ATTORNEY CONTRACT

THIS AGREEMENT is made this 23-0 day of February, 2006, between the Squaxin Island Indian Tribe ("Tribe") and John B. Arum of Ziontz, Chestnut, Varnell, Berley & Slonim ("Attorneys").

IT IS AGREED AS FOLLOWS:

- 1. <u>Employment</u>. The Tribe agrees to employ the Attorneys to perform the work and professional services as set forth in this agreement and the Attorneys in consideration agree to faithfully execute their duties in a good and professional manner and to conduct themselves in such a way as shall serve the best interest of the Tribe.
- 2. <u>Term.</u> The term of this contract shall be a period of one (1) year commencing on January 1, 2006, and terminating on September 30, 2007, subject, however, to prior termination as provided below. At the expiration date this agreement shall automatically cease and the Tribe is under no duty to notify the Attorneys of such cessation and end of employment. There is no right of renewal.
- 3. <u>Duties</u>. The duties of the Attorneys shall be to represent the Tribe with respect to its appeal of the water right permits granted the Miller Land Trust for residential developments within the Deschutes watershed.
- 4. <u>Compensation</u>. For representation by Attorneys the Tribe shall pay the Attorneys an hourly fee not to exceed \$140.00 per hour, depending on the experience of the Attorney. Law students, law clerks, paralegals and contract attorneys may be used for some functions that would otherwise have to be performed by Attorneys at a higher hourly rate. Work performed by law students, law clerks, paralegals or contract attorneys will be charged at an hourly rate ranging from \$25 to \$100 per hour, (depending on the qualifications and experience of the individual utilized). The compensation hereunder shall not exceed \$20,000 without a contract amendment authorizing spending in excess of that amount.
- 5. Expenses. Where the Tribe has approved the retention of experts the fees of such experts shall be payable as an expense of this contract, unless such experts contract directly with the Tribe. The Attorneys shall also be allowed necessary and proper travel expenses incurred in connection with the performance of their duties under this contract. Travel by automobile shall be allowed at the federal income tax deduction rate applicable at the time of travel. When overnight travel is necessary reasonable lodging and meal expenses shall be allowed. In addition, the Attorneys shall be allowed the following expenses: copying expenses, witness fees, exhibit preparation expenses, long distance telephone calls, court costs and fees, outside contracted stenographic services, printing expenses and postage expenses.
- 6. <u>Payment of Fees and Expenses</u>. All fees and expenses shall be paid upon the basis of monthly billings prepared by the Attorneys. Each billing shall show the services performed and expenses incurred by the Attorneys. Payment shall be made within thirty days of the Tribe's receipt of the monthly bill.

- 7. Non-Assignability. It is agreed that no assignment of the obligations of this contract in whole or part shall be made without the consent of the Tribe and the Attorneys.
- 8. <u>Termination</u>. This contract may be terminated by either party, giving thirty days notice in writing to the other party. This contract may also be terminated for failure to pay for Attorneys' services when payment is due. Consistent with the Rules of Professional Conduct and rules applicable to practice before Tribal, State and Federal courts, Attorneys may also defer services or withdraw from representation of the Tribe for failure to make payment when due.
- 9. Attorney's Standing. The Attorneys stipulate that they are fully licensed members in good standing of the Washington State Bar Association and to the best of their knowledge no disciplinary proceedings have ever been instituted against them by any bar association of any jurisdiction in the United States or its territories.
- 10. <u>Miscellaneous</u>. If any part of provision of this contract or the application thereof shall be adjudged invalid, the validity of the other parts or provision shall not be affected.
- 11. <u>Amendment by Written Endorsement</u>. It is understood and agreed that this instrument embodies all agreements existing between the Tribe and the Attorneys as to the matters described in Paragraph 3 and that no term, provision, or condition of this agreement shall be held to be altered, amended, changed or waived in any respect except by written agreement of both the Tribe and Attorneys.

DATED this 23 - Lay of February, 2006.

ZIONTZ, CHESTNUT, VARNELL, BERLEY & SLONIM

John B. Arum, WSBA #19893

SQUAXIN ISLAND TRIBE

lames L. Peters, Its Chairman