STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL LEGAL SERVICES CONTRACT

DANA NESSEL, Attorney General of the State of Michigan (Attorney General), and the Department of Attorney General (Department) retain and appoint Stanley "Skip" Pruss, as a Special Assistant Attorney General (SAAG) to provide legal services pursuant to the following terms and conditions in this Contract:

1. PARTIES/PURPOSE

- 1.1 Parties. The parties to this Contract are the Department of Attorney General and Mr. Pruss. No other attorney may engage in the practice of law on behalf of the State of Michigan under this Contract without the Department's prior approval, a Contract amendment, and a SAAG appointment from the Attorney General.
- 1.2 <u>Purpose</u>. The Department and Mr. Pruss agree that the he will provide legal services relative to the Opinions Review Board (ORB) and other special assignments as determined by the Attorney General that are consistent with Mr. Pruss' experience and expertise. The SAAG is to work only on those matters assigned.
- 1.3 <u>Training</u>. The SAAG has been retained under this Contract because of his specialized expertise and experience in a particular field of law. Upon request, the SAAG agrees to explain the rationale for any legal opinion or recommendation to any assigned AAG and to assist in the development of Department staff to understand the particular field of law involved in this Contract. Any time spent by the SAAG training department staff may be billed under the terms of this Contract.
- 1.4 <u>Work Product.</u> The SAAG understands that all work product is subject to review by the Department. The Department reserves the right to deny payment for any work product deemed unacceptable. Delivery of such a deficient work product may also result in Contract termination under paragraph 10 of this Contract.

2. TERM OF CONTRACT

The initial term of this Contract is March 11, 2019, through March 11, 2020. This Contract may be extended at the option of the Department upon thirty (30) calendar days written notice.

3. COMPENSATION FOR SERVICES PROVIDED

- 3.1 The total amount of compensation for services and expenses during the term of this Contract cannot exceed the budget ceiling set forth in paragraph 4.1 of this Contract, unless otherwise amended by a Contract addendum.
- 3.2 The costs for overhead, electronic legal research (i.e., Westlaw, Lexis, etc.), telephone calls, and office supplies utilized by the SAAG are part of the SAAG's agreed upon fees and such costs will not be separately billed. Unless otherwise provided in this Contract, the SAAG cannot include charges for the services of other employees, including paralegals, and secretarial and clerical employees. No additional charges are allowed, except by prior written permission of the Department. The SAAG understands that the Department will not pay any additional charges that have not received prior approval.

4. CONTRACT BUDGET, BILLING AND REIMBURSEMENT

- 4.1 <u>Budget Ceiling</u>. A budget ceiling of \$20,000.00 is established to cover all services and expenses performed or incurred in the performance of this Contract. Due to the nature of this Contract and the difficulty in estimating actual costs and the demand for services, the Contract budget ceiling may be increased, if approved in writing by the Department. An increase in the budget ceiling cannot affect the established hourly rate during the term of this Contract or any amendment.
- 4.2 Billing for Hourly Services. The SAAG must bill the Department on a monthly basis. The invoice format must indicate the nature of the work performed, time devoted, the individual performing the work, and the invoice amount. Additional information must be provided if requested by the Department. All invoices must be furnished to the Contract Manager identified in section 6.1.

The hourly rate to be charged for the SAAG's work is: \$80.00

The SAAG must obtain prior written authorization from the Department's Contract Manager to hire an expert witness.

The Department will not pay for travel time, waiting time, or other time not spent actively performing services under the Contract.

4.3 Reimbursement for Actual Expenses. Actual litigation costs (filing fees, depositions, and postage) may be reimbursed upon presentation to the Department in accordance with the procedures provided in this Contract. The SAAG must provide original copies of all receipts for meals, lodging and travel reimbursement with his invoices. Allowed expenses must be specifically and individually identified at the end of the invoice, resulting in a total cumulative statement with attached original receipts. The Department reserves the right to

deny reimbursement of any expenses for which prior approval was not sought pursuant to this Contract.

The SAAG will be reimbursed for lodging and travel expenses in accordance with the State of Michigan travel and other expense requirements, which can be found at http://www.michigan.gov/dtmb/0,1607,7-150-9141 13132---,00.html. The SAAG acknowledges that he has reviewed the State travel rates posted on the website, which are updated annually. All out-of-state travel requires the prior written approval of the Department. Expenses exceeding State rates will not be reimbursed.

