

CONTINGENT FEE REPRESENTATION AGREEMENT

Contract for legal services between _____, (hereinafter referred to as "Client"), and Michael A. Schafer, Attorney at Law, (hereinafter referred to as "Attorney").

This agreement replaces and supersedes any and all other Contracts or Agreements relative to the employment by the Client and the Attorney.

ARTICLE 1. EMPLOYMENT

Client employs Attorney on a contingent fee basis, as opposed to an hourly rate basis, to investigate the claims Client has arising out of or connected with an accident that occurred in Jefferson County, Louisville, Kentucky on _____. Attorney accepts employment subject to and upon the terms of this Contract. Client agrees that Attorney has made no representations to Client, or to others for Client's benefit, as to whether any recovery will be made for Client.

ARTICLE 2. AUTHORITY FOR ATTORNEY

Client authorizes Attorney to investigate, prepare, settle (with Client's prior consent) and, if in Attorney's sole opinion necessary and warranted, to file suit on and to prosecute the meritorious claims Client has against all responsible persons and business organizations. Client further authorizes Attorney to employ investigators, photographers, reporters, consulting experts and expert witnesses; to employ associate counsel or local counsel or both at Attorney's expense without Client's prior consent; and to release to each opposing party, their attorney, and their insurance company the original or copy of each report, statement, photographs, medical report, hospital report, tax return, paper, document or tangible thing Attorney's possession relating to Client's case.

Client further authorizes Attorney to submit the case to non-binding mediation if, in the Attorney's sole opinion, mediation would be an effective method of resolving the case.

If Attorney, at any time is of the opinion that Client's case is impractical for any reason, or if the Client refused to cooperate with Attorney, or if Client reject an offer of settlement recommended by Attorney, Attorney shall have the right to withdraw from representing Client by giving Client written notice at least ten (10) days before the date of withdrawal.

Client agrees that Attorney is under no duty to appeal or retry Client's case unless, in Attorney's sole opinion, an appeal or retrial is warranted.

Review of legal documents - AAWS Lawsuit

on Trademarks & Copyrights

(111)

| <u>Exhibit</u> | <u>Document</u> | <u>Page</u> | <u>Content/Comments</u> |
|----------------|--|------------------------------|---|
| 001 | Plaintiff's First Request For Production of Documents And Things To Defendant Frames Of Mind, Inc. | 2 | AAWS must have known about the letters, from staff members, "authorizing" the use of the logo in jewelry. Otherwise they would not have needed to include any letters from Waneta New or June Russell (Waneta was AAWS secretary & June GSO staff) in their discovery request. Having known this—one would think caution would be indicated and wide consultation used before taking action. |
| 002 | O R D E R — Judge Conboy - 5/26/92 | 2 | In this "order" AAWS lost its fight to have designs it didn't like ruled as unusable by F.O.M. (Also see Item #029-A, Topic: AAWS Request for Conference) |
| 003 | Letter to Tom Jasper from AA member on Long Island | 3 | (newspaper article) "...Weber (Cynthia) said that AA has <u>never permitted</u> or licensed anyone to use their trademarks..." Based on Item #1 this is an easily identified false statement. |
| 004 | Letter from Tom Jasper in response to questions on litigation | 4 | "By what authority..." In the response it is only noted that the actions were taken <u>on the AAWS Boards authority</u> — but does not clearly answer the question of <u>who made the decision?</u> Obviously Tom recognizes that the authority needed here rests with an <u>entire board</u> . However, he seems to fail to recognize which board holds this authority and, it appears, acted as though it had been turned over to him. |
| 005 | Letters from Waneta New & June Russell (AAWS Secretary & GSO Staff, respectively) | 2/25/76 3/9/76 3/27/96 | These three letters give people permission to use the AA logo on jewelry and bumper stickers (decals). Since these are copies transmitted from GSO to F.O.M. (in its discovery request) it is most obvious that the attorney for AAWS & Tom Jasper knew that this had been done in the past. In the 5/27/76 letter it is obvious that this was not an isolated incident ("...As usual, please fill out..." - ¶ 3). Not only that, but the list of suppliers contained companies who supplied a wide variety of items with our logo on them. I have no doubt that GSO had copies of the catalogs of these suppliers and were aware of the use of the logo. |
| 006 | Defendant Frames Of Mind, Inc.'s First Set Of Interrogatories To Plaintiff | 5 | "...Identify each person who was involved in the promulgation or adoption of the guidelines regarding the use of marks contained in the AA General Service Manuals 1988/89 and 1989/90 editions..." Not only are Conference members having their anonymity compromised, this kind of discovery precedes adding names as defendants in future suits having to do with the logo policy in the Service Manual. AAWS foolishly added unnecessary legal risk to the members of the Conferences that approved the noted policy. |
| 007 | Notice To Produce | 7 & 9 | Requests copies of letters from AA members in which the logos, or use of the logos, is a topic. Not only are Conference members compromised, here we see that individual AA members — writing in what they thought to be complete anonymity — are compromised as well. Should individual names be used in a courtroom argument, or a legal brief, a members affiliation with AA could become a matter of public record. |
| 008 | Reply Declaration | 2 | States that F.O.M. suffered a 42% decline in sales as a direct result of AAWS' actions. Due to our unwillingness to pursue the lawsuit in California (Freedman Jewelry Co), do we now stand to be held liable for a financial payment should F.O.M. decide to sue us for failure to live up to the Settlement Agreement? |