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STATEMENT OF TERRY LUCAS BUTTS

My name is Terry Lucas Butts. I received my law degree in 1968 from the University of Alabama Law School. Following law school, I practiced law in Elba, Alabama, for eight years. I then became a Circuit Court Judge, ultimately serving some 23 ½ years as a judge, before retiring from the Alabama Supreme Court in 1998 to run as the Democratic nominee for Attorney General of Alabama against then appointed incumbent Attorney General Bill Pryor. After losing the 1998 race to Attorney General Pryor by three-tenths of one percent, I returned to the active practice of law, practicing in Troy, Alabama, in ultimately an eight person law firm. I left this firm and practice in 2005, returning to my home town of Luverne, Alabama, where I resided, to open my separate law practice, which continues today.

Since leaving the judicial bench, among my clients have been Governor Bob Riley, Former Alabama Chief Justice Roy Moore, and Former CEO of HealthSouth Corporation, Richard Scrushy, in respective matters.

After the November 2002 general election in Alabama, then challenger Bob Riley prevailed over then incumbent Governor Don Siegelman by some 3,100 votes. Governor Siegelman immediately began a legal challenge to obtain a recount of the votes. Along with Attorney Matt Lembke of the firm Bradley/Arant in Birmingham, I was employed by Governor-elect Bob Riley to resist the recount challenge.

For nearly two weeks, co-counsel Matt Lembke and I (along with other attorneys who assisted locally in various counties, but those attorneys did not include Dana Jill Simpson) "punched and counter-punched" all over the State, with Governor Siegelman's attorneys Joe Espy and Bobby Segall, both of Montgomery, and "Boots" Gale of Birmingham, as to Governor Siegelman's efforts to obtain vote recounts and our efforts to block any recounts.

I take up Mrs. Simpson's allegations involving me as follows:

1. Ms. Simpson alleges a conference call occurring on November 18, 2002. As I recall that day, Attorney Matt Lembke and I arrived within minutes of each other at approximately 9:00 am, at Rob Riley's law office in Birmingham. Rob Riley's office had come to be headquarters for the election recount challenges.

On November 18, 2002, Matt and I spent the entire morning working together with Rob Riley in Rob's law office. As I recall, some time in the afternoon, Toby Roth (I believe) stuck his head in where we were all working, advising that a call had just been received

from someone in Governor Siegelman's campaign inquiring as to when Governor Siegelman could speak by phone with Governor Riley.

During the afternoon, Matt and I were in Rob Riley's law office with Governor Riley, Rob Riley, Steve Windom, Toby Roth, and others standing in the doorway – in fact, Matt and I pulled up chairs by Governor Riley and waited with him for the call. The call came sometime thereafter. While I could not hear Governor Siegelman's end of the call, I could hear Governor Riley's. The two men had a very amicable and friendly conversation. When Governor Riley hung up the phone, he stood up, Matt and I stood up, and Governor Riley put an arm around each of us, hugging us to him, and said: "The winning team". Rob Riley had a camera and snapped a photo. There were then hugs and handshakes all around and that was the end of it.

Later, after Governor Siegelman conceded publicly, we all rode with Governor Riley to his press conference. I recall we were all exhausted because there had been some days of around the clock working on the various pending lawsuits and the various legal briefs. I do not believe, nor do I recall, any conference call occurring with Ms. Simpson. In fact, during the entire recount controversy, Matt Lembke and I never did anything involving the issues, including conference calls, unless we did it together and with both consultation/concurrence by both of us on any matter, as we were the lead attorneys. Further, on November 18, 2002, Matt and I were never outside of each other's presence for any length of time for any phone conferences.

2. As to Ms. Simpson's allegations about concern over a Ku Klux Klan rally involving campaign signs of Governor Riley, I simply do not know of anyone who would give a good Southern "damn" or a "hoot-in-hell" about what the KKK thinks, either before, during, or after an election on any issue. Certainly this would be particularly true as to the placing of anyone's campaign signs at a Klan rally after an election.
3. As to Ms. Simpson's allegations concerning me approaching either Governor Siegelman or some of his "campaign people" about Governor Siegelman conceding the election and in return the KKK allegations, as well as that any Federal investigation/prosecution would end, that simply did not happen.

I could not ethically (and did not) approach another attorney's client (in this instance Governor Siegelman), nor did I contact any of Governor Siegelman's "campaign people". Additionally, I would have no authority to prevent, stop, or end any Federal or State investigation/prosecution of anyone. That kind of authority derives only from State or Federal Attorney Generals, State District Attorneys, United States Attorneys, or the United States' Justice Department, none of whom was I in contact with concerning any investigation/prosecution of Governor Siegelman as alleged by Ms. Simpson.

4. Along with other co-counsel, I did help represent former HealthSouth CEO Richard Scrushy in the Middle District Federal Court of Alabama in 2006, wherein former Governor Don Siegelman was a co-defendant. While there is much that can be said about

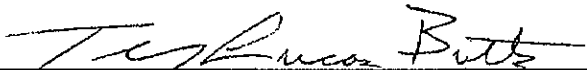
that trial, I continue to believe that both Richard Scrushy and Don Siegelman were erroneously convicted and that their respective convictions should be reversed on appeal for many trial errors. However, I did not (as Ms. Simpson alleges) "go back and tell the Governor things" about Mr. Scrushy's case. Neither did I discuss Mr. Scrushy's case with Rob Riley. Again, these allegations by Ms. Simpson did not happen.

Additionally, there is just simply no conflict of interest on my part in having represented Mr. Scrushy, as Ms. Simpson's allegations on that issue are not true. In fact, the first time I ever heard of Ms. Simpson and/or her allegations was in May 2007 when I received media calls about her allegations.

- 5. Finally, among other general matters that I recall on November 18, 2002, co-counsel Matt Lembke, Rob Riley, and I were together in Rob's office on the mentioned date. As I recall, none of us were ever outside each other's presence on that day for any length of time, so if a conference call with Ms. Simpson occurred as she alleges, I am confident we would remember it, particularly, in light of the comments she alleges. Again, I neither recall any such call, nor do I believe any such call/conversation as alleged ever took place.

Further, Bill Canary was not present with us on November 18, 2002, nor do I ever recall any conference call with him. In fact, to my knowledge and recall, I have never had a phone call with Mr. Canary.

Reiterating, the allegations made by Ms. Simpson involving me are simply not true. While Ms. Simpson herself may not personally be in doubt, however, with no disrespect intended, I certainly believe her to be in error.



 Terry Lucas Butts

SWORN TO and subscribed before me this 19th day of October, 2007.



 Notary Public

My Commission Expires:

