

R
REPORT TO CLIENTS

STITES & HARBISON^{PLLC}

ATTORNEYS



T
TO OUR FRIENDS

REPORT
TO CLIENTS

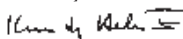
Anytime clients say they're satisfied is good news. That's why the attorneys and staff of Stites & Harbison were especially pleased to learn that BTI Consulting Group, Inc's 2002 Survey of Client Performance for Law Firms named us as a leading national law firm. Stites & Harbison was recognized for Providing Value for the Dollar, Understanding our Client's Business, Commitment to Help, and Client Focus. We were also singled out as one of the law firms in the Best Regional Reputation category.

This recognition was based on a survey of General Counsel with companies listed on the Fortune 1000, including many of our clients. The results are particularly gratifying in light of the report's finding that only 35 percent of companies believe that their primary law firm is best at client service.

A second BTI survey asked Fortune 1000 General Counsel whether any individual lawyers could be recognized as providing exceptional client service. The General Counsels surveyed named 93 such attorneys nationwide, including Stites & Harbison's Charles "Mike" Cronan.

The stories about our clients featured in the following report illustrate what these General Counsel were talking about. I am pleased to share them with you.

Sincerely,



Kennedy Helm III, Chairman

I

FRANKLIN
TENNESSEE

W

WESTHAVEN

FRANKLIN, TENN. (SEPT 20, 2002) - Disciples of the new Westhaven development see it as a return to small-town life and connectedness. The plan

After an intensive effort to gain community approval, Southern Land Company broke ground for Westhaven, destined to become one of the nation's premier New Urbanism developments. Led by Southern Land Company president Tim Downey, designed by internationally-known planner Andres Duany and with support from Stites & Harbison, the 1,500-acre project located in historic Franklin will combine commercial and residential neighborhoods to achieve a pedestrian-friendly sense of community. Westhaven has already established a new standard of excellence for developments in Franklin and surrounding Williamson County.



TIM DOWNEY



GALLERIA

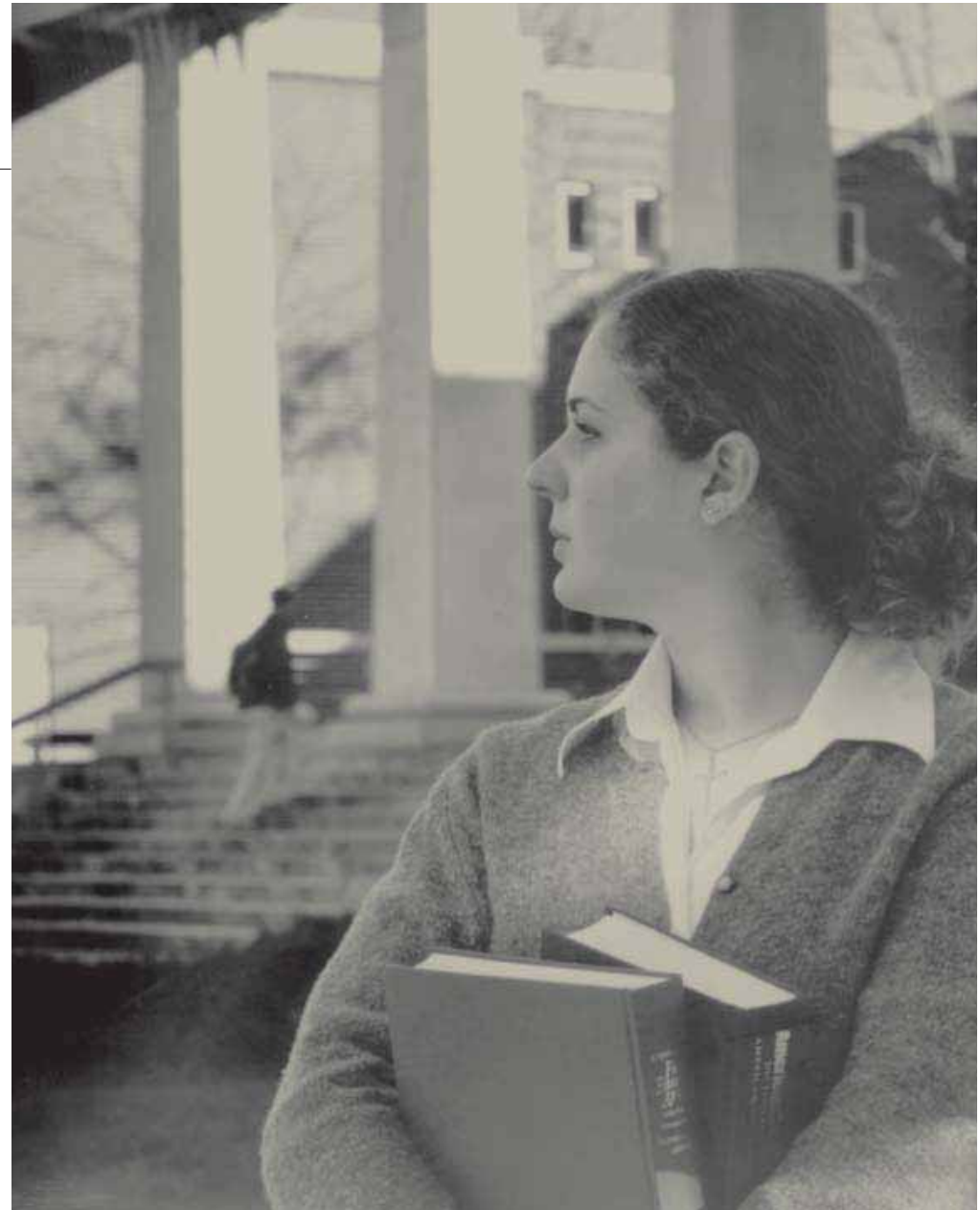
Most people looked at the Louisville Galleria and saw an aging downtown retail complex. The Cordish Company saw the site of a hip, new entertainment mecca, with a Hard Rock Café, Borders Books and upscale places to eat, drink and play... bringing locals and visitors downtown. Stites & Harbison helped deal with reams of red tape and handled the complicated sale of the 180,000-square-foot space. The merrymaking is slated to begin in 2004.

