

MARYLAND STATE BAR ASSOCIATION

Policy Manual



EFFECTIVE JULY 1, 2019

MSBA Policy Manual¹

I. Introduction

- A. The Maryland State Bar Association (“MSBA” or “Association”) is governed by four documents (the “Governing Documents”), which include 1) its Charter, 2) its Bylaws, 3) this Policy Manual, and 4) an Operating Procedures Manual. This Policy Manual is under the purview of the Board of Governors (“BOG” or “Board”) and sets forth the policies of the MSBA consistent with its Governing Documents. The Operating Procedures Manual is under the purview of the Executive Director and sets forth the procedures for the execution of the policies set forth in this Policy Manual.
- B. **Guiding Principles:** The policies set forth below have been adopted based upon the following Guiding Principles:
1. Diversity within the MSBA’s leadership ranks strengthens the MSBA and enhances its ability to attract and retain membership.
 2. Due to limited leadership roles/opportunities, it is important to balance term lengths with opportunities for new participants.
 3. A foundation of ‘good governance’ requires clear descriptions of roles and responsibilities for positions, committees, and other elements of governance.
 4. The MSBA is governed in accordance with the Governing Documents, pursuant to a Board-established “policy governance” model where the Board sets policy consistent with the MSBA’s mission, and the Executive Director and staff manage the day-to-day business of the MSBA consistent with policies set by the Board.
 5. Achieving broad participation of the MSBA’s membership requires that limitations be placed on the ability of individuals to be members of certain committees simultaneously and/or within a certain time frame, where one committee supervises/reviews the work of another (i.e. individuals may not be members of Budget & Finance committee and simultaneously a member of the Audit Committee).

II. Officers

- A. **Diversity Statement:** It is a goal of the MSBA that MSBA Officers reflect the diversity of the legal profession and be inclusive of all sectors of the legal profession, including, but not limited to, In-house/Corporate Counsel, Large

¹ Draft as of 5.6.19

Firms², Mid-Sized Firms³, Small Firms⁴, Public Interest, and State & Local Government attorneys, including the judiciary. Effort should be made to assure that the President is not from the same section of the profession for more than two (2) consecutive years or three (3) years within a 7-year period.

- B. **Selection Process:** As set forth in the Bylaws, the BOG shall constitute a nominating committee each year to nominate candidates for MSBA officers, with the exception of President. Notice of the nominated candidates shall be communicated to members by March 1 of each year.

III. Board of Governors

A. **Selection Process:**

1. **District Governors Entitlement to Representation:** In December of each year the Board of Governors shall declare the number of governors to be elected from each district as determined in accordance with the Bylaws, and notice of such declaration shall be given to all members of the MSBA. Such notice shall identify any county ineligible for representation, and the date by which nominations must be received.
2. **Nominations:**
 - a) The number of candidates nominated by a County or City Bar Association shall not exceed the number of Governors to which that Bar Association's district is entitled.
 - b) The Executive Director shall prepare and furnish upon request a uniform nomination petition. All nomination petitions shall be filed with the Executive Director no later than 120 days before the Annual Business Meeting of the MSBA.
 - c) If a Nominee's primary address is not within the district for which they seek nomination, the nomination will be rejected.
 - d) In the event that no nominating petitions are received with respect to a district within the time prescribed, no election shall be held in that district and, promptly following the Annual Business Meeting, the BOG shall name a member whose primary address is in the district to fill the vacancy.
 - e) Should the Executive Director be uncertain of the qualifications of any nominee or of the validity or timeliness of any nominating petition or if the Executive Director's decision with respect thereto

² Large Firms are defined throughout this document as firms having 50+ active attorneys in the State of Maryland (but not necessarily all in one single office location).

³ Mid-Sized firms are defined throughout this document as firms having 15-50 active attorneys in the State of Maryland (but not necessarily all in one single office location).

⁴ Small firms are defined throughout this document as firms have less than 15 active attorneys in the State of Maryland (but not necessarily all in one single office location).

is challenged, the matter shall be referred to the MSBA's Executive Committee which shall rule on the question.

3. **Election Procedure:** Following the expiration of the time within which nominations must be made, the Executive Director shall identify whether the election of governors from any districts is contested. If an election is contested, the Executive Director shall:
 - a) Notify the nominees of the contested election, and request that each nominee submit a brief biography (not exceeding 100 words) for circulation.
 - b) Appoint three (3) members from the BOG, with the approval of the President, to serve as "tellers" of the election.
 - c) Notify the members of the District of the election; provide them with the list of nominees and their biographies; and a method to vote for their selected nominee (with no option to allow for write-ins).
 - d) Voting shall be open for a minimum period of seven (7) days, and must be concluded at least 30 days prior to the MSBA's Annual Meeting.
 - e) Upon conclusion of the voting period, the Executive Director in conjunction with the appointed tellers shall verify the ballots, and exclude any ballots received from individuals whose primary address is outside of the contested district.
 - f) The nominee or nominees receiving the greatest number (a plurality) of the votes shall be elected as the District Governor(s). In the event of a tie, each of the appointed tellers shall each cast a vote for his or her preferred nominee, and the nominee receiving the most appointed teller votes shall be elected as the District Governor(s).
 - g) The election procedure shall be subject to review by the Executive Committee of the MSBA.
4. **Election Results**
 - a) Following the election, the Executive Director shall notify all nominees of the winner(s) of any contested elections.
 - b) After the nominees are notified, the Executive Director shall notify the BOG and Members of the contested elections results.

B. Meetings:

1. **Regular Meetings.** To accommodate the geographic diversity of the BOG and the MSBA's membership, meetings of the BOG shall be held at rotating locations. Meetings may be held throughout the State, or on occasion, outside of the State as fiscally and logistically feasible, as defined in Paragraph III.B.3

2. **Annual Retreat.** The BOG shall hold an Annual Retreat in May. Both the currently-serving BOG members and newly-elected BOG members shall be invited to attend.
 - a) The Annual Retreat will be held at an offsite location either inside or outside the State as fiscally and logistically feasible, as defined in Paragraph III.B.3.
 - b) At minimum the retreat shall be one (1) business day.
3. **Fiscally and Logistically Feasible.** Whether a venue is fiscally and logistically feasible will be determined by reviewing the available budget and other factors, including, but not limited to:
 - a) Accessibility (i.e. ADA compliance)
 - b) Availability
 - c) Amenities (i.e. size of venue, A/V options, WiFi, and parking)
 - d) Cost
4. BOG meetings may be held completely virtually by video conference call, telephone conference, or other electronic means.
5. In general, BOG meetings shall be open to MSBA members as observers without “vote” or “voice”, meaning that members shall not be entitled to vote, introduce items of business and/or make motions at BOG meetings. On select occasions, members may be recognized and/or asked to speak by the President/Presiding officer of a meeting on a specified topic. At any time during a BOG meeting, the Board may elect to conduct the meeting in “executive session”, at which time the meeting shall be “closed” to all non-Board members.

C. **Board of Governor Duties.** In addition to the roles/duties outlined in the MSBA Bylaws and those duties required by law, members of the Board of Governors shall have the following duties during their terms of service:

1. **BOG Liaison.** Each fiscal year, the President will assign BOG representatives as liaisons to the various Sections and Committees. As part of this role, a BOG liaison shall:
 - a) Introduce himself or herself to the respective Section/Committee Chair at the beginning of the fiscal year,
 - b) Attend Section/Committee meetings and events, and
 - c) Report to the BOG on the Section/Committee’s events, questions/concerns, and other similar items.
2. **Membership Engagement.** During the year, BOG representatives may be asked to engage with members in their respective districts/section to, among other things:
 - a) Report on the progress of certain initiatives,
 - b) Act as ambassadors of the MSBA to encourage existing members to renew their memberships,
 - c) Engage with and recruit non-member legal professionals to join the MSBA.

IV. **Executive Director.**

- A. Pursuant to the MSBA Bylaws, the MSBA shall retain the services of an Executive Director to handle the day-to-day operations of the MSBA.
- B. **Duties of the Executive Director.** The Executive Director (or “ED”) serves as chief executive officer of the MSBA and shall perform those duties described in the ED’s contract. Among other things, the ED shall 1) recommend, participate in the formulation of, modify, and effectuate new policies and existing policies subject, in certain cases, to the BOG’s approval; 2) Plan, organize, direct and coordinate the staff of the MSBA, including employees and independent contractors; 3) Plan, organize, and coordinate programs and activities of the MSBA to assure that objectives are attained, plans fulfilled, and members’ needs met; 4) Maintain effective internal and external relationships, through management and leadership; and 5) Achieve economical productive performance, forward-looking programming and constructive growth of the MSBA.

