



NOTICE FOR REQUEST FOR PROPOSAL
SOLICITATION # AG19-0030

State of Arizona
Office of the Attorney General
2005 N Central Ave
Phoenix, AZ 85004

NOTICE

The Office of the Arizona Attorney General (hereinafter the “AGO”), in accordance with the Arizona Procurement Code, is issuing the attached Request for Proposal (hereinafter “RFP”) for Outside Counsel Services – Consumer Fraud and Related Civil Actions (Contingency Fee Only).

OUTSIDE COUNSEL FIRMS AWARDED CONTRACTS ON AG18-0013

This RFP is to supplement the previously awarded RFP, AG18-0013: Outside Counsel Services – Consumer Fraud and Related Civil Actions (Contingency Fee Only). Firms awarded contracts under this solicitation need not respond.

REQUIREMENTS

Any law firm is invited to respond to this RFP regardless of size. Sole practitioners are acceptable.

OVERVIEW OF SERVICES

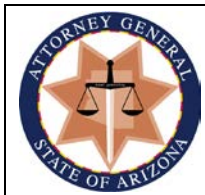
The purpose of this RFP is to establish contracts with legal counsel for the AGO to independently retain legal counsel, on an “as needed, if needed” basis to assist with legal action against potential parties for violations of the Arizona Consumer Fraud Act arising out of deceptive acts and misrepresentations made to Arizona consumers. Upon retention, Outside Counsel will assist the AGO on a contingency fee basis per the terms set forth in this Request for Proposal. It is understood that this contract, due to the complexity of legal matters, is not intended to be a mandatory contract. Certain matters may be contracted outside this contract based upon the specific need.

INSTRUCTIONS FOR RESPONSE

The instructions to respond are included in the attached RFP. Responses are expected to comply with these instructions and contain sufficient information to justify an award.

QUESTIONS REGARDING RFP

Questions should be directed to Jerry Connolly at 602-542-8030 or emailed to Jerry.Connolly@azag.gov or Cindy Palmer at 602-542-7986 or emailed to Cindy.Palmer@azag.gov.



**REQUEST FOR PROPOSAL
SOLICITATION # AG19-0030**

**State of Arizona
Office of the Attorney General**
2005 N Central Ave
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DESCRIPTION: AG19-0030 - SUPPLEMENTAL OUTSIDE COUNSEL – CONSUMER FRAUD AND RELATED CIVIL ACTIONS (CONTINGENCY FEE ONLY)

SOLICITATION DUE DATE/TIME: PROPOSALS ARE DUE BY MARCH 1, 2019 AT 3:00PM Local AZ Time

THIS RFP IS BEING ISSUED OUTSIDE ARIZONA PROCUREMENT PORTAL (APP). DO NOT SEND YOUR RESPONSE TO APP. THE INSTRUCTIONS FOR RESPONDING ARE INCLUDED IN THIS RFP.

ELECTRONIC COPY OF RFP: An electronic copy of this Request for Proposal (RFP) with applicable Attachments is available at <https://www.azag.gov/procurement> or you may request the RFP by sending a request to procurement@azag.gov; the solicitation number should be identified in the subject line and contact information for your firm provided with the e-mail. The Solicitation on file in the Office of the Arizona Attorney General, Procurement Section shall have precedence over any differing documents. Changes to this Request for Proposal shall be without effect unless proposed in accordance with the Uniform and Special Instruction Sections of this Solicitation and specifically accepted by the Office of the Arizona Attorney General.

OFFER DELIVERY LOCATION: Proposals shall be mailed or delivered to the Office of the Arizona Attorney. Proposals must be in a sealed envelope or container. Proposals should be marked Solicitation #AG19-0030. No fax or electronic copies will be accepted. All proposals must be received by the Solicitation due date and time specified. Any response received after the Solicitation due date and time specified will not be considered.

PHYSICAL MAILING and DELIVERY ADDRESS:

Arizona Attorney General
Procurement Section
2005 N Central Avenue
Phoenix, Arizona 85004

GENERAL: In accordance with A.R.S. §41-2538 competitive sealed proposals for the services specified will be received by Office of the Arizona Attorney General, Procurement Section at the specified locations until the time and date cited above. Offers received by the correct time and date will be opened and the name of each Offeror will be publicly read. Offers must be in the actual possession of Office of the Arizona Attorney General, Procurement Section on or prior to the Solicitation Due Date and Time and at the Offer Delivery locations indicated above. Late offers shall not be considered. Hand Delivered or Mailed offers must be submitted in a sealed package with the Solicitation number and the Offeror's name and address clearly indicated on the package. Additional instructions for preparing a proposal are provided in the Special Instructions to Offerors to Offerors as contained within this notice.

QUESTIONS REGARDING RFP:

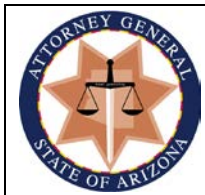
Solicitation Contact Person:

Jerry Connolly, Procurement Manager
Phone: (602) 542-8030 / Fax: (602) 251-2285
E-mail: Jerry.Connolly@azag.gov

Solicitation Contact Person:

Cindy Palmer, Procurement Officer
Phone: (602) 542-7986 / Fax: (602) 251-2285
E-mail: Cindy.Palmer@azag.gov

Offerors are Strongly Encouraged to Carefully Read the Entire Request for Proposal



SCOPE OF WORK

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1. SCOPE OF WORK

1.1. Background

The Office of the Arizona Attorney General (AGO) has the authority to bring actions alleging violations of the Consumer Fraud Act (A.R.S. §44-1521 *et. seq*) and/or other state and federal consumer protection laws. The Civil Litigation Division (CLD) of the AGO works to protect the public from consumer fraud, antitrust and anti-competitive conduct, and related civil litigation matters, as well as to provide advocacy and public education on consumer protection and related issues with an emphasis on fraud and abuse.