II
LOUISVILLE
KENTUCKY

LOUISVILLE, KY. (JULY 6, 2001) – The city's 30-year experiment with downtown retail revival is switching gears, thanks to the deal announced yesterday with

AMENDMENT ONE – CONGRESS shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom

When a U.S. District Court ruled that Lipscomb University was “pervasively sectarian” and that issuance of tax-exempt bonds would be a violation of the Establishment Clause of the First Amendment to the U.S. Constitution, the school engaged Stites & Harbison to handle its appeal. Private colleges and universities across the United States took notice when the 6th U.S. Circuit Court of Appeals ruled 2-1 that issuing millions of dollars in tax-exempt bonds in 1991 for campus improvements to Lipscomb, a university with ties to the Churches of Christ, was constitutional.



IV

LEXINGTON
KENTUCKY

THIS TRUSTEE'S MOTION for Approval of Settlement Agreement having been filed on October 30, 2002 and notice of hearing thereon having been properly

W

WALLACE / G. WILKINSON
CHAPTER 11 BANKRUPTCY

The bankruptcy of Kentucky's former governor made headlines for more than a year, with Stites & Harbison's Creditors' Rights and Bankruptcy Service Group serving as counsel, first for the Unsecured Creditors' Committee and later for the Chapter 11 Trustee. The Lexington-based legal team got confirmation of a liquidation plan and a global settlement in federal bankruptcy court, resolving contentious property rights issues between parties and short-cutting years of potential litigation. The complex case involved millions of dollars in debts and personal and business assets in Kentucky and Florida.





ALTERNATIVE HEALTHCARE



Alternative Healthcare System, Inc., faced a multimillion dollar judgment because of a dissenting shareholder's lawsuit when it turned to Stites & Harbison. Saddled with a trial record unsuitable for appeal and a judgment full of legal and factual errors, the firm's appellate team used plenty of horsepower and a deft strategy to re-build the record and obtain a new trial. The result? The original judgment was reduced by 75 percent.

THIS CORPORATE DISSENTER'S RIGHTS CASE IS BEFORE
THE COURT FOR FINAL DECISION PURSUANT TO O.C.G.A.
14-2-1301 ET SEQ. FOR THE REASONS SENT OUT BELOW, THE