V. **Committees**

A. **Committee Chairs/Members:**

- 1. **Diversity Statement.** It is a goal of the MSBA that MSBA Committees reflect the full diversity of the legal profession and be inclusive of all sectors of the legal profession, including young lawyers.
- 2. **Non-MSBA Members on Committees.** Although committees shall be comprised primarily by MSBA members, other professionals may serve on committees when their expertise or professional knowledge would be useful and/or provide guidance to a particular committee. Non-MSBA members serve in a non-voting role for the committees on which they serve.
- 3. **Participation in Multiple Committees.** In order to provide opportunities for the greatest number of members to participate in MSBA governance and activities, it is a goal of the MSBA that members shall not serve on more than two (2) committees during the same fiscal year.

B. **Standing Committees.**

- 1. Standing Committees shall be subject to the Committee Selection process as outlined in Paragraph V.F., and any restrictions/prohibitions listed within the Standing Committee descriptions below.
- 2. Members of Standing Committees may serve no more than three consecutive terms on the same committee, and shall not serve more than a total of ten (10) years on the same committee.
- 3. The following committees shall be known as “Standing” Committees of the MSBA:

- a) **Audit & Risk Oversight Committee** shall consist of not less than three (3) members and not more than five (5) members, inclusive of the Chair, and may include one (1) non-attorney with relevant audit/accounting experience. The Audit Committee shall act in accordance with its role as outlined in Section VII and Appendix A of this Policy Manual. No member of the Budget & Finance committee nor Investment Committee may sit on the Audit Committee during the same fiscal year or within two (2) years of their service on the Budget & Finance Committee or Investment Committee. Members of the Audit Committee shall serve two (2) year terms.
- b) **Budget & Finance** shall consist of not less than five (5) members, inclusive of the Chair, and may include one (1) non-attorney member with relevant budget & finance experience. The Treasurer, President-Elect, and the Executive Director shall serve as *ex-officio* members of the committee. The Budget & Finance Committee shall act in accordance with its role as outlined in Section VII and Appendix A of this Policy Manual. Members of the Budget & Finance Committee shall serve two (2) year terms.
- c) **CLE & Publications** shall consist of not less than nine (9) members, inclusive of the Chair, and may include one (1) non-attorney member with relevant education/publication experience. The Director(s) of CLE & Publications shall serve as *ex-officio* member(s) of this committee. The CLE & Publication Committee shall act in accordance with its role as outlined in Appendix A of this Policy manual. Members of the CLE & Publications Committee shall serve two (2) year terms.
- d) **Diversity & Inclusion Committee** shall consist of not less than seven (7) members, inclusive of the Chair. The Diversity & Inclusion Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Diversity & Inclusion Committee shall serve two (2) year terms.
- e) **Editorial Advisory Board Committee (“EAB”)** shall consist of not less than seven (7) members, inclusive of the Chair. EAB shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of EAB shall serve two (2) year terms.
- f) **Laws Committee** shall consist of not less than eleven (11) members, inclusive of the Chair, and may include one (1) non-attorney member with relevant legislative experience. The Director of Legislative Relations shall serve as *ex-officio* member of the committee. The Laws Committee shall act in accordance with its role as outlined in Appendix A of this Policy Manual. Members of the Laws Committee shall serve two (2) year terms.

- g) Lawyer Assistance Program Committee (“LAP”)** shall consist of not less than nine (9) members, inclusive of the Chair, and may include one (1) non-attorney member with relevant crisis management/substance abuse experience. The Director of Lawyer Assistance shall serve as an *ex-officio* member of the committee. LAP shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of LAP shall serve two (2) year terms.
- h) Leadership Academy Committee** shall consist of not less than seven (7) members, inclusive of the Chair. The Leadership Academy Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Leadership Academy Committee shall serve two (2) year terms.
- i) Local and Specialty Bar Liaison Committee** shall consist of not less than seven (7) members, inclusive of the Chair. The Local and Specialty Bar Liaison Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Local and Specialty Bar Liaison shall serve two (2) year terms.
- j) Membership Committee** shall consist of not less than five (5) members, inclusive of the Chair. The Membership Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Membership Committee shall serve two (2) year terms.
- k) Professionalism & Civility Committee** shall consist of not less than seven (7) members, inclusive of the Chair. The Professionalism & Civility Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Professionalism & Civility Committee shall serve two (2) year terms.
- l) Program Committee** shall consist of not less than three (3) members, inclusive of the Chair. The Conference & Events Meeting Manager/Director shall serve as an *ex-officio* member of this committee. The Program Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Program Committee shall serve two (2) year terms.
- m) Public Awareness Committee** shall consist of not less than five (5) members, inclusive of the Chair. The Public Awareness Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Public Awareness Committee shall serve two (2) year terms.

C. Select Standing Committees.

1. Committees listed in this section are exempt from the Committee Selection Process outlined in Paragraph V.F. Rather, unless otherwise stated, the Chairs of these committees shall be appointed by the President of the MSBA, and members of the committee shall be appointed by the President in conjunction with the selected Committee Chair keeping in mind the diversity statement outlined in Paragraph V.A.
2. Unless otherwise stated, members of Select Standing Committees are not subject to any limitation on the number of terms they may serve on the same Select Standing Committee.
3. The following shall be known as “Select Standing” Committees of the MSBA:
 - a) **Ethics Committee** shall consist of not less than eleven (11) members, inclusive of the Chair. The Ethics committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Ethics Committee shall serve three (3) year terms.
 - b) **Investment Committee** shall consist of not less than three (3) members, inclusive of the Chair, and may include one non-attorney member with relevant finance/investment experience. The Treasurer and Executive Director shall serve as an *ex-officio* members of this committee. The Investment Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual. Members of the Investments Committee shall serve four (4) year terms.
 - c) **Judicial Appointments Committee** shall consist of members-at-large and local members. There shall be not less than fifteen (15) members-at-large, inclusive of the Chairs. In addition, there shall be not less than three (3) local members appointed for each County in Maryland and Baltimore City. Local members must either work or live in the County and/or City for which they are appointed. Members of the Judicial Appointments Committee shall serve three (3) year terms. Members of the Judiciary may not serve as members of the Judicial Appointments Committee. The Judicial Appointments Committee shall act in accordance with its role as outlined in Appendix A of the Policy Manual.
 - d) **Past Presidents Committee** shall consist of all living past-Presidents of the MSBA that remain as members in good-standing of the MSBA. The Chair of the Past Presidents Committee shall be second most immediate past-President of the MSBA. Members of the Past Presidents Committee are entitled to complimentary admission to the MSBA Legal Summit & Annual Meeting.
 - e) **Resolution of Fee Disputes Committee** shall consist of one (1) Chair, and six (6) vice chairs, along with not less than thirty (30) at

large members. The Chairs and Vice Chairs shall be appointed by the President, and at-large members shall be appointed by the President in conjunction with the Chairs and Vice-Chairs. The Resolution of Fee Disputes Committee shall act in accordance with its role as outlined in Appendix A of this Policy Manual, and its Regulations as outlined in Appendix B of this Policy Manual. Members of the Resolution of Fee Dispute Committee shall serve three (3) year terms.

- f) **Rules of Practice Committee** shall consist of no less than three (3) members, inclusive of the Chair. The Rule of Practice Committee shall act in accordance with its role as outlined in Appendix A of this Policy Manual. Members of the Rules of Practice Committee shall serve three (3) year terms.
- g) **Governance Selection Committee** shall be convened, and act in accordance with its role as outlined in Paragraph V.F. of this Policy Manual. Members shall serve one (1) year terms.

D. Special Committees.

1. As outlined in the MSBA Bylaws, the President may appoint Special Committees as necessary to carry out the MSBA's business and affairs.
2. At the time of appointment, the President shall state the charge of the committee, and the number of its members. The committee shall remain convened until its charge is fulfilled.
3. If the committee charge is not completed within the same fiscal year of its appointment, the incoming President-Elect may modify the committee appointments, but may not alter the initial charge.
4. The following are existing Special Committees of the MSBA:
 - a) **Bylaws Committee** may be appointed from time to time to review and recommend modifications to the MSBA Bylaws and/or draft language/provisions to carry out the recommendations of another committee of the MSBA, and/or other similar charge as outlined by the President of the MSBA at the time the committee is convened.
 - b) **Policy Review Committee** may be appointed from time to time to review and recommend modifications to the Policy Manual and/or draft language/provisions to carry out the recommendations of another committee of the MSBA, and/or other similar charge as outlined by the President of the MSBA at the time the committee is convened.
 - c) **Strategic Vision/Implementation Committee** may be appointed from time to time to review and recommend modifications to the MSBA's strategic priorities and objectives, and/or draft an implementation plan for existing strategic priorities and objectives of the MSBA, and/or other similar charge as outlined by the President of the MSBA at the time the committee is convened.