1.2. Purpose

The purpose of this Request for Proposal is to establish contracts with legal counsel for the AGO to independently retain legal counsel, on an “as needed, if needed” basis to assist with legal action against potential parties for violations of the law arising out of deceptive acts and misrepresentations made to Arizona consumers as well as other related conduct. Upon retention, Outside Counsel will assist the AGO on a contingency fee basis per the terms set forth in this Request for Proposal. It is understood that this contract, due to the complexity of legal matters, is not intended to be a mandatory contract. Certain matters may be contracted outside this contract based upon the specific need.

1.3. Assignment of Cases

No work, in the name of the Office of the Arizona Attorney General or the State of Arizona shall be undertaken without a written assignment letter or Notice to Proceed from the AGO. Cases will be assigned based on a case-by-case basis.

1.4. Goals

Litigation on matters would be brought under the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et. seq* and/or other state and federal consumer protection laws and related statutes, on behalf of the State of Arizona. Such litigation would seek to recover civil penalties, disgorgement, restitution, attorneys' fees, costs, potential injunctive relief and other equitable relief, and any other appropriate relief, after consultation with the AGO. The Attorney General will consider seeking all or any combination of these remedies.

1.5. Hierarchy

The retention of Outside Counsel under this contract is intended to aid the Attorney General in representing the State of Arizona in potential matters. The AGO will be actively involved in all stages of matters and will be the ultimate decider on all material aspects and issues, including (but not limited to) whether and when to file suit; whom to sue; what claims to assert in any suit; and whether and on what terms to settle or proceed to trial. The AGO shall be co-counsel of record in the litigation.

1.6. Scope of Work Tasks

Outside Counsel shall be responsible for the following tasks and shall perform these tasks in accordance with the Method of Approach or other case-plan documents prepared in connection with a particular representation, written assignment letter, or Notice to Proceed.

- 1.6.1.** Evaluation of Legality of Practices
- 1.6.2.** Decision Process
- 1.6.3.** Pre-Litigation Activities



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- 1.6.4. Litigation, including all appeals
- 1.6.5. Litigation Support (including document reviews)
- 1.6.6. Post Litigation Support

1.7. Reporting

1.7.1. Monthly Reports

Outside Counsel shall prepare and submit monthly reports to the AGO summarizing activities from the previous month and detailing the hours, rates, and costs incurred during that month. Throughout the pendency of this matter, Outside Counsel shall maintain detailed contemporaneous time records for the attorneys and paralegals working on the matter in increments of no greater than one tenth of one hour and shall promptly provide these records to the AGO on request. Where time is spent or expenses are disbursed or incurred by Outside Counsel that also benefit other clients of Outside Counsel in other, similar litigation, only the portion of such time or expenses exclusively allocable to the State in connection with this matter shall be claimed as reasonable expenses of prosecuting the envisioned litigation. The report shall also include activities planned for the upcoming month and budgetary costs associated with these activities. The report shall be due by the seventh day of each month. Reports shall be prepared in a format and of a quality approved by the AGO.

1.7.2. Reporting of Related Class Action Litigation

If at any time during the course of a representation Outside Counsel serves as class counsel or files court papers seeking to serve as class counsel in a class action related to the representation or the conduct at issue in the representation, Outside Counsel must immediately notify the AGO of the pertinent class action and Outside Counsel's role or requested role in the class action.

1.8. Compensation

1.8.1. Contingency

Neither the Office of the Attorney General nor the State of Arizona is liable under this Agreement to pay compensation to Outside Counsel other than from a specific fund of monies that is recovered in connection with assigned matters on behalf of the State or its agencies as a result of settlement or judgment.

1.8.2. Compensation

- 1.8.2.1. It is agreed that the pre-set, fixed fee ("Fee") to be charged by Outside Counsel in connection with the representation described in this Agreement shall be contingent so that if no recovery is obtained on behalf of the Attorney General or the State of Arizona in this matter, no Fee will be charged by Outside Counsel for the representation. If there is a recovery, the Fee will be based on the contingent fee percentages set forth in A.R.S. § 41-4803, which percentages shall be applied to the gross amount received by settlement, at trial, or on appeal, subject to the following specific limitation: the Fee shall be calculated only based upon the recovery and collection of civil penalties pursuant to A.R.S. § 41-1531 or disgorgement pursuant to A.R.S. § 41-1529(A)(3), and shall not be calculated based upon the recovery of any amounts agreed upon, awarded, recovered, received, or collected as consumer restitution.



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- 1.8.2.2. The Fee shall not include costs, except as set forth here. Outside Counsel shall be responsible for paying all internal, litigation-related expenses of Outside Counsel, including (but not limited to) costs related to copies and office supplies, as well as all fees relating to factual discovery and document review, including (but not limited to) document review fees, document hosting and storage fees, and fees related to acquisition of attorney work product from related actions pertinent to factual discovery or review of documents. Fees relating to the engagement and use of expert witness, as well as court fees and appearance fees shall be the responsibility of the State. These fees for which the State will bear ultimate responsibility shall be paid by the State only as follows. Outside Counsel shall advance all such costs and expenses on behalf of the State. Outside Counsel shall not submit to the AGO or the State an invoice for such costs and expenses on an interim basis, but instead shall keep a detailed accounting during the course of the representation (subject to review upon request by the AGO). In the event of any recovery by the State or AGO in connection with this representation, the State agrees that Outside Counsel shall then be paid for all such advanced costs and expenses from the State's share of the recovery. In the event the litigation is dismissed, or the State recovers an amount that does not exceed the reimbursable costs and disbursements detailed above, or the State recovers nothing, or Outside Counsel is terminated without cause, the AGO agrees to seek a legislative appropriation to reimburse reasonable costs. Outside Counsel understands and acknowledges that the AGO's obligation to pay for such costs and expenses under said circumstances is entirely subject to and conditioned upon a legislative appropriation outside the control of the AGO, and Outside Counsel may seek a recovery for such costs and expenses only from funds so appropriated. The State will, however, be responsible for and pay any costs or expenses directly assessed against the State in connection with this representation by a court of competent jurisdiction, such as jury fees and taxable costs of an opposing party.
- 1.8.2.3. Notwithstanding the above, neither the State nor the AGO shall be responsible for sanctions entered against Outside Counsel.

