

LAW OFFICES

Douglas F. Cushnie

POST OFFICE BOX 949
SAIPAN, MP 96950
TELEPHONES (670) 234-6843 • 234-6830
TELEX: 9102507403
CABLE ADDRESS: "ABOGADOS MN LO"
FAX: (670) 234-9723

April 3, 1995

Chairman, Pre-Convention Committee
Third CNMI Constitutional Convention
Second Floor, Joeten Dandan Commercial Center
Saipan, MP 96950

Dear Mr. Chairman:

In accordance with the request for proposal issued March 29, 1995 by the Saipan Delegation Pre-Convention Committee, this firm hereby submits its proposal to act as legal consultants to the Third CNMI Constitutional Convention.

1. The attorneys responsible for directing legal services to be provided to the Pre-Convention Committee and Convention shall be Douglas F. Cushnie and Robert W. Jones.

Douglas F. Cushnie has been practicing law in the Commonwealth and its predecessor Trust Territory of the Pacific Islands since the beginning of 1968. During that time he has been involved in litigation involving the Covenant and the Compact of Free Association as well as constitutions of the Commonwealth, the Republic of Palau, the Marshall Islands and the Federated States of Micronesia. He has also drafted legislation for members of the legislatures of those jurisdictions.

Robert W. Jones has been practicing in the Commonwealth since early 1992. During that time he has been involved in researching and briefing various Commonwealth constitutional issues arising in the course of this firm's civil practice.

2. The requirements of the Convention with respect to legal advice would be met as follows:

a) The Pre-Convention period would be staffed by one attorney with another available as needed. Secretarial

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support for legal services provided would be handled by this firm's personnel. The foregoing is based upon the assumption that pre-convention work will be primarily in organizing for the convention (P.L. 9-18, §10(d)).

b) During the Convention legal services will include a full time attorney plus one who may be full time as needed. Due to expected peak periods of work plus the need to access research facilities not available in the Commonwealth, arrangements have been made to secure the services of an attorney in Honolulu, Hawaii to assist. This attorney is licensed in the Commonwealth and has had extensive experience in constitutional drafting in the FSM and litigation in that jurisdiction, Hawaii and Republic of the Marshall Islands. Secretarial facilities related directly to matters handled by attorneys will be provided by this firm.

3. The total dollar amount to be paid in compensation for lawyer services for both parts of the convention shall be a flat fee. While this firm commonly works on a time basis using an hourly rate, it is felt that due to the nature of this representation a flat fee is the better method. If the Committee feels that some room for adjustment should be available, such as a much shorter pre-convention than anticipated this can be easily accommodated. Office supplies, copying, etc. shall be billed at cost plus 10%. Secretarial services related to legal work provided by this firm are included in the flat fee.

a) Pre-Convention; Thirty-seven thousand five hundred dollars (\$37,500.00).

b) Convention: Eighty-two thousand dollars (\$82,000.00).

4. It is entirely possible, if not probable, that certain areas of expertise outside the legal community will be required. The most likely are experts in various forms of taxation with the ability to analyze comparative forms of tax, and economists. This firm has access to such persons in various disciplines in the State of Hawaii either directly or through referral. The cost of such assistance can vary widely, depending upon the expert secured, the scope of work and the type of expertise. In light of these variables, it is best to secure such assistance as needed so that an accurate cost may be determined. The Convention officers can then make an informed decision at the time

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whether to enlist such aid.

5. P.L. 8-19, §17 makes clear that every effort must be made to utilize executive and legislative staff for non-lawyer work. In the event that such assistance is not available as determined by the Pre-Convention Committee this firm will be able to assist in securing such help. With respect to direct assistance to attorneys such as by paralegals or researchers, it is unlikely that more than one or two will be needed. With respect to secretaries who are not legal secretaries, as well as clerks and messengers, it is again difficult to do much more than attempt an estimate, since no one knows how active each delegate will be in proposing amendments or generating work. It is submitted that to strictly support the legal work one secretary and a messenger is necessary. Most of the extra staff that may be necessary are not absolutely necessary to provide legal services. For instance, a great deal of copying must be done which will necessitate clerks and messengers. A daily journal may be kept, which is not strictly legal work, but will require a secretary. Based upon the above, extra support staff may cost an additional Five Thousand to Ten Thousand Dollars.

6. In order to support the legal work done this firm would probably require another computer (486DX with Word-Perfect for Windows versions 6.0, and a laser printer with 8 page per minute printing capacity at least) and access to a copying machine with collator. Cost of the computer and printer should not exceed \$3500.00. The copy machine may be available on short term rental. Prices are not currently known but should not exceed \$1500.00. The foregoing equipment requirements are based upon this firm's view of what a legal team should be doing. This includes providing legal advice and written opinions and drafting constitutional provisions. It does not include operating a copying department or acting as a journal clerk or the like. If the Pre-Convention Committee desires this type of service from a law firm it is this firm's view that while we would make every effort to accommodate such a request, the Convention would be better off securing this type of assistance from a secretarial service.

I hope the foregoing is of assistance. If further clarification is needed as to anything contained in this proposal, please do not hesitate to contact me or Mr. Jones.

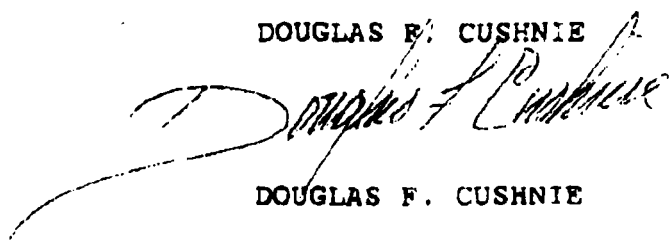
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Thank you for the opportunity to submit this proposal.

Very truly yours,

DOUGLAS F. CUSHNIE

A large, stylized handwritten signature in dark ink, appearing to read "Douglas F. Cushnie". The signature is written over the typed name "DOUGLAS F. CUSHNIE".

DOUGLAS F. CUSHNIE

DFC/lg