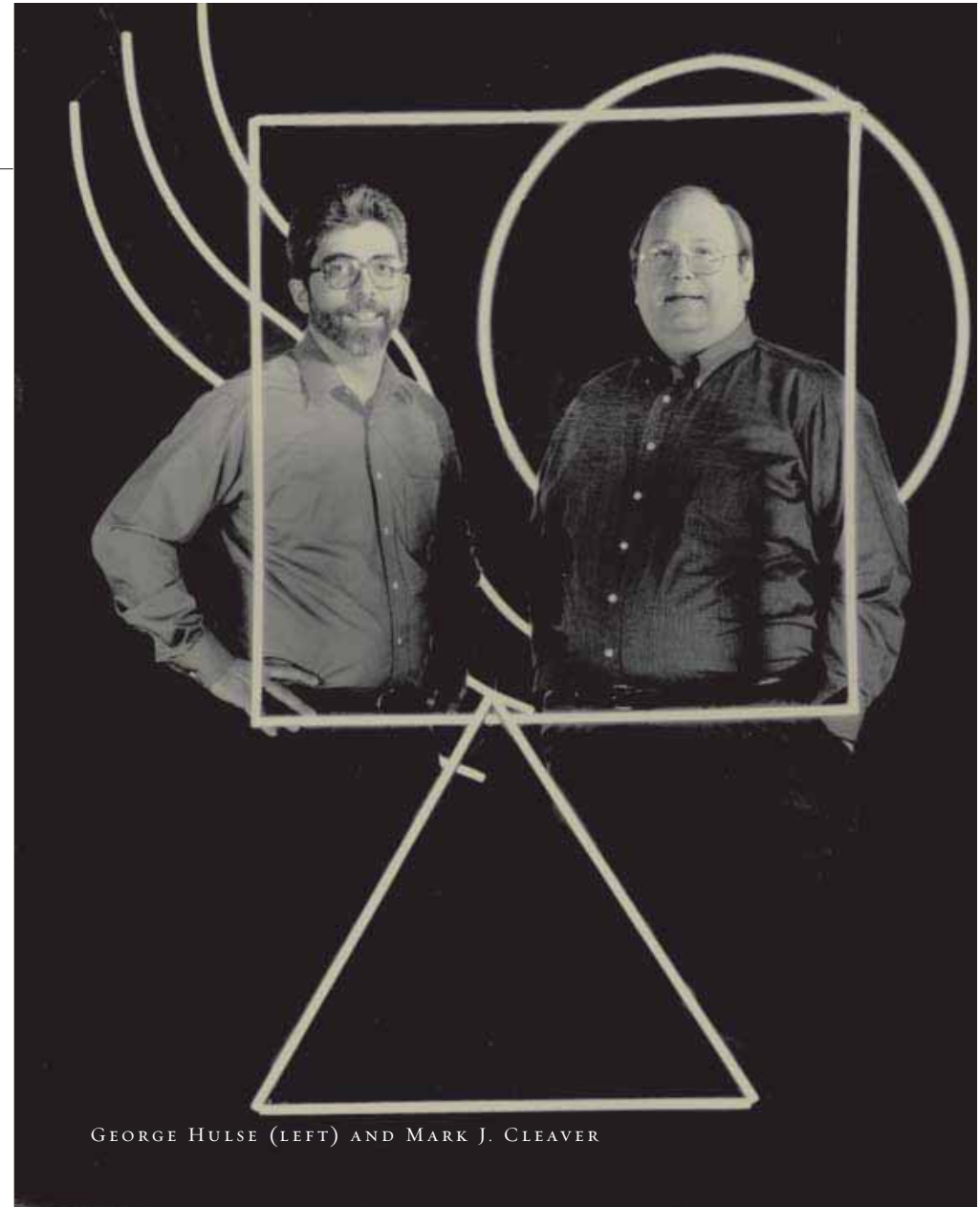
VI

CHICAGO
ILLINOIS

[PATENT APPLICATION NO. 0034] To provide the desired result, i.e., an illumination device that is an effective simulator of neon lighting, it is important



George Hulse and Mark J. Cleaver believed that LED-based, neonlike lights housed in composite plastic materials seemed like a bright idea. They were right. Their engineering and technology company (with a plant in Cookeville, Tenn.) makes and markets Plexineon™ lighting, an innovative product more durable, more weatherproof, safer, cheaper to operate, and longer lasting than neon or other common lighting sources. The product is finding its way into signs and buildings all over the world. It's being protected thanks to the work of Stites & Harbison's ten bright Registered U.S. Patent Attorneys.



GEORGE HULSE (LEFT) AND MARK J. CLEAVER



A B O U T S T I T E S & H A R B I S O N



REPORT
TO CLIENTS

Stites & Harbison PLLC is a law firm of over 225 attorneys based in strategic Southeastern locations and sought by business and institutional clients nationwide for sophisticated transactions, difficult litigation and complex regulatory matters.

Twenty-five Members of the firm are named in the current edition of *The Best Lawyers in America*[®], and nearly 90 percent of the firm's Members and Counsel are listed as currently AV[®]-rated in the *Martindale-Hubbell Law Directory*[®]. The firm's attorneys are admitted to practice in 20 states including the District of Columbia. Almost one third are women, and ten are Registered U.S. Patent Attorneys.

Stites & Harbison actively encourages its attorneys to take leadership roles in civic and charitable work. Members of the firm have served on charitable and civic boards ranging literally from A to Z... including the Lexington, Ky., Arts & Cultural Council, which supports arts education for children throughout the community.

MORE INFORMATION
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Visit our Web site – www.stites.com –
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Many states require law firms to place the statement THIS IS AN ADVERTISE-
MENT on publications such as this. Tennessee law requires certain disclosures with
regard to practice areas, as follows.

Certifications of Specialization are available to Tennessee lawyers in all areas of
practice relating to or included in the areas of Civil Trial, Criminal Trial, Business
Bankruptcy, Consumer Bankruptcy, Creditor's Rights, Medical Malpractice, Legal
Malpractice, Accounting Malpractice, Elder Law, Estate Planning and Family Law.
Listing of related or included practice areas herein does not constitute or imply a
representation of certification of specialization.

The attorneys of Stites & Harbison are not certified as specialists in any practice
area for which certification is available by the Tennessee Commission on Continuing
Legal Education and Specialization, with the sole exception of Robert C. Goodrich,
Jr., who is certified in Business Bankruptcy.

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