E. Task Forces.

1. **Power to Create.** The President, Executive Director or a majority of the Board of Governors may, from time to time, appoint task forces to accomplish specified tasks within that fiscal year. A task force shall “sundown” at the end of the period for which it has been organized or the completion of its designated task, unless otherwise renewed by the President-Elect or majority of the Board of Governors.
2. **Members.** Members of a task force shall be appointed by the President or Executive Director with the approval of BOG or Executive Committee respectively.

F. Committee Selection Process:

1. In January of each year, the President shall convene a Governance Selection Committee to assist with the selection and appointment of members to the various MSBA committees. The Governance Selection Committee shall be comprised of:
 - a) The President-Elect who shall serve as Chair of the Committee,
 - b) Executive Director,
 - c) One (1) at-large member with MSBA governance experience,⁵
 - d) One (1) at-large member with little or no MSBA governance experience,
 - e) Current Chair of the Strategic Vision Committee if constituted, and if not constituted, an at-large member selected by the President-Elect,
 - f) Current Chair of the Young Lawyers Section.
2. After the Governance Selection Committee is convened, a notice shall be sent to all attorneys barred in the State of Maryland seeking applications from those interested in serving on a MSBA committee.
3. Following a minimum four (4) week open application period, the Governance Selection Committee shall meet to review the applications and recommend candidates for chair/member vacancies in accordance with the diversity statement outlined in Paragraph V.D.1.
4. Based on the recommendations received from the Governance Selection Committee, the President-Elect shall appoint the committee members and chairs.
5. With the assistance of MSBA staff, the newly-selected committee chairs and members shall be notified of their appointments.

- G. Committee Removal.** The President shall have the authority, from time to time, to remove a committee member for failing to adequately participate in committee functions.

⁵ The term “governance experience” is defined as a member who has served on the Board of Governors, a Committee or who has chaired a Section of the MSBA within the past two (2) years.

H. **Committee Budgets.**

1. Committee Budgets shall be determined as part of the Budgeting process each fiscal year.
2. Committees generally will be allocated a meal budget and a program budget. Committees are encouraged to submit plans for future programs to the Budget & Finance Committee for upcoming fiscal years in February of each year, for consideration during the budgeting process.
3. Committees outlined in Section V of this Policy Manual may not use their allocated meal and/or program budgets for the purchase of alcohol.

VI. **Sections**

A. **Diversity Statement.** It is a goal of the MSBA that Sections and Section Councils be representative of all sectors of the legal profession, practice areas, and career stage.

B. **Creation of a Section.**

1. Members may submit a proposal to the Board of Governors to create a Section related to a specific practice area and/or affinity group.
2. Proposals must include the following:
 - a) The signature of at least 100 existing MSBA members stating that they support the creation of the Section and intend to join the Section once created.
 - b) A draft set of Bylaws for the Section that are consistent with the requirements set forth in the MSBA Bylaws.
 - c) A list of Members that will serve as the Chair, Chair-Elect, and other various council positions once the Section is created.
 - d) A draft plan/budget for the Section's first three (3) years in operation that outlines the proposed dues, educational programs and networking events that the section will hold as well as the content the Section intends to post on the Section page once created.
3. After presentation of the Proposal, the Board of Governors will vote on the approval of the creation of the Section. If approved by a majority of the Board of Governors present, the new Section will be created at the beginning of the next fiscal year.⁶

C. **Section Dues.** Following its first full year of operation, Sections must impose dues of at minimum \$10/annually for members to join or participate in a particular section.

⁶ Proposals must be presented and approved by or before March 1 of the prior fiscal year in order to be created for the forthcoming fiscal year.

D. **Section Budget.** The Section Budgets are established annually by the Budget & Finance Committee based on the following formula utilizing the dues received for the Section in the prior fiscal year:

a) 15% of the Section's prior fiscal year dues are absorbed by the MSBA to cover administrative costs.

b) **Total Section Budget** = 85% of the Section's prior fiscal year's dues. **This is broken down further into:**

(1) **Meal Money** = \$20 x Number of Council Members x
Number of Meetings per year

(2) **Program Budgets** = Total Section Budget - Meal Money

E. **Section Fiscal Autonomy.**

1. Sections are permitted to use their program budgets as they see fit; however, the MSBA encourages Sections to use their program budgets for value added activities for its members, including, but not limited to:

a) Presenting in-person and virtual educational programs;

b) Creating in-person networking opportunities and/or service opportunities in varying geographic regions of the state;

c) Developing content for the Section's page on MSBA.org, including:

(1) Articles, Newsletters, and Whitepapers

(2) Templates, Forms, & Checklists

(3) Short video/audio content

2. Sections may not use their allocated meal and/or program budgets for the purchase of alcoholic beverages.

F. **Waiver of Section Dues.** Any substantive law section may waive its section dues for a member of the MSBA who qualifies for a waiver of MSBA dues under the Bylaws, provided, however, that (1) the waiver of section dues shall not extend for any period longer than the period permitted for the waiver of MSBA dues, and (2) the maximum number of substantive law sections for which section dues may be waived for a respective member is three.

G. **Political Activity by Sections.** Sections shall not express opinions respecting candidates for election or appointment of offices or positions either within or outside of the MSBA.

VII. Budget Guidance and Roles

A. Guiding Principles

1. The MSBA has nine (9) roles/tiers of budget development and financial oversight as described in subpart B. below to ensure the highest level of transparency and good governance.

2. The MSBA seeks to optimize the resources entrusted to it by its members by ensuring good governance, which includes strategic reviews, fully informed development of budgets and funding plans, clearly defined roles, and oversight responsibilities.
3. The MSBA benefits from a multi-year budgeting model that allows for insight on the impact of current day decisions and assumptions in future years.
4. The MSBA maintains a reserve in order for it to sustain operations during times of budget deficits and economic challenges, and to fund long-term capital-intensive initiatives that ensure growth and/or sustainability for the organization.
5. The MSBA is guided by its long-term strategic priorities and objectives as adopted by the BOG after considering recommendations of its Strategic Vision Committee; these priorities and objectives should serve as the governing and overarching guidance to the Board of Governors, Executive Committee & other key budget development roles and groups.

B. Key Roles in Financial Responsibilities & Oversight

1. **Director of Finance, Membership & Administration:** Responsible for working with MSBA staff Directors and its CPA/accounting resources to present a draft budget to the Executive Director based on historical and currently available financial performance data. The Director of Finance also:
 - a) Oversees general accounting, accounts receivable/collection, and payroll and risk management
 - b) Guides financial decisions by establishing, monitoring, and enforcing policies and procedures
 - c) Protects assets by establishing, monitoring, and enforcing internal controls.
 - d) Provides financial reports to the Treasurer and Executive Director on a monthly basis along with an Executive Summary that details cash position
 - e) Prepares profit and loss forecast for Executive Director and Treasurer
2. **Executive Director:** Responsible for development and submission of an initial draft budget to the Budget & Finance Committee, in consultation with the Director of Finance, as a first step in the committee's role to develop a formal budget recommendation for the upcoming fiscal year. The Executive Director also:
 - a) Presents a multi-year set of assumptions and ensures alignment between strategic organizational and operational objectives and budgeting priorities;

- b) Presents information/perspective to the Executive Committee so that it can formulate guidance and/or specific direction to the Budget & Finance Committee;
 - c) On an ongoing basis (i.e. post budget development & approval by the Board of Governors) consults with the Treasurer and Director of Finance, Membership & Administration, to address any issues related to monthly actual and projected performance against budget, policy and procedures, cash flow, or other issues;
3. **Executive Committee:** Provides general guidance and/or specific direction to the Executive Director related to funding priorities and cost sensitivities, accounting for the governing strategic priorities, and the prevailing economic state of the MSBA. In addition, the Executive Committee also:
- a) Provides guidance to the Budget and Finance Committee to ensure strategic organizational objectives are being met;
 - b) Reviews proposed budget(s) from the Budget and Finance Committee Chair in advance of submission to the Board of Governors;
 - c) Receives 'Profit and Loss' forecasts vs actual periodically from Executive Director; may receive budgetary modification plans;
 - d) Receives monthly financial performance versus budget reviews from Treasurer; and
 - e) Reviews and approves any contract over \$25k
 - f) The Executive Committee may modify the adopted budget, in consultation with the Executive Director, during the course of a fiscal year. Appropriate BOG review and acceptance should occur, as needed, based on the governance thresholds established.
4. **Budget and Finance Committee Chair:** Leads the budget development efforts of the Budget and Finance Committee, and in addition:
- a) Collaborates with the Executive Director and Director of Finance & Administration; and
 - b) Presents proposed budget to Executive Committee and subsequently to the Board of Governors
 - c) Serves as a primary governance liaison for budget development information and updates
5. **Budget and Finance Committee:** In conjunction with the Executive Director, works to develop and submit a proposed budget to the Executive Committee and ultimately the Board of Governors. The Budget and Finance Committee also:
- a) Sets long-range financial goals along with funding strategies;
 - b) Develops multi-year goals along with funding strategies to achieve them based on recommendations from the Executive Director;