- 4.4 <u>Registration</u>. The SAAG is required to register as a vendor and complete the electronic funds transfer (EFT) process, as the required method of payment under this Contract, through the Michigan Department of Technology, Management and Budget (DTMB). The SAAG (vendor) and EFT registration must be completed through the DTMB website at <u>Michigan.gov/SIGMAVSS</u>.
- 4.5 <u>Billing and Payment Deadlines</u>. All invoices will be paid on a current basis, within 30 calendar days after receipt of satisfactory invoice submission, unless the parties agree on another arrangement. The SAAG must complete all work in fiscal year 2019 by September 30, 2019 and submit all payment requests no later than October 7, 2019. Work performed in fiscal year 2020 must be completed by September 30, 2020 and the SAAG must submit all payment requests no later than October 7, 2020.

5. REPRESENTATIONS

- 5.1 <u>Qualifications</u>. The SAAG, by signing this Contract, attests that he is qualified to perform the services specified in this Contract and agrees to faithfully and diligently perform the services consistent with the standard of legal practice in the community.
- 5.2 <u>Conflict of Interest.</u> Prior to entering into this Contract, the SAAG must identify and disclose to the Department any matter in which the SAAG is involved in which is adverse to the State of Michigan. The SAAG represents that he has conducted a conflict check prior to entering into this Contract and no conflicts exist with the proposed legal services. The SAAG agrees to not undertake representation of a client if the representation of that client is related to the subject matter of this Contract or will be adverse to the State of Michigan, unless the SAAG obtains prior written approval to do so from the Department.
- 5.3 <u>Services to be Confidential</u>. The SAAG must keep confidential all services and information, including records, reports, and estimates. The SAAG must not divulge any information to any person other than to authorized representatives of the Department, except as required by testimony under oath in

judicial proceedings, or as otherwise required by law. The SAAG must take all necessary steps to ensure that no information concerning these services is divulged. This includes, but is not limited, to information maintained on the SAAG's computer system.

All files and documents containing confidential information must be filed in separate files with access restricted to the SAAG and needed clerical personnel. All documents prepared on a computer system must be maintained in a separate library with access permitted only to the SAAG and needed clerical personnel.

- 5.4 <u>Assignments and Subcontracting</u>. The SAAG must not assign or subcontract any of the work or services to be performed under this Contract, without the prior written approval of the Department. Any subcontractor who received prior approval from the Department to perform services under this Contract is bound by the terms and conditions of this Contract.
- 5.5 <u>Facilities and Personnel</u>. The SAAG has and will continue to have proper facilities and personnel to perform the services and work agreed to be performed.
- 5.6 Advertisement. The SAAG, during the term of appointment and thereafter, must not advertise his position as a Special Assistant Attorney General to the public. The SAAG designation may be listed on the SAAG's resume or other professional biographical summary, including resumes or summaries that are furnished to professional societies, associations, or organizations. Any such designation by the SAAG must first be submitted to and approved by the Department.
- 5.7 Records. The SAAG must maintain complete billing records. This requirement applies to all information maintained or stored in the SAAG's computer system. The records must be kept in accordance with generally accepted accounting practices and sound business practices. The Department, or its designees, reserves the right to inspect all records of the SAAG related to this Contract.
- 5.8 <u>Non-Discrimination</u>. The SAAG, in the performance of this Contract, agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. This covenant is required by the Elliott-Larsen Civil Rights Act, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, MCL 37.1101 et seq., and any breach of the Act may be regarded as a material breach of the Contract. The SAAG agrees to comply with the provisions of the

Federal Civil Rights Act of 1964, 42 USC §2000d, in performing the services under this Contract.