1.9. Basis of Compensation

- 1.9.1. If there is a recovery and collection of disgorged profits or penalties for the State, the amount of compensation due to Outside Counsel as a Fee shall be paid in an amount no greater than the percentages set forth in A.R.S. §41-4803, with the limitations set forth in the statute not to be exceeded, the contingent fee shall not be applied to any amount agreed upon, awarded, recovered, received, or collected as consumer restitution, and the Fee being further subject to judicial approval for reasonableness.
- 1.9.1.1. Contingency fee maximums are established by A.R.S. §41-4803, the AGO reserves the right to negotiate the rate before assigning a case.
- 1.9.2. A defendant who is "settling" is a defendant who has entered into a written settlement agreement with the State of Arizona. The settlement agreement shall determine the compensation as per paragraph 1.12. Settlement below.
- 1.9.3. If Outside Counsel represents any other governmental entity in litigation related in type to that detailed above against the same or similar entities as those described above, and agrees to



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represent such entity for a contingency fee lower than that set forth in A.R.S. §41-4803, the contingency fee herein shall be reduced to meet that lower percentage. It is the intent of Outside Counsel to provide the State of Arizona with the best price it offers for its services.

- 1.9.4.** The State reserves the right to petition any court before payment to determine reasonableness of attorneys' fees outlined in this Agreement.

1.10. Challenge to Contingency Fee Arrangements

1.10.1. The AGO and Outside Counsel agree that the contingent fee provisions set forth in A.R.S. §§ 41-4801 to 41-4805 are valid and govern any contract that may result from this Request for Proposal. The AGO and Outside Counsel agree that the percentage limitations of A.R.S. § 41-4803 properly apply to the special circumstances of this solicitation. The AGO and Outside Counsel further agree that the percentages set forth in A.R.S. § 41-4803 are reasonable and in the public interest.

1.10.2. The AGO and Outside Counsel are aware that defendants may challenge and seek to invalidate or limit this contingency fee arrangement. Any such challenge shall not excuse Outside Counsel's performance under this Agreement. The AGO agrees to join Outside Counsel in opposing any challenge to this contingency fee arrangement. In the event of a successful challenge to this contingency fee agreement, the AGO agrees to join Outside Counsel in arguing to the Court that the contingency fee percentages set forth in A.R.S. § 41-4803 are fair and reasonable for purposes of compensation and a formal attorneys' fees application, and in the event such argument is not successful, then Outside Counsel agrees to and shall continue its representation of the State in the litigation at the following maximum hourly billing rates: for partners, not to exceed \$400 per hour; for associates, not to exceed \$250 per hour; for paralegals, not to exceed \$125 per hour. In such event, these hourly fees shall be contingent upon and payable solely out of any recovery obtained in the litigation. If there is no recovery, Outside Counsel will not be paid for such hourly work. If the recovery is insufficient to pay for such hourly work in full, then any excess remainder hourly fees will not be paid. Outside Counsel shall not submit to the AGO or the State an invoice for such hourly fees on an interim basis. Neither the AGO nor the State is liable under this Agreement to pay compensation of any kind to Outside Counsel, other than from a specific fund of monies that may be recovered on behalf of the State or its agencies as a result of settlement or judgment obtained against the named defendants in the litigation. In the alternative, in the event of a successful challenge to this contingency fee agreement, the AGO or the State, in their sole discretion, may terminate this contract and discharge Outside Counsel from any further representation of the State in the litigation.

1.10.2.1. The hourly rates established above are maximum rates and may be negotiated before assigning a case.

1.10.3. Notwithstanding anything to the contrary in this paragraph, in the event the litigation is dismissed, or the State recovers an amount that does not exceed the hourly billings of Outside Counsel, or Outside Counsel is terminated without cause, the AGO, in its sole discretion, may seek a legislative appropriation to reimburse the hourly billings of Outside Counsel. Outside Counsel understands and acknowledges that the AGO's obligation to pay for such costs and expenses under said circumstances is entirely subject to and conditioned upon a legislative



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appropriation outside the control of the AGO and Outside Counsel may seek a recovery for such costs and expenses only from funds so appropriated.

1.10.4. Furthermore, in no event shall the State be required to pay a contingent fee or hourly fee that is unreasonable under the circumstances.

1.11. Court Awarded Attorney Fees

The State intends to seek an award from a court of fees and costs for prosecution of the case. In addition to maintaining detailed contemporaneous time records for the attorneys and paralegals working on this matter in increments of no greater than one tenth of one hour, as set forth above, Outside Counsel shall further ensure that these time records are in a format sufficient to support a court-imposed attorneys' fee award based on those records, including, but not limited to, ensuring the use of the type of specific, detailed billing in an itemized fashion (with no use of block billing) that is required to support an attorneys' fee application in Arizona courts.

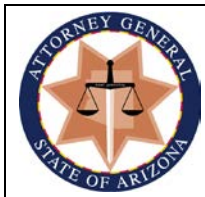
Should the court award attorney fees and costs to the State, such amounts will be retained by the State to offset some or all of the fees paid to Outside Counsel under this Agreement.

1.12. Settlement

This compensation agreement applies to any partial or total settlement of the matter that is the subject of this representation. In addition, in the event the AGO enters into a partial settlement against the advice of Outside Counsel, Outside Counsel agrees to and shall continue its representation of the State in the litigation against the remaining defendants and to be compensated in accordance with paragraphs 1.8 and 1.9 and 1.10 above. In the event, the AGO enters into a settlement against the advice of Outside Counsel, and such settlement completely resolves the litigation, Outside Counsel agrees to and will be compensated in accordance with paragraphs 1.8 and 1.9 and 1.10 above.

1.13. Advance Payment Prohibited

No payment in advance or in anticipation of services or supplies under this contract shall be made by the AGO.