- c) Submits the recommended Budget to BOG for review in May of each fiscal year.
- 6. **Board of Governors:** Reviews, modifies and/or accepts the proposed budget from the Budget & Finance Committee Chair. In addition the BOG:
 - a) Receives highlights from the Treasurer of the financial performance of the MSBA at each Board of Governors meeting;
 - b) Receives financial statements for informational purposes on a monthly basis; and
 - c) In May, the BOG will receive a copy of a multi-year proposed budget, and a copy of the condensed budget for the forthcoming fiscal year recommended by the Budget & Finance Committee for review and approval.
- 7. **Treasurer:** Monitors the financial performance of the MSBA, relative to the budget in effect, and reports to the Board of Governors. In addition, the Treasurer:
 - a) Receives the Statement of Activities and Financial Position reports on a regular basis to compare budget vs actual along with an Executive Summary which details cash position; and
 - b) Advises the Board of Governors, in consultation with the Executive Director, with respect to significant financial decisions being contemplated, such as decisions around use of reserves, lines of credit and general decisions related to fiscal matters of the organization.
- 8. **Audit and Risk Oversight Committee:** Reviews the results of external annual audits for the preceding fiscal year to ensure appropriate controls are in effect. In addition, the Audit and Risk Oversight Committee:
 - a) Meets with external auditors to review the annual audit;
 - b) Monitor's compliance with the Association's conflict of interest policy referenced in Section XI;
 - c) Reports to the Board of Governors on the work of the Audit Committee and the MSBA's Annual Report; and
 - d) Conducts a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditor.
- 9. **Investments Committee:** Monitors MSBA's investment funds. In addition, the Investments Committee:
 - a) Reviews investments and recommends long term investment strategy; and
 - b) Supervises the retirement plan and retirement benefits provided to MSBA employees by the MSBA.

C. General Budget Guidance

1. MSBA financial and other resources shall be allocated in accordance with the strategic priorities and objectives adopted by the BOG.
2. The MSBA Budget may allow for a planned deficit in order to achieve operational objectives.
3. During any periods of experienced or projected deficit budgets, resource allocation will be prioritized to MSBA controlled activities, and thus third-parties and related entity funding is likely to be deemphasized.

VIII. Advocacy/Legislative Activity/Political Activity

A. Legislative Matters

1. It is important for the Association to take an active role in legislation of concern to the membership and to the general legal community, and to participate in the formulation of such legislation. It is equally important to establish guidelines that will enable the Association to participate in the legislative process in the most effective manner possible.
2. The Board of Governors shall pursue these two objectives in the following manner:
 - a) Determine from the sections and committees through the use of the Committee on Laws and its liaison, issues of concern that may be appropriate for inclusion in a preliminary legislative program that contains general issue areas and general legislative goals;
 - b) Review the preliminary legislative program and provide direction to the Committee on Laws and its liaison for inclusion in a final legislative program;
 - c) Approve a final legislative program in advance of the legislative session which authorizes the Association to take action on legislative issues.
 - d) Add additional items to the final legislative program.
3. When the membership of the Association or the Board of Governors takes action on a legislative matter in anticipation of or during a legislative session, such action shall be deemed to apply specifically to the terms of the legislative matter on which action is expressed and shall be deemed to expire with the closure of the General Assembly session and the Governor's deadline date to sign or veto enacted legislation.
4. When time constraints require, the Executive Committee is authorized and empowered to adopt positions on behalf of the Board of Governors with respect to legislation pending before the Maryland General Assembly during the legislative session provided that:
 - a) the position receives the affirmative vote of a majority of the members of the Executive Committee;
 - b) a copy of the bill and the position taken by the Executive Committee is promptly transmitted to each member of the Board of Governors.

- c) If time constraints make polling the Executive Committee impracticable the President is authorized to adopt positions on behalf of the Executive Committee. The President-Elect is authorized to act if the President is unavailable.

B. Briefs Amicus Curiae

1. It shall be the policy of the MSBA to authorize the filing of briefs amicus curiae sparingly and only in appropriate cases as described. Briefs amicus curiae shall be authorized for filing on behalf of the MSBA only after a determination has been made that the brief to be filed is of high professional quality.
2. Briefs amicus curiae authorized by the Maryland State Bar Association shall be filed only in the name of the MSBA.
3. Briefs amicus curiae shall be authorized at the appropriate judicial level where the issue is likely to be determined. Further, they shall only be authorized when such a brief would constitute a significant contribution to the determination of the issue or issues involved and only when the position sought to be advanced is consistent with previously adopted policy of the MSBA, or in a matter of compelling public interest which the Board of Governors there adopts as policy of the MSBA, or is of peculiar significance to lawyers or the legal profession.
4. Briefs amicus curiae shall only advance arguments with respect to legal issues and not factual questions.
5. Briefs amicus curiae filed in behalf of the MSBA shall only be authorized by the Board of Governors, except in cases of emergency when the Board cannot be convened on a timely basis in which case, the Executive Committee may authorize such action.
6. The Maryland State Bar Association will pay no legal fee for the preparation of or review of the brief amicus curiae. The costs of printing, filing and other incurred expenses connected with the preparation of an authorized amicus curiae brief shall be borne by the Maryland State Bar Association, as authorized by the Board of Governors.

IX. Communications

A. Public Statements by Sections/Committees.

1. Any Committee, Section or Section Council may, within its area of responsibility and scope, make a public statement (any disclosure to any person or group outside the Association stating a position of a Section or Committee) by a duly authorized spokesperson on its own behalf provided that the statement is clearly identified as the respective Committee's or Section's position and is not an Association position. The statement cannot conflict with an Association position. In order to make a public statement, written notice setting forth the substance of the issue must be given to the members of the respective body in advance, a

quorum existed at the meeting and the statement is approved by a majority of those members present. Prior to making any statement, a committee or section shall advise the President, in writing, of its intention to make a public statement.

2. Such a statement may be superseded at any time by action of the membership, Board of Governors, or Executive Committee. Statements pertaining to legislation are covered by separate rules. The preceding rules do not apply to the Judicial Appointments Committee, the Ethics Committee and the Resolution of Fee Disputes, which committees are governed by separate rules regarding public disclosures.

B. Communications with Members. The MSBA, in an effort to ensure transparency and inform members on the state of the MSBA, shall provide the following information/communications to its general membership:

1. Annual Report containing, among other things, Audited Financials,
2. Adopted Annual Budget for the current fiscal year,
3. Board of Governor's Monthly Agendas (without attachments) and approved Meeting Minutes,
4. Most recent available 990, and
5. Most recent available Monthly Financial Statement reviewed by BOG.

X. Conferences/Meetings of the MSBA

A. Annual/Mid-year Business Meetings. The Annual and Mid-year Business Meetings of the MSBA shall be held inside or outside the state as fiscally and logistically feasible. Whether a venue is fiscally and logistically feasible will be evaluated based on several factors, including, but not limited to:

1. Accessibility (i.e. ADA compliance)
2. Availability
3. Amenities (i.e. size of venue, A/V options, availability of parking)
4. Cost

B. Geographic Diversity. It is the policy of the MSBA to hold Networking Events/Educational Programs/CLEs in varying geographic regions of the state or outside the state in order to engage all members of the MSBA, and to recruit new members. It is a goal that the MSBA shall hold at least one (1) event each year in the following regions: Montgomery County, Prince George's County, Baltimore City/County, Eastern Shore, Southern Maryland, and in a surrounding State/District of Columbia.

XI. General/Other

A. **Conflict of interest Policy.** All Interested Persons, as defined by the MSBA Conflict of Interest Policy found in Appendix C, must review, complete, and sign the Conflict of Interest Policy on an annual basis.

