

**Exponent**  
Failure Analysis Associates®

Subbaiah V. Malladi, Ph.D., P.E.  
Chief Technical Officer

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December 7, 2009

Joel Smith, Esq.  
Bowman & Brooke  
1441 Main Street, Suite 100  
Columbia, SC 29201

Subject: Toyota Class Actions  
Project No. 0907698.000

Dear Joel:

Per our discussions, Exponent Failure Analysis Associates (Exponent) is pleased to offer our assistance in the subject matters. Our scope of services is anticipated to include engineering consulting services related to class actions filed against Toyota.

Exponent's services will be provided on a time-and-expense basis. Charges will include professional fees (commensurate with the level of expertise of the personnel assigned to the project), equipment usage fees, and other out-of-pocket expenses according to our *Schedule of Rates & Charges*, a copy of which is enclosed and made a part hereof by reference. For your information, the billing rates of key individuals expected to contribute to these efforts are listed below.

Subbaiah Malladi, Ph.D., P.E.	\$395
Ph.D., P.E.	\$310
Matthew Schwall, Ph.D., P.E.	\$215
Shukri Souri, Ph.D., P.E.	\$425
	\$195
	\$125

Exponent's services are provided only in accordance with our *Terms and Conditions of Agreement*, a copy of which is enclosed and made a part hereof by reference. It is our understanding that Exponent's retention on this project is solely with your organization and all charges (i.e., fees and expenses) incurred by Exponent on this project will be the responsibility of Bowman and Brooke, independent of other parties/payees involved. If our understanding is not correct and your organization is not responsible for these charges, please have the responsible party sign this letter to signify that the terms are acceptable and Exponent is authorized to commence work as described herein. If invoices should be mailed to an address other than the one above, please provide that information with the signed letter.

Based on the information you have provided, we have performed a conflict-of-interest check for the following parties:

- Toyota Motor Company
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ATTACHMENT A

Using this information, Exponent has determined that it does not currently have a conflict that would preclude us from assisting you in this matter. Please inform me as soon as possible if this list of parties is inaccurate or incomplete, or if other parties become involved as this matter proceeds.

Please indicate your understanding and acceptance of the terms of retention by signing and returning a copy of this letter. If you have any questions or require additional information, please do not hesitate to contact me at (650) 688-7272. We look forward to working with you.

Sincerely,

Accepted by:



\_\_\_\_\_  
Authorized Signature

Subbaiah Malladi, Ph.D., P.E.  
Chief Technology Officer

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Organization

Attachments (2)

\_\_\_\_\_  
Date