SPECIAL TERMS AND CONDITIONS

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2. SPECIAL TERMS AND CONDITIONS

2.1. Contract

Authority to Contract: This Contract is issued for the AGO in accordance with A.R.S. § 41-2538.

2.2. Contract Type/Compensation

Contingency Fee

2.3. Term of Contract

- 2.3.1.** The term of the Contract shall commence upon award and shall remain in effect for a period of one year thereafter unless terminated, canceled or extended pursuant to the terms herein.
- 2.3.2.** This contract may be extended by written amendment for an additional 48 months after the original award.
- 2.3.3.** Should a case be appointed under this contract, the term of the Contract shall extend from the date of appointment through the term of Litigation unless terminated pursuant to the terms herein, whether the original contract is extended by written amendment or not.

2.4. Termination without Cause

The AGO may terminate this Agreement without cause and without penalty upon at least thirty (30) days written notice to Outside Counsel. At the conclusion of the litigation, Outside Counsel terminated without cause will be entitled to be reimbursed for reasonable out-of-pocket costs in accordance with paragraph 1.8 above. In any contract with substitute counsel, the AGO will require substitute counsel to share on a pro-rata basis with counsel terminated without cause any attorneys' fees recovered, according to each counsel's reasonable percentage of time and work spent on the litigation, or as otherwise agreed to by substitute counsel and terminated counsel. Substitute counsel's obligation to share fees with Outside Counsel will only arise at the conclusion of the litigation if there is a recovery by settlement or judgment.

2.5. Termination with Cause

The AGO may terminate this Agreement for cause if Outside Counsel breaches any material terms or conditions of this Agreement or fails to perform or fulfill any material obligation under this Agreement or negligently pursues the litigation so as to cause harm to the State. Outside Counsel shall be provided written notice of termination. The AGO may further terminate this Agreement and end any representation for cause upon receipt of a notification from Outside Counsel pursuant to paragraph 1.7.2, or upon the AGO otherwise learning that Outside Counsel serves as class counsel or is seeking to serve as class counsel in a class action related to the representation or the conduct at issue in the representation under this Agreement. If Outside Counsel is terminated for cause, Outside Counsel shall not be entitled to compensation or reimbursement of any kind under this Agreement.

2.6. Documents Incorporated by Reference

The State of Arizona's Uniform Instructions to Offerors (Rev 9-2014) and Uniform Terms and Conditions (V9 - Rev 7-1-2013) are incorporated into this Contract. Offerors are encouraged to obtain these documents. Offerors may obtain copies by visiting the Arizona State Procurement Office (SPO) web site at:



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<https://spo.az.gov/administration-policy/state-procurement-resource/standard-forms-and-documents> or by calling the Office of the Attorney General, Procurement at (602) 542-8030.

2.7. Estimated Usage

Any Contract resulting from this Solicitation shall be used on an as needed, if needed, basis. The State makes no guarantee as to the amount of work, if any, that may be performed under any resulting Contract.

2.8. Non-Exclusive Contract

The State has the right to procure the services listed herein from attorneys other than those awarded Contracts pursuant to this Solicitation.

2.9. Ownership of Materials

All materials, documents, deliverables and/or other products of the Contract (including but not limited to work plans, reports, etc.) shall be the sole, absolute and exclusive property of the AGO, free from any claim or retention of right on the part of the Outside Counsel, its agents, subcontractors, officers or employees.

2.10. Outside Counsel Responsibilities

2.10.1. Outside Counsel

A "team arrangement" or "multiple firm arrangement" may be proposed, but must be proposed as a Outside Counsel/Co-Counsel relationship. A firm must be designated as Outside Counsel. Outside Counsel shall be responsible for all contractual obligations and the management of all "Co-Counsels". Outside Counsel shall also be responsible for and agrees to be liable for any acts or omissions of Co-Counsel in the carrying out of its duties on behalf of the State. The AGO will not become part of any negotiations between Outside Counsel and Co-Counsel or accept any invoices from Co-Counsel. Any agreement between Outside Counsel and Co-Counsel shall include provisions indicating that the AGO and the State of Arizona are not third-party beneficiaries of such agreement and that Co-Counsel is not a third-party beneficiary of this Agreement. A Proposal that reflects a teaming arrangement designating more than one entity as a cosigner of the proposal will not be accepted.

2.10.2. Key Personnel

It is essential that the Outside Counsel provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Contract. Outside Counsel must assign specific individuals to key positions. Outside Counsel agrees and understands that this Agreement is predicated, in part and among other considerations, on the utilization of the specific individual(s) and/or personnel qualification(s) as identified and/or described in the Outside Counsel's proposal. Therefore, Outside Counsel agrees that no substitution of such specified individual(s) and/or personnel qualifications shall be made without the prior written approval of the AGO. Outside Counsel further agrees that any substitution made pursuant to this paragraph must be equal or better than originally proposed and that the AGO's approval of a substitution shall not be construed as an acceptance of the substitution's performance potential. The AGO agrees that an approval of a substitution will not be unreasonably withheld. Outside Counsel shall bear all transitional expenses incurred for any costs associated with removing or replacing Key Personnel who are performing work under this Contract. Outside Counsel agrees to reveal its staffing levels by function, including resumes,



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upon request by the AGO at any time during the performance of this Contract.

2.10.3. Lead Counsel

Outside Counsel shall name an individual as the Lead Counsel for the outside counsel team. This individual shall be considered a Key Personnel as defined in this contract. The Outside Counsel shall provide the Lead Counsel's complete address, e-mail address and telephone and Fax numbers. The Lead Counsel shall be the company representative to whom all correspondence, official notices, and requests related to the project shall be addressed. If a firm joins together with another firm or firms, the firms shall name only one Lead Counsel.

2.10.4. Other Key Personnel

Outside Counsel should provide the name of any other individual who will perform duties to directly support the person offered as the Lead Counsel. The crucial duties this individual will perform should be identified.

