our firm information we have obtained from a client, without first obtaining the client's permission to do so. In many engagements, however, we may work with persons outside our firm who have been retained to perform services on the client's behalf. You agree that in the event such persons are retained on your behalf, we can disclose to such persons information that is, in our judgment, necessary to the performance of their duties and to the representation of your interests. Our effective representation also may require disclosures of information among members of our firm, but we will never make such disclosures unnecessarily.

CLIENT DEPOSITS

As a general practice, and consistent with our ethical and fiscal responsibilities, we will deposit any advance deposit in a pooled interest-bearing trust account called an IOLTA account, a statewide procedure approved by the Supreme Court of Washington. The interest accruing on such funds, net of transaction costs, is paid to the Legal Foundation of Washington, which uses it to provide lawyers to persons who cannot afford them. The interest is not taxable to clients. Unless you request otherwise, we will place such deposits into the IOLTA account. If you do request otherwise in writing, we will establish a separate trust account for your funds. In that event, interest earned, net of the financial institution's charges, will be deposited in that trust account and taxable to you.

FEES

Our fees will be primarily based on the amount of time spent by lawyers, paralegals, and in some cases, other professionals or law clerks. Fees are determined by multiplying the number of hours worked by the hourly rate of the person performing the work. The rates charged will be those in effect at the time the work is performed. Our rates are based upon an individual's experience and expertise. Our rates are reviewed annually and may be adjusted without notice.

We are often asked to estimate the amount of fees and costs likely to be charged in connection with a particular matter. Whenever possible, we will be happy to furnish such an estimate based on our best professional judgment. However, it is important to understand that any such estimate is not a guaranteed maximum. We generally cannot give maximum fee quotations because it is often not possible to predict exactly how much time and effort will be required. This is especially true in matters involving litigation or negotiation, where factors that are not within our control often affect the ultimate fee.

Each month before a bill is issued, a review is performed to assess the nature and quality of the services performed, and in cases where there is a disparity between the services rendered and the time charged, the bill is adjusted as appropriate. Time charges are not absolutes to which we adhere without analysis. We may consider factors other than time such as the novelty or complexity of issues and problems encountered, the extent of responsibility involved, the results achieved, the efficiency of our work, and the customary fees for similar legal services in arriving at a fair fee.

COSTS AND DISBURSEMENTS

A variety of costs may be incurred in the course of our representation of your interests. These may include charges for long distance telephone, delivery or messenger services, faxing, photocopying, travel expenses, filing fees, court reports, transcripts, witness fees, process of service, and the use of other service providers, such as expert witnesses and court reporters. We may also charge for computerized legal research services, as the use of such services greatly reduces lawyer research time and thus assists in controlling the cost to you.

Any disbursements advanced by our firm are done so as a courtesy to the client and to expedite performance—the client is liable for all advanced disbursements. Please note that billing for such costs may lag the actual expenditures because of delays in the receipt of third-party bills and the posting of accounts. In certain circumstances, we may request that you pay expenses directly to a service provider.

PAYMENT OF INVOICES

Unless otherwise agreed, invoices will be sent monthly reflecting work performed in the previous month, as well as expenses or disbursements incurred on your behalf. Payment is due upon receipt of our invoice, and should be made by check or sent by wired funds to "Lane Powell PC." If we do not receive questions about the invoice within 30 days

from the date of the invoice, we will assume that you have reviewed the invoice and found it in order. Unless otherwise agreed, bills not paid within 30 days shall accrue interest at an annual rate of 9 % (or 0.75% per month). If any invoice remains unpaid for more than 60 days, we may, consistent with our ethical obligations and judicial requirements, cease performing services for you until arrangements satisfactory to the firm have been made for payment of the amount in arrears as well as future fees.

DELINQUENT ACCOUNTS

Should an account become delinquent, the firm has collection procedures that it will follow to ensure that the account is paid promptly. These collection procedures have been established in fairness to the very high percentage of the firm's clients who pay their bills each month as rendered.

TERMINATION OF REPRESENTATION

Both you and we have the right at any time to terminate the attorney-client relationship. If you decide to terminate the relationship, you must notify us immediately of your decision in writing. Your termination of our representation does not eliminate your responsibility to pay for work performed prior to termination.

If we determine that we are no longer able to represent you, we will abide by the applicable Rules of Professional Conduct regarding the withdrawal of representation. Please keep in mind that we may withdraw from representation for good cause and on reasonable notice to you. "Good cause" includes, but is not limited to: (1) your failure to cooperate with us as provided above and in the engagement letter; (2) your failure to pay any invoice when due, or to replenish a retainer as agreed; and (3) any fact or circumstance that would render our continuing representation unlawful or unethical. Any withdrawal by us from representing you may be subject to approval from any court in which we are appearing on your behalf.

QUESTIONS?

We encourage you to be frank with us about how best we can serve you. If you have any questions about any aspect of our arrangements, please do not hesitate to discuss them with the attorney responsible for your matter or with our President.

LANE POWELL PC

BRENT L. NOURSE
206.223.7963
nourseb@lanepowell.com