- 5.9 <u>Unfair Labor Practices</u>. The State will not award a contract or subcontract to any employer, or any subcontractor, manufacturer, or supplier of the employer, whose name appears in the current register compiled pursuant to 1980 PA 278, MCL 423.321, et seq. The State may void this Contract if after the award of the Contract, the name of the SAAG appears in the register.
- 5.10 <u>Compliance</u>. The SAAG's activities under this Contract are subject to applicable State and Federal laws and to the Rules of Professional Conduct applicable to members of the Michigan Bar Association. In accordance with MCL 18.1470, DTMB or its designee may audit Contractor to verify compliance with this Contract.
- 5.11 <u>Independent Contractor</u>. The relationship of the SAAG to the Department in this Contract is that of an independent contractor. No liability or benefits, such as workers compensation rights or liabilities, insurance rights or liabilities, or any other provisions or liabilities, arising out of or related to a contract for hire or employer/employee relationship, must arise, accrue or be implied to either party or either party's agent, subcontractor or employee as a result of the performance of this Contract. The SAAG will be solely and entirely responsible for his acts and the acts of any agents or employees during the performance of this Contract. Notwithstanding the above, the relationship is subject to the requirements of the attorney-client privilege.

6. MANAGEMENT OF CASE(S)

6.1 <u>Notifications</u>. The SAAG must direct all notices, correspondence, inquiries, billing statements, pleadings, and documents mentioned in this Contract to the attention of the Department's Contract Manager. The Division Chief may designate an Assistant Attorney General to oversee the day to day administration of the Contract.

For the Department:

Kelly Keenan, Deputy Attorney General Michigan Department of Attorney General Executive 525 W. Ottawa Lansing, MI 48909 517-335-7626

For the SAAG:

Stanley "Skip" Pruss , MI Phone 517.930.

- 6.2 The SAAG must promptly inform the Contract Manager of the following developments as soon as they become known:
 - A. Favorable actions or events that enable meeting time schedules and/or goals sooner than anticipated.
 - B. Delays or adverse conditions that materially prevent, or may materially prevent, the meeting of the objectives of the services provided. A statement of any remedial action taken or contemplated by the SAAG must accompany this disclosure.
- 6.3 <u>File Closing</u>. The SAAG must advise the Contract Manager, in writing, of the reason for closing a file (e.g., whereabouts unknown, no assets, bankruptcy, payment in full, or settlement). Requests for reimbursement of legal services (see paragraph 4.2 and expenses (see paragraph 4.3 must be submitted simultaneously with the closing memorandum.

7. INDEMNIFICATION

The SAAG agrees to hold harmless the State of Michigan, its elected officials, officers, agencies, boards, and employees against and from any and all liabilities, damages, penalties, claims, costs, charges, and expenses (including, without limitation, fees and expenses of attorneys, expert witnesses and other consultants) which may be imposed upon, incurred by, or asserted against the State of Michigan for either of the following reasons:

- A. Any malpractice, negligent or tortious act or omission attributable, in whole or in part, to the SAAG or any of his employees, consultants, subcontractors, assigns, agents, or any entities associated, affiliated, or subsidiary to the SAAG now existing, or later created, their agents and employees for whose acts any of them might be liable.
- B. The SAAG's failure to perform his obligation either expressed or implied by this Contract.

8. INSURANCE

- 8.1 <u>Errors and Omissions</u>. The SAAG must maintain professional liability insurance sufficient in amount to provide coverage for any errors or omissions arising out of the performance of any of the professional services rendered pursuant to this Contract.
- 8.2 <u>Certificates of Insurance</u>. Certificates evidencing the purchase of insurance must be furnished to the Department upon request. All certificates are to be prepared and submitted by the insurance provider and must contain a provision indicating that the coverage(s) afforded under the policies will not be cancelled, materially changed, or not renewed without thirty (30) calendar days prior written notice, except for ten (10) calendar days for non-payment of premium, and any such notice of cancellation, material change, or non-renewal must be promptly forwarded to the Department upon receipt.
- 8.3 Additional Insurance. If, during the term of this Contract changed conditions should, in the judgment of the Department, render inadequate the insurance limits the SAAG will furnish, on demand, proof of additional coverage as may be required. All insurance required under this Contract must be acquired at the expense of the SAAG, under valid and enforceable policies, issued by insurers of recognized responsibility. The Department reserves the right to reject as unacceptable any insurer.

9. APPEALS

The SAAG agrees that no appeal of any order(s) of the Michigan Court of Claims, any Michigan Circuit Court, the Michigan Court of Appeals, or any United States District Court will be taken to the Michigan Court of Appeals, the Michigan Supreme Court, or any United States Circuit Court of Appeals, without prior written approval of the Michigan Solicitor General, Department of Attorney General. Further, the SAAG agrees that no petition for certiorari will be filed in the United States Supreme Court without prior written permission of the Michigan Solicitor General, Department of Attorney General.

