

POLICY NO. 10-016

REVISION DATE: July 27, 2004

SUBJECT: Attorney Selection & Retention

I. PURPOSE

To describe guidelines and responsibilities for selection of an attorney or attorneys and to describe their relationship with the Cooperative.

II. POLICY CONTENT

Selection and Retention of a Board Attorney:

The Board of Directors is responsible for the selection of and retention of an attorney or a legal firm to provide legal guidance to the Cooperative. Factors such as fees, availability, experience, expertise and ability to work with the Board of Directors and the General Manager will be considered in the selection and retention processes.

Selection and Retention of other Attorneys:

In some cases, an attorney or firm with expertise beyond that of the Board Attorney may be needed. The Board Attorney will advise the board of such need and the board, working with the board attorney and the General Manager, will be responsible for selecting an attorney with the necessary qualifications. In cases where time is of the essence or where the fees for the necessary services are relatively small, the General Manager is authorized to retain an attorney with the necessary expertise based on a recommendation from the Board Attorney.

In other cases, the Cooperative will face routine legal issues not requiring Board of Directors involvement. In these situations, the General Manager is authorized to select an attorney specializing in the area of concern provided the fees for such services are relatively small and can be paid with funds available in an approved budget.

Duties:

The Board Attorney is engaged to assist and advise the board in dealing with legal issues. Duties include but are not limited to:

- (1) Advising the board on the legal aspects of and compliance with Articles of Incorporation, By-Laws, Policies, procedures, forms, easements, contracts, agreements, mortgages, rules, laws, fiduciary responsibilities, personal liabilities, etc.
- (2) Defending the Cooperative against legal claims of others and prosecuting the Cooperative's claims against others.
- (3) Any other services as requested by the Board of Directors.

Working Relationship:

The Board Attorney is authorized to work with the General Manager or other personnel or contractors as needed to perform services required by the board. The Board Attorney should work in a collaborative fashion with the General Manager, keeping him/her informed about all the matters pertaining to the Cooperative and seeking and considering his/her input. The Board Attorney should be available to answer legal questions from and provide legal advise to the General Manager or other personnel. All directors and employees of the Cooperative are required to cooperate with and assist the Board Attorney as necessary.

III. RESPONSIBILITY

The Board of Directors is responsible for selection and retention of the Board Attorney. The General Manager may engage the attorney in some situations as described in the policy content above.

ATTESTING:

Secretary

President

Date