I. SCOPE

This Litigation Policy ("Policy") applies to the members of the Board of Trustees and all staff personnel of the University. See Section IV below for the definitions of capitalized terms in this Policy.

II. POLICY STATEMENT

The purpose of this Policy is to establish the process to be followed in the event that the University becomes aware of threatened or pending litigation involving the University or University Personnel as an entity or as individuals acting within the scope of their authority as representatives of the University.

III. POLICY

The General Counsel represents the University as a corporate entity in legal matters and reports to the President on a day-to-day basis regarding the legal affairs of the University. As the University’s Chief Legal and Compliance Officer, the General Counsel also reports to the Board of Trustees as necessary in order to protect the University’s interests. It is the policy of the University to have a structured process through which the University responds to any legal action or possible legal action involving the University.

A. Notification of Lawsuit

1. All University Personnel must report to the General Counsel whenever they become aware that an employee or member of the public indicates that he or she may or will take legal action against the University. The General Counsel will consult with the President on those matters the General Counsel considers have a good chance of resulting in a lawsuit. The President shall consider the severity of the allegations, the potential financial impact on the University, and the potential harm to the reputation of the University, among other factors, in making a determination as to whether to advise the Board of Trustees of the potential or threatened lawsuit.

2. The General Counsel is authorized to receive and accept service on behalf of the University of a complaint or other legal document.
2. The General Counsel is authorized to receive and accept service on behalf of the University of a complaint or other legal document.

3. Upon receipt of service, the General Counsel will notify the President and any employees named as parties in the lawsuit that the suit has been filed.

4. Upon receipt of notification of a lawsuit, the General Counsel will notify the University’s insurance carriers that the suit has been filed. The University’s insurance coverage is on a “claims-made” basis. Existing or potential claims must be reported to the insurance carrier during the insurance policy term. Coverage for the University may be jeopardized if a claim is not submitted during the insurance policy period in which the claim was made.

5. Upon receipt of notification of a lawsuit, the General Counsel, in consultation with the President and the University’s insurance carrier, shall determine whether it is in the University’s best interest to settle the matter or allow the litigation to move forward to trial.

6. Upon receipt of notification of a lawsuit, the General Counsel will determine whether there is a need to retain Outside Counsel, and if so, shall, in conjunction with the insurance carrier, choose Outside Counsel with appropriate expertise, subject to budgetary approval for such legal fees from the President. In matters affecting The College of Global Studies, the General Counsel shall in conjunction with the insurance carrier, consult with Vice President of The College of Global Studies before choosing Outside Counsel. The General Counsel and the President shall determine the strategy of the defense of the lawsuit after consultation with Outside Counsel.

7. If a litigation matter names one of the attorney personnel in the Office of General Counsel as a defendant, then it is preferable to have the matter handled by other attorney personnel in the Office of General Counsel. If there are no other attorney personnel, then the President or his or her designee should assign the matter to outside counsel to represent the University. Such outside Counsel would report to the President, who, in turn, would report such litigation (based on materiality or the possibility of harm to the University’s reputation) to the full Board of Trustees or the Executive Committee of the Board between meetings. If both the General Counsel and the President are named as a defendant, the Chair of the Board of Trustees will coordinate a defense of the matter directly.

8. Upon receipt of notification of a lawsuit, the General Counsel will also notify the Office of University Relations. University Relations shall decline to respond to press inquiries regarding any lawsuit filed unless the President, in consultation with the General Counsel, determine that public comment is appropriate. University Relations shall consult with the President in preparing any public statement relating to the filing of the lawsuit.

9. The President shall inform the Board of Trustees of all lawsuits (based on materiality or the possibility of harm to the University) filed against the University within a reasonable time of receipt of notification of the lawsuit.

**B. Course of Litigation**

1. The General Counsel shall be the point of contact for the University’s insurance carrier during the course of litigation.

2. University Personnel must be mindful that internal documents and discussions of pending litigation may be discoverable during litigation. The General Counsel shall coordinate the University’s internal response to litigation, including ensuring that the University fulfills its responsibilities with respect to discovery, which shall be conducted under the direction of the General Counsel or any Outside Counsel retained to represent the University.
3. Once an action has been filed, unless otherwise expressly authorized by the President, all meetings, discussions concerning the case, fact-finding, preparation of reports and other information gathering or dissemination, shall be coordinated under the direction of the Outside Counsel or the General Counsel.

4. Outside Counsel or General Counsel shall meet with any employees named in the case, or who may be closely involved in the case as a potential witness, and others, as they deem appropriate, to explain the matter in dispute and the processes and procedures to be used to protect attorney-client privileged information and attorney work product privileges information and communications.

5. No University Personnel shall destroy any record, memoranda, or notes relating to any matter that is subject to threatened or pending litigation without the express written consent of Outside Counsel or General Counsel, who may only authorize the destruction of these records consistent with the applicable rules of procedure, standards of practice, code of ethics for the conduct of litigation, and relevant University policies regarding record retention.

6. The General Counsel shall provide the Audit Committee of the Board of Trustees with updated reports at designated Risk and Audit Committee meetings regarding pending and/or settled litigation that may have a material impact on the University’s financial statements or compliance policies. The rationale is to provide information regarding those situations which call for Risk and Audit Committee review and revision of certain risk management policies in order to avoid or reduce the risk of litigation for the University in the future.

C. Managing communications relating to lawsuits

No University personnel shall comment on any matter in litigation or any matter known to be the subject of potential or threatened litigation without the express permission of the President. The Office of University Relations manages any official University response and shall decline to comment on any inquiries, unless under the direction of the President. The President shall coordinate all communications with the Board of Trustees and with Outside Counsel or General Counsel.

D. Settlements and Court Orders

Except for orders expressly involving the General Counsel, the General Counsel shall be the principal point of contact and coordination for carrying out court ordered activities and ensuring compliance with Court Orders and Settlement Agreements. For matters involving the College of Global Studies, the Outside Counsel representing the College of Global Studies shall be the principal point of contact and coordination for carrying out court ordered activities and ensuring compliance with Court Orders and Settlement Agreements.

E. Record Keeping for Legal files

All correspondence with Outside Counsel or General Counsel and other records relating to matters involving the conduct of litigation shall be clearly labeled as such and shall be maintained in the exclusive custody of the Office of the General Counsel and shall be retained in separate, locked records storage.
F. Other

The General Counsel also serves as the University’s Chief Legal and Compliance Officer. Therefore, all University operations which may be deemed to implicate legal matters, as determined by the President or Chair of the Board of Trustees, shall require involvement of University Counsel.

IV. DEFINITIONS

Court Orders are official proclamations by a judge that define the legal relationships between the parties to a hearing, a trial, an appeal or other court proceedings. Such rulings require or authorize the carrying out of certain steps by one or more parties to a case.

General Counsel means the employee of the University who supervises the legal department of the University and represents the University in a wide range of legal matters on a daily basis.

Outside Counsel refers to any attorney retained directly by the University in consultation with the University insurance carriers to represent the University in a particular matter or case. This includes any outside counsel retained to handle matters outside of the United States on behalf of the College of Global Studies.

Party means any person named in a lawsuit involving the University.

Settlement Agreements are an acknowledgment by parties to a lawsuit that it is in their best interests to agree to settle their dispute without the need for further litigation.

University means Arcadia University, its colleges, schools, affiliates, divisions and subsidiaries.

University Personnel means all University full and part-time employees (including student workers), staff, faculty, administrators, volunteers, and officers.

V. EFFECTIVE DATE

This Policy shall be effective on the date it is signed by the President.

VI. SIGNATURE, TITLE AND DATE OF APPROVAL

By: [Signature]

President

Date: 2/14/18