10. TERMINATION OF CONTRACT AND APPOINTMENT

10.1 <u>SAAG Termination</u>. The SAAG may terminate this Contract upon thirty (30) calendar day's prior written notice (Notice of Termination). Upon delivery of such notice, the SAAG must continue all work and services until otherwise directed. The SAAG will be paid for actual services rendered prior to termination, and for actual services as may be directed by the Department. No payments under this section may exceed the budget ceiling amount established in paragraph 4.1 of this Contract.

- 10.2 <u>Attorney General Termination</u>. The Department may terminate this Contract and SAAG appointment, at any time and without cause, by issuing a Notice of Termination to the SAAG.
- 10.3 <u>Termination Process and Work Product</u>. Upon receipt of a Notice of Termination, and except as otherwise directed by the Attorney General or herdesignee, the SAAG must:
 - A. stop work under the Contract on the date and to the extent specified in the Notice of Termination;
 - B. incur no costs beyond the date specified by the Department;
 - C. on the date the termination is effective, submit to the Contract Manager all records, reports, documents, and pleadings as the Department specifies and carry out such directives as the Department may issue concerning the safeguarding and disposition of files and property; and
 - D. submit within thirty (30) calendar days a closing memorandum and final billing.

Upon termination of this Contract, all finished or unfinished original (or copies when originals are unavailable) documents, briefs, files, notes, or other materials (the "Work Product") prepared by the SAAG under this Contract, must become the exclusive property of the Department, free from any claims on the part of the SAAG except as herein specifically provided. The Work Product must promptly be delivered to the Contract manager. The SAAG acknowledges that any intentional failure or delay on its part to deliver the Work Product to the Department will cause irreparable injury to the State of Michigan not adequately compensable in damages and for which the State of Michigan has no adequate remedy at law. The SAAG accordingly agrees that the Department may, in such event, seek injunctive relief in a court of competent jurisdiction. The Department must have full and unrestricted use of the Work Product for the purpose of completing the services. In addition, each party will assist the other party in the orderly termination of the Contract.

The rights and remedies of either party provided by the Contract are in addition to any other rights and remedies provided by law or equity.

11. GENERAL PROVISIONS

11.1 Governing Law and Jurisdiction. This Contract is subject to and will be constructed according to the laws of the State of Michigan, and no action must be commenced against the Department or the Attorney General, his designee, agents or employees for any matter whatsoever arising out of the Contract, in any courts other than the Michigan Court of Claims.

- 11.2 No Waiver. A party's failure to insist on the strict performance of this Contract does not constitute waiver of any breach of the Contract.
- 11.3 Additional SAAGs. It is understood that during the term of this Contract, the Department may contract with other SAAGs providing the same or similar services.
- 11.4 Other Debts. The SAAG agrees that he is not, and will not become, in arrears on any contract, debt, or other obligation to the State of Michigan, including taxes.
- 11.5 <u>Invalidity</u>. If any provision of this Contract or its application to any persons or circumstances to any extent is judicially determined to be invalid or unenforceable, the remainder of this Contract will not be affected, and each provision of the Contract will be valid and enforceable to the fullest extent permitted by law.
- 11.6 <u>Headings</u>. Contract section headings are for convenience only and must not be used to interpret the scope or intent of this Contract.
- 11.7 <u>Entire Agreement</u>. This Contract represents the entire agreement between the parties and supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties.
- 11.8 Amendment. No Contract amendment will be effective and binding upon the parties unless it expressly makes reference to this Contract, is in writing, and is signed by duly authorized representatives of all parties and all the requisite State approvals are obtained.
- 11.9 <u>Issuing Office</u>. This Contract is issued by the Department, and is the only state office authorized to change the terms and conditions of this Contract.
- 11.10 Counterparts. This Contract may be signed in counterparts, each of which has the force of an original, and all of which constitute one document.

Dated:	3/11/19	Stanley "Skip" Pruss
Dated:	3/12/19	Dana Nossel, Attorney General
		Dana Nessel, Attorney General or her Designee
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		Michigan Department of Attorney
		General