

MICHAEL D. DWYER 206.223.7057 dwyerm@lanepowell.com

September 28, 2011

BY EMAIL AND REGULAR MAIL

Mr. Paul E. Fogarty Dearmin|Fogarty PLLC 600 Stewart Street, Suite 1200 Seattle, Washington 98101

Re: Carol and Mark DeCoursey

Dear Paul:

Your September 22, 2011 letter to Lewis Horowitz and me begins by saying that its purpose is to invite us to address certain claims that the DeCourseys assert against Lane Powell with the goal of resolving them amicably.

However, your 19-page letter contains countless insults, unfounded conclusions, and glaring inaccuracies. Let me be clear: Lane Powell did an excellent job for your clients and will defend its conduct. I do not intend to address each and every one of the assertions you make. I think the record as to the issues you raise is clear.

One point I do want to address specifically is that we do not have positional, ethical, business, or other conflicts of interest that impede our undivided loyalty to the DeCourseys or materially limit our ability to represent them effectively. Lane Powell vigorously litigated this matter and obtained a large verdict for your clients. In fact, as you know, we obtained a result significantly greater than what the DeCourseys predicted, and the Court not only approved our attorneys' fees but also awarded a 30% enhancement of those fees for our representation of the DeCourseys. To the extent the DeCourseys have legitimate issues relating to our lengthy representation of them, we believe they are minor and are not opposed to addressing them amicably on a net basis.

Further, Lane Powell is not holding the Windermere award hostage to its invoices as you allege in your September 23 letter. Lane Powell has not refused to cooperate with the DeCourseys' efforts to obtain payment. To the contrary, we would like to see that the DeCourseys are paid. Lane Powell has simply asserted a lien for payment of its fees in accordance with RCW 60.40.010 and applicable law. Since when is the assertion of a legal right equivalent to hostage taking? The DeCourseys are free to negotiate any arrangement they want with Windermere's insurer concerning payment, including a holdback of an appropriate amount, or an agreement to

www.lanepowell.com T. 206.223.7000 F. 206.223.7107 A PROFESSIONAL CORPORATION 1420 FIFTH AVENUE, SUITE 4100 SEATTLE, WASHINGTON 98101-2338 LAW OFFICES

ANCHORAGE, AK . OLYMPIA, WA PORTLAND, OR . SEATTLE, WA LONDON, ENGLAND Mr. Paul E. Fogarty Dearmin|Fogarty PLLC September 28, 2011 Page 2

indemnify and reimburse the insurer for any legal liability it incurs in paying out funds that deprive Lane Powell of legal fees to which it is entitled. The DeCourseys could even let Windermere pay Lane Powell's legal fees without prejudice to their claims against Lane Powell, which they could continue to pursue in lieu of holding payment of Lane Powell's fees hostage to their frivolous claims. If you feel that the DeCourseys need any kind of agreement with Lane Powell to achieve this outcome, let me know, and we will work with you to accomplish it.

We will work with you concerning your request for documents and your request to talk to Brent Nourse. With respect to your request for more information relating to billed costs, please be more specific about what billed costs appear irregular to you and what invoices you would like to see. For example, is there any particular computer research database time charges, long distance telephone charges, or photocopy charges that seem irregular to you and, if so, for which invoices?

Respectfully,

Michael D. Dwyer

MDD:jlb

cc: Lewis Horowitz