B. **Gifts and Entertainment Policy.**

1. Gifts and Entertainment are defined to include, but are not limited to:
 - a) Tickets to sports, music, or cultural events,
 - b) Merchandise,
 - c) Travel or lodging not associated with a business conference, meeting, or event,
 - d) Favorable discounts on products or services, and
 - e) Meals.
2. Interested Persons, as defined by the MSBA Conflict of Interest Policy, may, subject to local law restrictions, accept nominal Gifts and Entertainment with a combined market value of no more than \$100 from the same third-party vendor during a particular fiscal year, so long as the Gifts or Entertainment is offered for legitimate business purposes and complies with the following guidelines:
 - a) Is infrequent,
 - b) Is not solicited,
 - c) Is not given as a bribe, payoff or kickback,
 - d) Does not create the appearance (or an implied obligation) that the provider is entitled to preferential treatment,
 - e) Is in good taste and occurs at a business-appropriate venue,
 - f) Is reasonable and appropriate in the context of the business occasion and the Interested Person's position at the MSBA.
3. Gifts and Entertainment with a combined market value of more than \$100 from the same third-party vendor during a particular fiscal year must be disclosed to the Executive Committee, and an updated Financial Disclosure Form must be submitted.
4. Gifts and Entertainment with a combined market value of more than \$500 from the same third-party vendor during a particular fiscal year may not be accepted.

C. **Reimbursement Policy.** Requests for reimbursement must be submitted within three (3) months after incurred or by June 30, whichever first occurs.

1. **MSBA Delegates and MSBA State Delegates.** The Association shall reimburse the MSBA Delegates to the ABA House of Delegates, the Maryland State Delegate to the ABA and any other members whose expenses have been approved by the Executive Committee for all reasonable travel expenses, all reasonable accommodation expenses

and a per diem living expense allowance of \$80 per day for attendance on days their respective bodies hold official meetings.

2. Reimbursement of Expenses of MSBA Officers

- a) The Association shall reimburse the President, President-Elect, Immediate Past President, and Executive Director and their spouses or guests for all reasonable travel expenses, all reasonable accommodation expenses and a per diem living expense allowance of \$80 per day per person or \$120 per day per couple for attendance at the yearly Southern Conference of Bar Presidents, the MidAtlantic Bar Conference, and the Annual and Mid-Year Meetings of both the Maryland State Bar Association and the American Bar Association.
- b) This policy shall also apply to attendance by the President and the President's spouse or guest at the 4th Circuit Judicial Conference.
- c) This policy shall also apply to attendance by the President-Elect and the President-Elect-Nominee, excluding spouses, at the ABA Bar Leadership Institute
- d) The MSBA shall reimburse the President, President-Elect, Immediate Past President, and Executive Director for all reasonable travel expenses and accommodation expenses related to the Mid-Year Professional Excursion.

3. Reimbursement of Lodging Expenses. For those who are reimbursed by the MSBA for attending ABA Annual and Midyear Meetings, it is the policy of the MSBA to reimburse at the standard rate for a single/double room at the headquarters hotel of the National Conference of Bar Presidents or ABA House of Delegates designated hotel. It has been the long-standing policy of the MSBA not to reimburse for suites or upgrades to deluxe or concierge level rooms. Those wishing to use such rooms must pay the difference in cost themselves.

4. Other Expenses. BOG members and/or Chairs of MSBA Committees may, from time to time, incur expenses related to certain MSBA business. These expenses may include payment for certain software subscriptions and reproduction services. The MSBA will reimburse these expenses, provided the expenses were submitted and approved in advance of the expense being incurred, and were deemed to be necessary for the carrying out of MSBA business.

D. Refund of Dues. Refunds of Member dues paid to the MSBA (for general membership or sections) shall be at the discretion of the Executive Director.

Appendix A

MSBA Standing Committee Charges

Audit & Risk Management Committee

Membership:

The Audit Committee shall consist of no fewer than three independent Board members (none of whom shall be members of the Budget and Finance Committee), appointed through a process consistent with the Bylaws.

The Committee shall have access to financial expertise, whether in the form of a single individual serving on the Committee, or collectively among the Committee members.

Committee Role:

The Committee will report to the full Board of Governors, and maintain lines of communication with management related to the work of the independent auditor.

The Committee is not a policymaking body, but shall meet as necessary and appropriate, and no fewer than two (2) times per year, upon the call of the Committee Chair, to carry out the following responsibilities:

Responsibilities:

- Reviews the scope and plan of the audit proposed by the independent auditor.
- Recommends approval of the annual audit report to the full Board.
- Conducts a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditor.
- Inquires of management and the independent auditor about significant risks or exposures facing MSBA; assess the steps management has taken to minimize such risks; and periodically review compliance with such steps.
- Reviews, with MSBA counsel, any legal or regulatory matters that could have a significant effect on the organization's financial statements.
- Reports annually to the Board of Governors on the work of the Audit Committee annual report.

Budget & Finance Committee

The Budget & Finance Committee is charged with leading the annual budget development efforts of the MSBA. In doing so, the Committee collaborates with the Executive Director and the Director of Finance & Administration to develop a proposed budget. In addition, the Committee considers budget requests from Committees/Sections during the budget development process. The committee is responsible for presenting a proposed budget to the Treasurer & Executive Committee and, subsequently, the Board of Governors to vote on the approval of the proposed budget. In addition, in collaboration with the Executive Director

and the Director of Finance & Administration, the committee works to develop a multi-year financial goals and funding strategies.

CLE & Publications Committee

The CLE & Publications Committee (“CLE”) works to enhance the professional development of the legal community and promote the benefits of MSBA membership by creating and promoting high-quality CLE programs and publications in a variety of media formats and at a reasonable cost. CLE is also charged with developing and making recommendations to the Board concerning plans for improving the professional competence of Maryland lawyers, and performing other functions relating to continuing legal education and professional competence of lawyers that the Board may assign.

Diversity & Inclusion Committee

The Diversity & Inclusion Committee works to ensure that the MSBA continues to implement its mission and commitment to promote and encourage diversity in the MSBA and the greater legal profession in Maryland.

Editorial Advisory Board

The Editorial Advisory Board oversees production of the Maryland Bar Journal and the Bar Bulletin, providing to members beneficial information regarding the legal profession. The Journal, available in print and online, features substantive articles on timely legal issues, and focuses on including content relevant to all sectors of the legal profession. The Bulletin includes shorter articles on a range of substantive legal topics, health & wellness, recent MSBA events/announcements.

Ethics

The Ethics Committee shall render and publish opinions on the proper interpretation of the Maryland Rules of Professional Conduct and the Code of Judicial Conduct in its discretion, either on its own initiative or upon the request of any judge, court, corporation, association or other Maryland residents. The opinions issued are indexed and available on the MSBA’s website. In addition, the Ethics Committee provides advice on the interpretation and application of the Rules through the operation of a telephone “hotline” service, announcing the volunteer names each month in the Bar Bulletin and on the website.

Investments

The Investment Committee oversees MSBA’s prudent investment of Association assets. Its investment objective is to earn a fair return while ensuring that sufficient funds are always available for the smooth operation of MSBA functions.

Judicial Appointments Committee

The Judicial Appointments Committee shall make recommendations as respects the qualifications of the members of the Bar of this State to fill judicial vacancies in the United States District Court for the District of Maryland, the United States Court of Appeals for the Fourth Circuit, and the Courts of the State. When considering the qualifications of members of the Bar to fill a vacancy in the Courts of the State, other than a state-wide vacancy, the members-at-large and the local members from the Appellate Circuit where the vacancy exists shall meet as the Committee to make recommendations. When considering a state-wide vacancy, a vacancy in the United States District Court for the District of Maryland or in the United States Court of Appeals for the Fourth Circuit, the members-at-large, together with all local members, shall meet as the Committee to make recommendations. The Committee is authorized to advise the Judicial Nominating Commission (" Commission ") and the Governor that, in its opinion, a known applicant for judicial appointment is "highly recommended," "recommended," "not recommended, " or "not recommended at this time." To the extent possible the committee or its designee shall endeavor to explain, verbally or in writing the basis of the Committee's opinion to the Commission. Further, the Committee shall promptly respond to any inquiry initiated by the Commission as to the rationale for any vote. The Committee is authorized to advise the Commission and the Governor that, in its opinion, a known applicant for judicial appointment is "highly recommended," "recommended," "not recommended, " or "not recommended at this time." This Committee or its designee shall endeavor to explain, orally or in writing, the basis of the Committee's opinion to the Commission. Further, the Committee shall promptly respond to any inquiry initiated by the Commission as to the rationale for any vote. The Committee may advise the public of the names of those persons recommended for appointment. The Committee may solicit members of the Bar to make application for appointment to fill vacancies in the Courts of the State, and in cooperation with the local bar associations, shall strive to persuade highly qualified persons to make application for appointment to fill a vacancy in the Courts. In the event of a public election to one or more judicial offices, the Committee may, if it deems necessary or advisable, recommend to the Board, that the public be advised of the person or persons deemed by the Association to be so qualified.

Laws Committee

The Laws Committee shall review proposed legislation before the General Assembly of Maryland in which the Association or its Sections may be interested and shall endeavor to refer such legislation to appropriate Sections or Committees of the Association. In addition, the Laws Committee shall prepare the MSBA Legislative Program, which sets forth the Association's positions on such legislative issues as the regulation of the legal profession, the administration of justice, and the independence of the judiciary, for consideration by the Board of Governors.

Lawyer Assistance Program

The Lawyer Assistance Program Committee shall assist those attorneys who are experiencing difficulty in the practice of law, in accordance with guidelines and procedures established by the Board. The Association's Director of Lawyer Assistance shall be hired by the Association and shall be a regular member of this Committee whether or not the Director is a member of the Association.

Leadership Academy Committee

The Leadership Academy Committee shall develop, implement, and promote the Leadership Academy Fellowship program. The goal of the Fellowship program is to provide the next generation of leaders within the Maryland legal profession with leadership skills including: public speaking, media relations, interviewing skills, conducting effective meetings, budgeting, and other related areas.

Local and Specialty Bar Liaison Committee

The Local and Specialty Bar Liaison Committee shall develop and promote partnerships with Local and Specialty Bars throughout Maryland. As part of this role, the Committee shall assist in the planning and promotion of the annual Conference of Bar Presidents.

Membership Committee

The role of the Membership Committee shall be to assist in developing and implementing programs for increasing and sustaining the MSBA's membership. Membership Committee members shall act as ambassadors for the MSBA, in communicating and promoting the tangible benefits of MSBA membership to all legal professions in Maryland.

Professionalism & Civility Committee

The Professionalism & Civility Committee promotes professionalism and civility among Maryland lawyers, judges, and citizens. It is charged with developing and implementing programs and content designed to improve professionalism and civility within the legal profession in Maryland. As part of its role, it assists in the review and selection of the Charles Dorsey Award recipient to recognize the professionalism of a member of the bar or bench.

Program Committee

The Program Committee shall work with the MSBA Conference & Meetings manager to recommend plans and arrangements for educational, social, and other aspects of the Annual and Mid-year meetings. In addition, the Program Committee shall assist with the development and implementation of programming at the annual Professional Excursion.

Public Awareness Committee

The Public Awareness Committee works to enhance the public's understanding of the law through community education and outreach. In doing so, the Committee assists in the development of the MSBA's Annual Law Day program in May, and develops and maintains content designed for public consumption on the MSBA website.

Resolution of Fee Disputes

The Resolution of Fee Disputes Committee is to take jurisdiction (except as hereinafter provided) over any disagreement concerning any fee paid, charged, or claimed for legal services rendered by any attorney admitted to practice in this State which is submitted to the Committee by the person, firm, or organization allegedly liable for the payment of the fee in dispute. This Committee shall encourage the amicable resolution of fee disputes falling within its jurisdiction, and, in the event such resolution is not achieved to arbitrate and determine such disputes. The Committee shall discharge its duties in accordance with Policies and Procedures promulgated by the Board which:

- (a) are not inconsistent with these Bylaws;
- (b) include a provision that in the event an attorney fails or refuses to consent to arbitration, the arbitration panel to which the matter is assigned shall proceed to conduct an ex parte hearing, and, if it finds that the complainant's allegations are justified, shall direct an assigned member of this Committee to represent the complainant either to institute suit for the refund of any portion of the fee paid and determined to be excessive or to resist any suit by the attorney seeking to collect any portion of the fee not yet paid and determined to be excessive; and
- (c) provide that all records relative to the arbitration of any fee dispute, including the award itself, shall be kept confidential except as otherwise provided by law. This Committee shall decline to exercise jurisdiction of any fee dispute which is within the jurisdiction of any local bar association (as defined in Maryland Rule BV1.b) that annually files with the Executive Director a certification that it has established a procedure for the arbitration of fee disputes involving attorneys who practice within its jurisdictional boundaries pursuant to written rules that (i) conform to the requirements of subsection (b) above, except that such conformity shall not be required for the plans of the Baltimore City, Baltimore County, Montgomery County and Prince George's County Bar Associations, (ii) define the scope of its jurisdiction, and (iii) provide the name and address of the representatives of the local bar association to whom any complaint is to be forwarded.

A current copy of the Regulations governing the Resolution of Fee Disputes Committee is attached to the Policy Manual as Appendix B.

Rules of Practice

The Rules of Practice Committee's principal function is to follow the proceedings of the Maryland Court of Appeals' Rules Committee and to serve as the liaison between the MSBA and the Court's Rules Committee. The Rules of Practice Committee representatives interact with MSBA leadership and staff as appropriate.

Appendix B

Regulations Governing The Resolution of Fee Disputes Committee

B. REGULATIONS GOVERNING THE RESOLUTION OF FEE DISPUTES

Appointment of Committee Members

1. The Committee on Resolution of Fee Disputes shall consist of at least thirty members, not less than five from each Appellate Circuit, approximately one-third of whom shall be appointed annually by the President to serve for a term of three years or until their successors are appointed. The term of any member which expires while an arbitration is pending before him or before a panel of which he is a member shall be extended until such arbitration is concluded, but such extension shall not interfere with the President's power to appoint a successor to the Committee.

2. In making appointments to the Committee, the President should select only experienced attorneys who have practiced for not less than five years and who are, at the time of their appointment, actively engaged in the practice of law. Members should be selected to provide representation from a broad spectrum of the Bar from the standpoint of both firm organization (i.e., large firms, small firms and sole practitioners) and types of practice (i.e., general practice, litigation practice, criminal practice, domestic practice, real estate practice, etc.). The President shall endeavor to insure that each county is represented on the Committee, in reasonable proportion to its lawyer population.

Committee Organization

3. The President shall appoint from the members of the Committee a Committee Chair and also one Vice-Chair from each of the six Appellate Judicial Circuits. The President may appoint any additional Assistant Vice-Chairs as necessary. The Chair and the six Vice-Chairs, and any additional Assistant Vice-Chairs, shall constitute the Executive Council of the Committee.

4. It shall be the duty of the Executive Council to oversee the work of the Committee, review recommendations for dismissal of complaints, develop forms to implement the procedures prescribed herein, and assure the faithful execution of these regulations. The Executive Council may submit amendments to these regulations for adoption by the Board of Governors

and may formulate rules by procedures not inconsistent with the Bylaws of the Association or these regulations. The Executive Council shall review recommendations for dismissal of complaints and may do so in panels of three designated by the Chairman for that purpose.

5. Each Vice-Chairman shall assign the members within his Appellate Judicial Circuit to perform duties as client representatives and arbitrators, and shall assure that such duties are performed in conformity with these regulations. A member may serve simultaneously in both capacities, but not in relation to the same complaint. When serving as a client representative or arbitrator, a member shall perform the duties prescribed by these regulations. A Vice-Chairman may establish a roster of client representatives to whom complaints are to be forwarded in rotation and may establish one or more arbitration panels each consisting of three arbitrators.

6. The Executive Director of this Association shall receive and transmit requests for consideration of fee disputes, disseminate information to the public concerning the committee's regulations and procedures and the availability of its services, maintain records, make reports, and perform other duties requested by the Executive Council and authorized by the Board of Governors.

Jurisdiction

7. The Committee may, in its discretion, decline or defer the exercise of its jurisdiction for good cause. Disputes which may be declined by the Committee for good cause include, but are not limited to, disputes [concerning any fee dispute] which [is] are pending in a court or which involve[s] conduct that may constitute a violation of the Code of Professional Responsibility. Whenever it becomes apparent to a member that the Committee should decline or defer jurisdiction, he/she shall so advise his/her Vice Chair who may defer further action on the dispute pending communication with competent judicial authority, Bar Counsel of the attorney Grievance Commission, or the Clients' Security Trust Fund of the Maryland Bar, as may be appropriate.

8. The Committee shall decline to exercise jurisdiction of any fee dispute which is within the jurisdiction of any local bar association (as defined in Maryland Rule BVI.B) that annually files with the Executive Director

a certification that it has established a procedure for the arbitration of fee disputes involving attorneys who practice within its jurisdictional boundaries pursuant to written rules that (a) provide that in the event an attorney fails or refuses to consent to binding arbitration, the arbitration panel to which the matter is assigned will proceed to conduct an ex parte hearing and, if it finds the complainant's allegations are justified, will direct an assigned member to represent the complainant either to institute suit for the refund of any portion of the fee paid and determined to be excessive or to resist any suit by the attorney seeking to collect any portion of the fee not yet paid and determined to be excessive, (b) defines the scope of its jurisdiction, and (c) identifies the name and address of the representative to whom complaints are to be forwarded; provided, however that conformity to part (a) above shall not be required for the plans of the Baltimore City, Baltimore County, Montgomery County and Prince George's County Bar Associations. Prior to its acceptance as a basis for declining jurisdiction, said certification shall be approved by the Executive Council after an appropriate investigation to determine compliance with the above criteria. Any dispute regarding compliance with the above criteria established herein shall be decided by the Board of Governors of the Maryland State Bar Association.

9. A written request for Committee consideration of a fee dispute with an attorney shall be deemed a complaint. The request need not follow any specific form but should state with clarity and brevity the facts with respect to the fee dispute, the names and addresses of the parties to the dispute and those persons who may be directly affected by the outcome.

Processing Complaints

10. A complaint submitted by the Committee shall be addressed to the Executive Director of this Association. Upon receipt, a complaint shall be immediately acknowledged and then forwarded to the Vice-Chairman of any Appellate Judicial Circuit in which the attorney maintains an office for the practice of law. The Vice-Chairman shall assign the complainant to a client representative within the Appellate Judicial Circuit. If The Vice-Chairman has established a roster of client representatives to whom complaints are to be forwarded in rotation, the Executive Director may send the complaint directly to the client representative next in rotation, and shall advise the Vice-Chairman. The three member panel of the Committee of which the client representative is a member shall be disqualified from participating

in any manner in proceedings involving the request assigned to its client representative.

11. Upon receipt, the client representative shall promptly review the complaint and, if necessary, obtain additional information from the complainant, and if appropriate the attorney involved, to satisfy himself that he has all of the relevant facts.

12. Upon the completion of any preliminary investigation he deems appropriate and assuming the truth of the complainant's representations, the client representative shall determine whether, in his judgement, there is probable cause to believe a legitimate fee dispute exists. If the client representative determines that a complaint should be dismissed without further action, either because there appears to be no just ground for the complaint or dispute, or the matter is moot, or if for some reason deemed adequate jurisdiction is, or becomes unwarranted, he shall prepare a written report setting forth the facts and his recommendation for submission to the next meeting of the Executive Council of the Committee. If the Council concurs in the client representative's recommendation, the matter shall be closed and the complainant so advised. If the Council disapproved the client representative's recommendation, it may request further investigation or designate another client representative to proceed in accordance with these regulations.

13. If, following his preliminary investigation, the client representative concludes that a legitimate complaint has been stated, he shall notify the complainant and the attorney involved and shall forward to the attorney involved a copy of the complainant's allegations. The parties shall be advised that the Committee has assumed jurisdiction but will delay any further steps until the expiration of a thirty day period during which the parties are urged to exert their best effort to reach an amicable resolution of their dispute. The client representative shall, during this period, attempt informally to amicably resolve the fee dispute by consulting with both the complainant and the attorney.

14. If the parties do not themselves settle the dispute within the thirty day period, the client representative shall request the complainant to execute a consent to binding arbitration. If the complainant fails or refuses to execute such consent, the matter shall be closed.

15. Upon receipt of the complainant's consent to binding arbitration, the assigned member shall request the attorney to execute a consent to binding arbitration and, in the event that the attorney so consents, he shall be requested to submit a formal answer to the allegations for submission to the arbitration panel in order that it be advised of the issues between the parties. At the time this request is submitted to the attorney, the client representative shall advise him that, in the event the attorney fails or refuses to consent to binding arbitration, the arbitration panel to which the matter is assigned will proceed to an **ex parte** hearing and, if it finds that the client's allegations are justified, will direct the client representative to represent the complainant to either institute suit for the refund of any portion of the fee paid and determined to be excessive or to resist any suit by the attorney seeking to collect any portion of the fee not yet paid and determined to be excessive.

Arbitration

16. Upon receipt of the attorney's consent to binding arbitration, or his refusal or the expiration of the time fixed for the attorney's submission of his consent to binding arbitration, whichever the case may be, the client representative shall notify the Vice-Chairman. If the amount in dispute exceeds \$10,000, the Vice-Chairman shall assign the matter to an arbitration panel composed of three arbitrators practicing within the attorney's appellate circuit and shall designate one of the arbitrators as the panel chairman. If the amount in dispute is \$10,000 or less, the Vice-Chairman shall designate a sole arbitrator practicing within the attorney's Appellate Circuit to conduct all arbitration proceedings.

17. It shall be the obligation of any member so designated to serve as arbitrator to disclose to the Vice-Chairman any reasons why he cannot serve objectively, ethically and conscientiously. In the event that a member so designated to serve declines or is unable to serve, the Vice-Chairman shall designate another arbitrator who may be eligible. In designating arbitrators, the Vice-Chairman shall endeavor to rotate selection in an equitable manner and with due regard to the criteria set forth in paragraph 2 of these regulations.

18. If at any time set for the hearing before a three member panel, any panel member is not present, the Chairman of the panel, or in the event of

his unavailability, the Circuit Vice-Chairman, in his sole discretion, shall decide either to postpone the hearing, or, with the consent of the parties, to proceed with the hearing with one member of the panel as the sole arbitrator, in which case he shall also designate the member of the panel who will hear the case as sole arbitrator. In no event will a hearing be conducted by or proceed with two arbitrators.

19. If any member of a three member panel dies or becomes unable to continue to act while the matter is pending and before an award has been made, the proceedings to that point shall be declared null and void and the matter assigned to a new panel for rehearing unless the parties, with the consent of the panel chairman, or in the event of his unavailability, the Circuit Vice-Chairman of the Committee, consent to proceed with the hearing with one of the remaining members of the panel as the sole arbitrator.

20. If all the parties to a controversy agree, they may waive oral hearings and may submit their contentions in writing, together with any exhibits, to the arbitrator or arbitrators assigned, who may then determine the controversy on the basis of such documents. However, the arbitrators may nevertheless, if they deem it desirable, require oral testimony of any party or witness, after due notice to all parties.

21. The members of the Committee selected as arbitrators of any dispute shall be vested with all the powers, and shall assume all the duties granted and imposed upon neutral arbitrators by the provisions of the Maryland Uniform Arbitration Act as codified in the annotated Code of Maryland, Courts and Judicial Proceedings, Title 3, Subtitle 2 (Arbitration and Award, Section 3-201, et seq.), as may be amended from time to time which are not in conflict with these regulations.

22. When a complainant and attorney have both executed written consents to binding arbitration of their fee dispute, such consents shall together constitute their agreement (a) to provide for arbitration under the laws of Maryland, within the meaning of the Maryland Uniform Arbitration Act, (b) to authorize the appointment of arbitrators and the conduct of arbitration proceedings in the manner prescribed by these regulations, and (c) to be bound by the award.

23. The term “party” or “parties” as used in these regulations shall

refer to those who have executed a consent to binding arbitration. Any attorney who has failed to consent to binding arbitration shall not be deemed a party, shall not be entitled to notice of the hearing and shall not be eligible to participate in the hearing.

24. The single arbitrator or panel assigned shall endeavor to hold a hearing no later than thirty days after the receipt of the assignment. The award of the panel shall be made by a majority of the panel where heard by three members, or by one member of the panel who was designated as sole arbitrator, as provided herein.

25. The panel chairman, or the single arbitrator, assigned, as the case may be, shall fix a time and place for the hearing and cause written notice thereof to be served personally or by registered or certified mail on the parties to the arbitration and on the other members of the panel not less than ten days before the hearing. A party's appearance at a scheduled hearing shall constitute a waiver on his part of any deficiency in respect to the giving of notice of the hearing.

26. The parties to the arbitration are entitled to be heard, to present evidence and to cross-examine witnesses appearing at the hearing. Any party to an arbitration has the right to be represented by an attorney at the hearing or at any stage of the arbitration proceeding. The complainant shall be presented by the client representative unless he exercises his right to retain counsel of his own choice. Any party may also have a hearing before a panel reported by a Certified Shorthand Reporter at his expense by written request presented to the panel chairman of single arbitrator at least three days prior to the date of the hearing. In the event of such request, any other party to the arbitration shall be entitled to acquire at his own expense a copy of the reporter's transcript of the testimony by arrangements made directly with the reporter. When no party to the arbitration requests that the hearing be reported, and the panel or sole arbitrator deems it necessary to have a hearing reported, the panel or sole arbitrator may employ a Certified Shorthand Reporter for such purpose if authorized to do so by the Committee Chairman. The written notice of the hearing sent to the parties shall advise them of these rights.

27. All parties shall have an absolute right to attend all hearings. The exclusion of other parties or witnesses waiting to be heard shall rest in the

discretion of the arbitrators.

28. Adjourned dates for the continuation of any hearings which cannot be completed on the first day shall be fixed for such times and places as the arbitrators may select with due regard to the circumstances of all the parties and the desirability of a speedy determination. Upon request of a party to the arbitration for good cause, or upon its own determination, the panel may postpone the hearing from time to time.