2.10.5. Removal of Outside Counsel's Employees

The AGO may require the Outside Counsel to remove from an assignment employees who endanger persons, property or whose continued employment under this Contract is inconsistent with the interests of the AGO.

2.10.6. Availability of Outside Counsel

The Outside Counsel shall be available immediately upon receipt of the Notice to Proceed and remain available to the AGO throughout the period of performance as stated in the Contract.

2.10.7. Submission of Electronic Deliverables

At the request of the AGO, the Outside Counsel shall submit electronic deliverables. All electronic deliverables shall be in format compatible with AGO software. The AGO currently uses the MS Office 2010 suite of products (e.g. docx, xlsx, and pptx) and Adobe Acrobat Pro X (e.g. pdf) software, other formats may be considered. Electronic Deliverables shall be treated with confidentiality and provided through encrypted e-mail, the AGO file share website (<https://agfileshare.azag.gov>), encrypted hard drive, or encrypted flash drive.

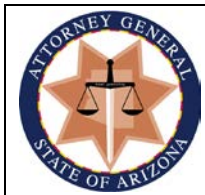
2.11. Oversight and Draft Document Review

2.11.1. Oversight

The retention of Outside Counsel is intended to aid the Attorney General in representing the State of Arizona in a major matter. The AGO will be actively involved in all stages of this matter and deciding all major issues, including whether to file suit, when to file suit, who to file suit against, approval of the asserted claim or claims and whether and on what basis to settle or proceed to trial. Outside Counsel shall acknowledge and defer to the Attorney General for direction and decisions.

2.11.2. Review of Services

The AGO reserves the right to review all and every part of the Services during performance or after completion as the AGO may see fit. If the Services or any part thereof have not been performed in accordance with this Agreement to the satisfaction of the Attorney General, the AGO may order that no further services be performed and may reject and refuse to pay for any improperly performed



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services and shall fully comply with all the requirements set forth in A.R.S. § 41-4803(C) and elsewhere.

2.11.3. Draft Document Review

Prior review of all documents is required to assure the AGO approval of the information, content and completeness. Documents for prior review shall include all pleadings, petitions, findings and any other document produced in the pursuit of a representation undertaken pursuant to this Agreement. All draft deliverables and other materials developed by the Outside Counsel as part of a representation under this Agreement shall be reviewed and approved in writing by the AGO prior to finalizing the material. Outside Counsel shall promptly provide, in final form, the designated assistant attorney general with copies of all pleadings, discovery requests and responses, and relevant correspondence related to the Litigation.

2.11.4. Settlements/Compromises

All offers of compromise shall be promptly transmitted to the Attorney General together with Outside Counsel's recommendation.

2.11.5. Depositions

Notices of depositions shall not be issued by Outside Counsel without prior written authorization from the AGO. Notices of depositions of State of Arizona employees filed by any party must be submitted to the Attorney General immediately upon Outside Counsel's receipt to make necessary arrangements for their testimony. Summaries of all depositions will be supplied by the assigned counsel from the AGO on conclusion of the deposition. Ordinarily, only one attorney should attend depositions, although, upon AGO prior approval, Outside Counsel may have more than one attorney attend a deposition. The AGO may request the presence of a State of Arizona employee at one or more depositions.

2.11.6. Testimony

Should Outside Counsel be required to testify at any judicial, legislative, or administrative hearing concerning matters in any way related to the Services performed under this Agreement or an engagement undertaken pursuant to this Agreement, Outside Counsel shall immediately supply to the Attorney General or his designated representative in writing all information likely to be disclosed at said hearing as well as Outside Counsel's position thereon. Should Outside Counsel be required by a third party to testify at any judicial, legislative or administrative hearing not specified in this Agreement but concerning the subject matter of this Agreement or an engagement undertaken pursuant to this Agreement, Outside Counsel shall immediately notify the Attorney General or his designated representative in order to enable State of Arizona representatives to attend and participate.

2.11.7. Media

Outside Counsel should, in the absence of direction in writing from the AGO, refrain from making any statement to a member of the media related to any representation entered into under this Agreement, or related to the subject matter of a representation entered into under this Agreement. Should Outside Counsel be asked to give a statement to the media related to any representation entered into under this Agreement or the subject matter of a representation entered into under this Agreement, Outside Counsel shall immediately refer the inquiry to the AGO, unless otherwise directed in writing by the AGO.

2.11.8. Privileged Communications



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All confidential communications between the Attorney General, any State of Arizona officer, employee or agent ("Arizona") and Outside Counsel, whether oral or written, and all Documentation, whether prepared by Outside Counsel or supplied by Arizona, shall be considered privileged communications and shall not, except as required by law, be communicated by Outside Counsel to any public agency, insurance company, rating organization, contractor, vendor, counsel, or any other third party or entity whether or not connected in any manner with Arizona or Outside Counsel, without the prior written consent of the Attorney General. If such communications are approved, or if such communications are required to be disclosed by law, Outside Counsel shall immediately provide the Attorney General with two (2) copies of each written communication and/or two (2) copies of summaries of each oral communication. If such communication is required by law, Outside Counsel shall immediately provide the Attorney General written notice as to the time, place, and manner of such disclosure as well as a written summary of any information likely to be disclosed by such disclosure, and Outside Counsel's position thereon.

2.12. Records

Pursuant to A.R.S. §§35-214, 35-215, and 41-4803, Outside Counsel shall retain and shall contractually require each Subcontractor to retain books, records, documents and other evidence pertaining to the acquisition and performance of the Contract, hereinafter collectively called the "records," to the extent and in such detail as will properly reflect all net expenses, disbursements, charges, credits, receipts, invoices, and costs, direct or indirect, of labor, materials, equipment, supplies and services and other costs and expenses of whatever nature for which payment is made under the Contract. Outside Counsel shall agree to make available at the office of the Outside Counsel at all reasonable times during the period, as set forth below, any of the records for inspection, audit or reproduction by any authorized representative of the State or AGO. In coordination with the AGO, Outside Counsel shall preserve and make available the records for a period of five years from the date of final payment under the Contract and for such period, if any, as is required by applicable statute. If the Contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

2.13. Professional Responsibility

2.13.1. General

Outside Counsel shall use best efforts to perform and complete the Services in accordance with the provisions of this Agreement. Best efforts shall be considered those efforts which a skilled, competent, experienced, and prudent legal professional would use to perform and complete the requirements of this Agreement in a timely manner, exercising the degree of skill, care, competence, and prudence customarily imposed on a legal professional performing similar work.

2.13.2. Conflict of Interest/Litigation against the State of Arizona

2.13.2.1. Conflicts

Outside Counsel shall advise the Attorney General of any perceived conflict. This duty shall extend throughout the performance of this contract when a conflict or perceived conflict becomes known to the Outside Counsel. Whether the conflict is remote or disqualifying will be the Attorney General's decision.

2.13.2.2. Related Class Action Litigation As Conflict



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Service as class counsel or seeking through the filing of court papers to serve as class counsel in a class action related to a representation under this Agreement or the conduct at issue in a representation under this Agreement qualifies as a Conflict of Interest.

2.13.2.3. Litigation against the State of Arizona

Outside Counsel is retained only for the purposes and to the extent set forth in this Agreement. Outside Counsel shall be free to dispose of such portion of his entire time, energy, and skill not required to be devoted to the State of Arizona in such manner as he sees fit and to such persons, firms, or corporations as he deems advisable, but shall not engage in private litigation against the State of Arizona at the same time Outside Counsel accepts appointments representing the State of Arizona pursuant to this Agreement unless such litigation does not present an ethical conflict of interest, and a written waiver is first obtained from the Attorney General. Outside Counsel shall disclose to the State of Arizona, in the proposal as well as in connection with a particular representation, written assignment letter, or Notice to Proceed, all litigation, claims and matters in which Outside Counsel represents parties adverse to the State of Arizona. If Outside Counsel is selected to contract with the State of Arizona pursuant to the Agreement, Outside Counsel shall have a continuing duty to disclose such information.

2.14. Indemnification Clause

To the fullest extent permitted by law, Outside Counsel shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Outside Counsel or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Outside Counsel to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Outside Counsel from and against any and all claims. It is agreed that Outside Counsel will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Outside Counsel agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Outside Counsel for the State of Arizona.

This indemnity shall not apply if the Outside Counsel or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

2.15. Insurance Requirements

Outside Counsel and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Outside Counsel, its agents, representatives, employees or subcontractors.



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The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Outside Counsel from liabilities that arise out of the performance of the work under this Contract by the Outside Counsel, its agents, representatives, employees or subcontractors, and the Outside Counsel is free to purchase additional insurance.

2.16. Minimum Scope and Limits of Insurance

Outside Counsel shall provide coverage with limits of liability not less than those stated below.

2.16.1. Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written Agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Outside Counsel.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written Agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Outside Counsel.

2.16.2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000
- a. Policy shall be endorsed, as required by this written Agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Outside Counsel involving automobiles owned, hired and/or non-owned by the Outside Counsel.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written Agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Outside Counsel.

2.16.3. Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory



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- Employers' Liability
 - Each Accident \$1,000,000
 - Disease – Each Employee \$1,000,000
 - Disease – Policy Limit \$1,000,000
- a. Policy shall contain a waiver of subrogation endorsement, as required by this written Agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Outside Counsel.
- b. This requirement shall not apply to each Outside Counsel or subcontractor that is exempt under A.R.S. § 23-901, and when such Outside Counsel or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.16.4. Professional Liability (Errors and Omissions Liability)

- Each Claim \$2,000,000
 - Annual Aggregate \$2,000,000
- a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Outside Counsel warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.
- b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

2.17. Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written Agreement, the following provisions:

2.17.1. The Outside Counsel's policies, as applicable, shall stipulate that the insurance afforded the Co Outside Counsel shall be primary and that any insurance carried by the AGO, its agents, officials, employees, or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.17.2. Insurance provided by the Outside Counsel shall not limit the Outside Counsel's liability assumed under the indemnification provisions of this Contract.

2.18. Revision to Minimum Insurance Requirements

Insurance requirements will be reviewed on a case by case basis, before assigning a case the AGO shall determine if the insurance requirements contained in this Agreement are sufficient. The AGO reserves the right to increase the minimum insurance requirements set forth in 2.16 before a case is assigned.

2.19. Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Outside Counsel's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed



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for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Outside Counsel must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly by mail or hand delivery to: Office of the Arizona Attorney General, Procurement Section, 2005 N Central Ave, Phoenix, AZ 85004 or emailed to: procurement@azag.gov, or sent by facsimile transmission to Procurement at: 602-251-2285.

2.20. Acceptability of Insurers

Outside Counsel's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Outside Counsel from potential insurer insolvency.

2.21. Verification of Coverage

Outside Counsel shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Outside Counsel has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written Agreement shall not waive or otherwise affect the requirements of this Agreement.

Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to the AGO. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

2.22. Subcontractors

Outside Counsel's certificate(s) shall include all subcontractors as insureds under its policies or Outside Counsel shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance requirements identified above. The AGO reserves the right to require, at any time throughout the life of this contract, proof from the Outside Counsel that its subcontractors have the required coverage.

2.23. Approval and Modifications

The AGO, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.



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2.24. Exceptions

In the event the Outside Counsel or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Outside Counsel or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

2.25. Termination at Will

At the sole discretion of the AGO, the AGO may terminate this Contract at any time, or may terminate all or any portion of the Services not then completed by giving the other party written notice of termination. Upon receipt of notice of termination, Outside Counsel, unless the notice requires otherwise, shall discontinue performance of the Services on the date and to the extent specified in the notice, except those Services necessary to preserve and protect the work product of the Services already performed, and otherwise minimize costs to the State.

