

RECREATION CENTERS OF SUN CITY WEST, INC.

POLICY STATEMENT –L3

Effective Utilization of Legal Services

1.0 Purpose:

The purpose of this policy is the establishment of procedures for the acquisition and preservation of the legal advice of attorneys obtained at the request of the Board President, Board Directors, or the General Manager for the benefit of the corporation.

2.0 Request for Legal Services:

Except as provided in 4.0, all contacts with legal counsel will be initiated by the Board President, on his own volition or at the request of a Board Director or the General Manager, or by a vote of the Governing Board.

2.1 The request for legal advice must:

- 2.1.1 Name the party making the request;
- 2.1.2 Be factually specific and as narrowly drawn as possible;
- 2.1.3 Contain a detailed statement of the facts that give rise to the issue;
- 2.1.4 Contain a statement of the nature and purpose of the legal advice sought;
- 2.1.5 Contain copies of relevant Governing Documents;
- 2.1.6 Remain confidential.

2.2 Legal contacts initiated by the President on his/her own volition shall follow the same format.

2.3 If the President, in his/her discretion denies a request for legal advice from a Director or the General Manager, the requesting Director or General Manager may request a vote of the Governing Board.

2.3.1 If a majority of the Board votes in favor of making the denied request, the President must promptly communicate the request to the appropriate attorney.

2.4 The requesting Director and or General Manager shall be included by the President in communications with legal counsel.

2.5 A copy shall be made of the request and accompanying documents.

3.0 Documentation of legal advice:

A written legal opinion signed by the consulted attorney is the preferred attorney response to the request for legal advice. Telephone calls for legal advice are discouraged; if used, the requesting Director shall participate in the telephone consultation.

3.1 Should the consulted attorney discourage the creation of a written opinion, the party making the request shall draft a memorandum of the meeting, or telephone conversation, outlining the facts and issues presented to the attorney and the legal advice or opinion tendered.

3.1.1 A copy of the above memorandum, accompanied by a request for confirmation by the attorney that the memorandum is a correct summary of the advice or opinion tendered by the attorney at the meeting, or during the telephone conversation, shall be sent to the attorney.

3.2 All requests, written opinions, documents and memoranda connected with the request for legal advice shall be kept in a locked file cabinet maintained by the Office Manager and labeled "CONFIDENTIAL". The General Manager may keep a similar file.

3.2.1 Any Director or the General Manager shall have access to the confidential legal files.

3.2.2 Copies of confidential documents may not be taken out of the office without written permission of the Board President or General Manager. The written permission shall be filed with the confidential document.

3.2.3 No copies may be made of confidential documents without the written permission of the Board President or General Manager. The written permission shall be filed with the confidential document.

4.0 The General Manager shall have the flexibility to communicate with Association Attorneys as necessary on day to day operational issues under the following provisions:

4.1 The Governing Board President shall be advised of the subject of the communications.

5.0 Where possible, communications with legal counsel per 2.0 and 4.0 shall be by e-mail. When e-mail is not possible, telephone, text messaging or other electronic communication shall be documented in writing (may be hand written notes with signature) stating parties involved, subject and pertinent facts. When the communication is more extensive, 3.1 and 3.1.1 shall be followed.

Adopted: 10-17-91
Approved: 05-20-93
Approved: 02-24-94
Approved: 04-24-08