29. The chairman of the panel shall preside at the hearing. The panel shall rule on the admission and exclusion of evidence and on questions of procedure, and shall exercise all powers relating to the conduct of the hearing.

30. The arbitrators may request opening statements and may prescribe the order of proof. In any event, all parties shall be afforded full and equal opportunity for the presentation of any material evidence.

31. The testimony of parties and witnesses shall be given under oath. The chairman of the panel shall administer such oaths.

32. If either party to an arbitration, who has been duly notified, fails to appear at the hearing, the panel may hear and determine the controversy upon the evidence produced, notwithstanding such failure to appear, and enter a binding award.

33. Before closing the hearing, the arbitrators shall specifically inquire of all parties whether they have further evidence to submit in whatever form. If the answer is negative, the hearing shall be declared closed and a notation to that effect made by the arbitrators as well as the date for submission of memoranda or briefs, if requested by the arbitrators.

34. The hearing may be reopened by the arbitrators on their own motion or upon application and a showing of good cause by a party at any time before the award is signed and filed.

35. In the event of the death or incompetency of a party to the arbitration proceeding prior to the close of the hearing, the proceeding shall be abated without prejudice to either party to proceed in a court of proper

jurisdiction to seek such relief as may be warranted. In the event of death or incompetency of a party after the close of the hearing but prior to a decision, the decision rendered shall be binding upon the heirs, administrators or personal representatives of the deceased and on the estate of guardian of the incompetent.

The Award

36. The decision of the arbitrators shall be expressed in a written award signed by all of those who concur. If there is a dissent, the award shall be binding as determined by the majority of the arbitrators. Unless the submission or contract provides otherwise, the arbitrators may grant any remedy or relief they feel proper, including a direction for specific performance. An award may be entered on consent of all the parties. Once the award is signed and filed, the hearing may not be reopened except upon consent of all parties.

37. While it is not required that the award be in any particular form, it should, in general, consist of a preliminary statement reciting the jurisdictional facts (i.e., that the hearing was held upon notice pursuant to a written agreement to arbitrate, that the parties were given an opportunity to testify and to cross-examine, etc.), a brief statement of the dispute, the factual findings, and the award. It shall include a determination of all the questions submitted to the arbitrators, the decision of which is necessary in order to determine the controversy.

38. The arbitrators may include in the award a direction for payment of expenses related to the proceedings other than fees to arbitrators, client representatives, or counsel.

39. The original and four copies of the award shall be signed by the members of the panel concurring therein. The panel chairman or sole arbitrator shall forward said award, together with the entire file, to the Executive Director, who shall thereupon, for and on behalf of said panel, serve a signed copy of the award on each party to the arbitration, personally or by registered or certified mail, and notify the Vice-Chairman that the matter has been concluded.

Enforcement of the Award

40. In any case in which both the complainant and the attorney signed a consent to binding arbitration, any award rendered may be enforced by any court of competent jurisdiction.

41. In the event of an award to the complainant in a matter in which the attorney has not executed a consent to binding arbitration, involving a fee which has already been paid, the client representative shall, if the complainant consents, institute suit on behalf of the complainant against the attorney for the refund of any portion of the fee found to be excessive.

42. In the event of an award to the complainant in a matter in which the attorney has not executed a consent to binding arbitration, involving any portion of a fee claimed but not paid, the client representative shall, if the complainant consents, represent the complainant in defense of any suit by the attorney seeking to collect any portion determined to be excessive. In the event of such award, the client representative shall also institute suit to vacate any lien asserted by the attorney on the basis of any such fee charged determined to be excessive upon any property of the complainant. The client representative shall, immediately following the entry of an award in such circumstances and with the consent of the complainant, notify the attorney of the award and of his appearance as counsel for the complainant.

43. In any lawsuit by or against the complainant in which he is represented by the client representative, no fee shall be charged for the assigned member's services but costs advanced by the Association shall be reimbursed to the Association from any recovery.

44. If the award shall determine that the participating attorney or attorneys who consented to binding arbitration are entitled to no portion of the disputed fee, service of a copy of such award on said attorney or attorneys shall:

(a) terminate all claim and interest of the participating attorney or attorneys against the participating client or clients in respect to the subject matter of the arbitration;

(b) terminate all right of such attorney or attorneys to retain possession of any documents, records or other properties of such client or clients pertaining to the subject matter of the arbitration then held under claim of attorney's lien or for other reasons;

(c) terminate all right of such attorney or attorneys to oppose the substitution of one or more other attorneys designated by such client or clients in any pending litigation pertaining to the subject matter of the arbitration.

45. If the award shall be in favor of an attorney or attorneys who submitted their consent to binding arbitration, it shall fix the amount to which he or they are found to be entitled. Payment of that amount or amounts shall:

(a) constitute a complete satisfaction of all claims and interest of the participating attorney or attorneys against the participating client or clients in respect to the subject matter of the arbitration;

(b) terminate all right of such attorney or attorneys to retain possession of any documents, records or other properties of such client or clients pertaining to the subject matter of the arbitration then held under claim of the attorney's lien or for other reasons;

(c) terminate all right of such attorney or attorneys to oppose the substitution of one or more other attorney's designated by such client or clients in place of the participating attorney or attorneys in any pending litigation pertaining to the subject matter of the arbitration.

Confidentiality

46. Except as otherwise provided herein, all records, documents, files, proceedings and hearings, including the award itself, pertaining to the arbitration of any fee dispute under these rules in which both the complainant and the attorney have consented to be bound by the result, shall not be opened or revealed to the public or to any person not involved in the dispute, except as otherwise provided by law. In the event suit is instituted, the award may be introduced into evidence.

Appendix C

MSBA Conflict of Interest Policy & Financial Disclosure Form

Maryland State Bar Association Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect the Maryland State Bar Association, Inc. (“Association” or “MSBA”) interest in effectively representing Maryland’s lawyers when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or governor of the Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

1. Interested Person

Any district governor, young lawyer governor, section governor, officer of the Association, executive director or other staff member, or member of a committee with governing board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- a. An ownership or investment interest in any entity with which the MSBA has a transaction or arrangement;
- b. A compensation arrangement with the MSBA or with any entity or individual with which the MSBA has a transaction or arrangement; or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the MSBA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III **Procedures**

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given an opportunity to disclose all material facts to the governors and members of committees with governing board-delegated powers considering the proposed transaction or arrangement. The MSBA's Financial Disclosure Form is attached as Exhibit A.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of the conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the board or committee meeting, but after the presentation he/she shall leave the meeting during the discussion of, and vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chair of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the MSBA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under the circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested governors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflict of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the members of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the governing board and all committees with board-delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed; and
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each governor, officer and member of a committee with governing board-delegated shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy;
2. Read and understands the policy;
3. Agreed to comply with the policy; and
4. Understands that the MSBA represents Maryland's lawyers.

Article VII
Periodic reviews

To ensure the MSBA operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the board of the MSBA may conduct periodic reviews. The periodic reviews shall, at minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on
2. competent survey information, and the results of arm's length bargaining; and
3. Whether partnerships, joint ventures and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further Maryland lawyers' purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the MSBA may, but need not, use outside advisors and experts. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

[This Conflict of Interest Policy was adopted by resolution of the MSBA Board on April 16, 2019]

Maryland State Bar Association
Financial Disclosure Form

Pursuant to the MSBA Conflict of Interest Policy, district governors, young lawyer governors, section governors, officers of the Association, executive director or other staff members, or members of a committee with governing board-delegated powers shall disclose any Financial Interests that may pose an actual or potential conflict of interest. The form below must be completed on an annual basis and updated with any substantial change to Financial Interests.

I, _____, affirm that:

1. I have received, read and understand the MSBA Conflict of Interest Policy.
2. I have disclosed any Financial Interests (as defined in the Policy) that I currently have on the second page of this form.
3. At the present time, I am not aware of any Conflict of Interest involving my position other than the interests disclosed on the second page of this form.
4. If at any time I discover that I am in a position of an actual or potential conflict, I shall immediately report the actual or potential conflict to the Board and the Executive Director, or, if necessary, another disinterested member of the MSBA Executive Committee.
5. In any situation involving a Financial Interest (as defined by the Policy, I shall disclose the conflict and abstain from participation in the discussion and vote on the matter unless the Board determines otherwise.

Signature

Date

Print Name

Financial Disclosure Form

Name: _____ Date: _____

Position Held with MSBA: _____

I have the following Financial Interest(s) as defined by the MSBA Conflict of Interest Policy:

1. Entity Information:

Name: _____

Address: _____

Nature of Interest (See Conflict of Interest Policy Article II, Paragraph 2):

2. Entity Information:

Name: _____

Address: _____

Nature of Interest (See Conflict of Interest Policy Article II, Paragraph 2):

Signature

Date