2.26. Offshore Performance of Work Prohibited

Due to security and identity protection concerns, all services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

2.27. Notices, Correspondence and Invoices from Outside Counsel to the AGO shall be sent to:

State of Arizona
Office of the Arizona Attorney General
Civil Litigation Division
2005 N Central Ave
Phoenix, AZ 85004



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3. SPECIAL INSTRUCTIONS TO OFFERORS

3.1. Solicitation Inquiries

3.1.1. Issuing Office Solicitation Contact Person

The AGO Procurement Solicitation Contact Person identified on the cover page of this RFP shall be the sole point of contact for purposes of the preparation and submittal of Outside Counsel responses to this Solicitation.

3.1.2. Solicitation Clarifications

Questions or clarification requests regarding this Solicitation should be directed to the attention of the Solicitation Contact Person via: email (preferred), facsimile, phone or mailed to the attention of Solicitation Contact Person. If this results in a change to the Solicitation, a written Solicitation Amendment will be issued prior to the Solicitation due date and time.

3.1.3. Solicitation Amendments

The Offeror should acknowledge receipt of a Solicitation Amendment by signing and returning the Solicitation Amendment with their proposal by the specified due date and time. It is Offeror's responsibility to verify no amendment has been issued. The Offeror may verify by checking the web site <https://www.azag.gov/procurement> or calling or e-mailing the contact person identified on the front page of this solicitation.

3.2. Solicitation Submission Guidelines

3.2.1. Late Proposals

All proposals must be received by the Solicitation due date and time specified. Any response received after the Solicitation due date and time specified will not be considered.

3.2.2. Submission Submittal Guidelines

3.2.2.1 Offerors mailing proposals or planning deliveries should allow sufficient delivery time to ensure timely receipt by the Issuing Office. Proposals arriving after the due date and time will not be considered.

3.2.2.2 The Issuing Office will not waive delay in delivery resulting from the need to transport proposal from another location or error or delay on the part of the carrier.

3.2.2.3 Proposals delivered to the Office of the Arizona Attorney General must be in a sealed envelope or container and clearly labeled Solicitation AG19-0030. Proposals will not be considered "received" until they arrive at the location specified on the cover page.

3.2.2.4 Proposals being hand delivered or mailed to the Issuing Office should include one unbound original proposal and three bound copies. Staples and paper binder clips are an acceptable form of binding. The State will not provide any reimbursement for the cost of developing or presenting proposals in response to this RFP.

3.2.3. Familiarization of Scope of Work

The Offeror should carefully review the requirements of the Solicitation and familiarize itself with the Scope of Work, laws, regulations and other factors so to satisfy itself as to the expense and difficulties of the work to be performed. The signing of the Offer and Contract Award form will constitute a



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representation of compliance by the Offeror. There will be no subsequent financial adjustment, other than provided by the contract, for lack of such familiarization.

3.3. Components of a Complete Proposal

3.3.1. Offer submittal as per Section 3.2, Submission Submittal Guidelines.

3.3.2. Proposal Format

The following information should be submitted with each proposal and in this order. Failure to include all of the requested information may result in proposal rejection.

3.3.2.1. Transmittal Letter

A transmittal letter should accompany all proposals. This letter should be signed by a principal, corporate officer, or person who is authorized to represent your company. The letter of transmittal should:

- Identify the submitting organization;
- Identify the name and title of the person(s) authorized by the organization to contractually obligate the organization;
- Identify the name, title, and telephone number of the person authorized to negotiate the contract on behalf of the organization.
- Explicitly indicate acceptance of the requirements of this solicitation;
- Provide a narrative demonstrating why the company and key personnel are qualified to perform the services as outlined in the Scope of Work of this solicitation. The narrative should show expertise in these services, ability to plan and strategize and the ability to deal with contingencies.
- Be signed by the person authorized to contractually obligate the organization.

3.3.2.2. Attachment I

- Offeror shall complete the top half of the Offer and Contract Award form. The Offer and Contract Award form from within the Solicitation should be submitted with the Offer and should include the signature of a person authorized to bind the Offeror.
- Offeror shall complete the Business Questionnaire.
- Offeror shall complete the Conflicts of Interest Questionnaire.
- Offeror shall complete the Bar Complaints/Malpractice Questionnaire
- Offeror shall complete the Rate Schedule Questionnaire.
- Offeror shall complete the Qualifications and Experience of Key Personnel Questionnaire.
 - Multiple pages should be added if necessary.
- Offeror shall complete the References Questionnaire.
- Offeror may include additional supporting materials as necessary.

3.3.2.3. Attachment II – Designation of Confidential, Trade Secret, and Proprietary Information

Offeror shall complete and should include the signature of a person authorized to bind the document.

3.3.3. Confidential Information

All Offers submitted and opened in response to this RFP are public records and must be retained by the



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State. Offers shall be open to public inspection after Contract award, except for such Offers or specific information within such Offers deemed to be confidential by the State. If an Offeror believes that information in its Offer should remain confidential, the Offeror shall designate a special section labeled "Confidential Information" and include any information the Offeror indicates as confidential along with a statement detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise. This special section should be labeled as a separate file and marked confidential. The State shall determine whether the identified information is confidential pursuant to the Arizona Procurement Code. Information not specifically identified as confidential by the Offeror in accordance with this paragraph or determined to be not confidential by the State will be open to public inspection.

3.3.4. Suspension or Debarment Status

If the firm, business or person submitting a proposal has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity with any Federal, State or local government, the Offeror should include a letter with its proposal setting forth the name and address of the governmental unit, the effective date of the suspension or debarment, the duration of the suspension or debarment and the relevant circumstances relating to the suspension or debarment. Failure to supply the letter or to disclose in the letter all pertinent information regarding a suspension or debarment will result in rejection of the proposal or cancellation of a Contract. The State also may exercise any other remedy available by law.

3.3.5. Insurance

The Offeror should provide a Certificate of Insurance or a letter from the Offeror's Insurance Provider demonstrating the Offeror is able to provide insurance in accordance with the Special Terms and Conditions Section of this RFP.

3.4. Proposal Opening

Proposals shall be opened at the Solicitation Due Date and Time cited on the cover page of the Solicitation. The name of each Offeror and the identity of the Solicitation for which the proposal was submitted shall be publicly read and recorded in the presence of at least one witness. Prices shall not be read.

3.5. Offer and Acceptance Period

In order to allow for an adequate evaluation, the AGO requires a proposal in response to this Solicitation to be valid and irrevocable for 120 days after the opening due date.

3.6. Evaluation Criteria

In accordance with the Arizona Procurement code A.R.S. § 41-2534, awards shall be made to the responsible Offeror(s) whose proposal is determined in writing to be the most advantageous to the State based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.

3.6.1. Capacity of Firm

3.6.2. Experience and Expertise of the Firm and Key Personnel

3.6.3. Cost



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3.7. Discussions

After the initial receipt and evaluation of proposals, the AGO may conduct discussions with Offerors whose proposals are deemed to be reasonably susceptible to award. Notwithstanding this section, proposals should be submitted initially complete and on most favorable terms. In the event discussions are conducted, the AGO shall issue a written request for Best and Final Offers.

3.8. Best and Final Offer

The request for Best and Final Offer shall inform Offerors, that if they do not submit a Best and Final Offer or a notice of withdrawal, their immediate previous Offer will be considered as their Best and Final Offer. The Offeror's "immediate previous offer" will consist of the Offeror's original proposal submission and any documents submitted by the Offeror during discussions.

3.9. Definitions of Key Words Used in the Solicitation

- 3.9.1. **Office of the Arizona Attorney General:** May be referred to as the AGO, Office of the Attorney General, Department, Agency or State of Arizona.
- 3.9.2. **Outside Counsel:** Outside Counsel refers to the Lawyer or law firm entering into this contract with the Office of the Arizona Attorney General. Outside Counsel may also be referred to as Contractor in this Contract.
- 3.9.3. **Contract or Agreement:** Refers to the legal agreement outlined in this document
- 3.9.4. **Shall, Must:** Indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of a proposal as non-responsive.
- 3.9.5. **Should:** Indicates something that is recommended but not mandatory. If the Offeror fails to provide recommended information, the State may, at its sole option, ask the Offeror to provide the information or evaluate the proposal without the information.
- 3.9.6. **May** Indicates something that is not mandatory, but permissible.
- 3.9.7. **Notice to Proceed:** A written document authorizing the Outside Counsel to begin work under this contract (e.g. letter to Outside Counsel, Purchase Order, Assignment letter, etc.)



ADDENDUM I
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Standard Contract Addendum for All Office of the Arizona Attorney General Contingency Fee Contracts As Per A.R.S. §41-4803

(This addendum is added as a part of this contract in accordance with A.R.S. §41-4803. These requirements are minimum and may be superseded by other statutory requirements listed within this Agreement.)

A. This state may not enter into a contingency fee contract that provides for this state's private attorney to receive a contingency fee from this state's portion of the recovery in excess of an aggregate of all of the following:

1. Twenty-five per cent of the initial recovery of less than ten million dollars.
2. Twenty per cent of that portion of any recovery of ten million dollars or more but less than fifteen million dollars.
3. Fifteen per cent of that portion of any recovery of fifteen million dollars or more but less than twenty million dollars.
4. Ten per cent of that portion of any recovery of twenty million dollars or more but less than twenty-five million dollars.
5. Five per cent of any recovery of twenty-five million dollars or more.

B. The contingency fee received by this state's private attorney shall not exceed fifty million dollars, except for reasonable costs and expenses and regardless of the number of lawsuits filed or the number of private attorneys retained to achieve the recovery.

C. The state shall not enter into a contract for contingency fee attorney services unless the following requirements are met throughout the contract period and any extensions of the contract:

1. A government attorney retains ultimate control over the course and conduct of the case.
2. A government attorney with supervisory authority is personally involved in overseeing the litigation.
3. A government attorney retains veto power over any decisions made by the private attorney.
4. Any defendant's attorney that is the subject of the litigation may contact the lead government attorney directly without having to confer with the private attorney.
5. A government attorney with supervisory authority for the case attends all settlement conferences. For the purposes of this paragraph, "attends" includes attendance by phone, teleconferencing or similar electronic devices.
6. Decisions regarding settlement of the case may not be delegated to this state's private attorney.

D. The attorney general shall develop a standard addendum to every contract for contingent fee attorney services that the attorney general must use in all cases, describing in detail what is expected of both the contracted private attorney and this state, including the requirements prescribed in subsection C.

E. The attorney general shall post copies of any executed contingency fee contract and the attorney general's written determination to enter into a contingency fee contract with the private attorney on the attorney general's website for public inspection within five business days after the date the contract is executed, which shall remain posted on the website for the duration of the contingency fee contract, including any extensions or



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amendments of the contract, unless the attorney general determines that the posting may cause damage to the reputation of any business or person. Notwithstanding the requirements of this subsection, posting on the website shall be made no later than when a lawsuit is filed. The attorney general shall post any payment of contingency fees on the attorney general's website within fifteen days after the payment of the contingency fees to the private attorney, which shall remain posted on the website for at least three hundred sixty-five days thereafter.

F. Any private attorney under contract to provide services to this state on a contingency fee basis, from the inception of the contract until at least four years after the contract expires or is terminated, shall maintain detailed current records, including documentation of all expenses, disbursements, charges, credits, underlying receipts and invoices and other financial transactions that concern the provision of the attorney services. The private attorney shall make all the records available for inspection and copying on request pursuant to title 39, chapter 1, article 2. The private attorney shall maintain detailed contemporaneous time records for the attorneys and paralegals working on the matter in increments of no greater than one tenth of one hour and shall promptly provide these records to the attorney general on request.

G. This chapter does not apply to any contingent fee contract in which this state hires a private attorney to pursue debt collection and restitution cases for this state.