

AGENDA ITEM

702 SEPTEMBER 2017

DATE: September 1, 2017

TO: Members, Board of Trustees

FROM: Elizabeth Parker, Executive Director

SUBJECT: Termination of Memorandum of Understanding Between State Bar and Continuing Education of the Bar ("CEB")

EXECUTIVE SUMMARY

Continuing Education of the Bar ("CEB") was established in 1947 as a partnership between the State Bar and the University of California. The current operating agreement for CEB requires that the State Bar appoint 4 of the 9 members of CEB's governing board, and a secondary agreement promotes cooperation between the State Bar Sections and CEB's practice committees. In light of changes at both organizations and a request from CEB that the current agreements be terminated, staff recommends that Board terminate the current agreements and authorize negotiations toward a new agreement that better reflects the new focus of the two organizations.

BACKGROUND

Since 1947, the State Bar and the University of California have cooperated to support Continuing Education of the Bar ("CEB"), a program dedicated to providing continuing legal education to practicing attorneys in California. Currently the State Bar appoints 4 of the 9 members of CEB's governing board pursuant to a 2001 agreement between the State Bar and CEB. Despite the State Bar's nominal role in CEB's governance, in practice CEB is wholly administered by the University of California. The State Bar and CEB are also parties to a secondary agreement that promotes cooperation between the State Bar Sections and CEB.

Both the State Bar and CEB are undergoing major structural reforms, as the State Bar is separating the Sections and CEB seeks to reform its governing board to more closely align with its new focus on providing legal education through technological tools. In light of these changes, staff of the State Bar and CEB have discussed terminating the current MOU and beginning discussions toward a new partnership.

DISCUSSION

In late 2016, State Bar Executive Director Elizabeth Parker and CEB Executive Director Kelly Lake began a series of discussions about the future of the relationship between the State Bar

and CEB in light of governance reforms at both entities. CEB is embracing technology to better serve the current needs of practicing attorneys and has been exploring ways to modernize its governance structure to allow for greater input from a cross-section of technology providers and legal and judicial stakeholders. Meanwhile the State Bar is moving to focus on its core regulatory functions and is separating the Sections, which have been the State Bar's primary education arm, into a new private association.

The two agreements entered into between the State Bar and CEB have become largely obsolete. Although State Bar-appointed representatives sit on the CEB Governing Board, the Board has not met in 2017 and CEB intends to re-organize its governance structure. The secondary agreement between the State Bar Sections and CEB establishes two programs: (1) a liaison structure between the individual Sections and parallel committees at CEB; and (2) a program under which purchasers of certain CEB programs receive free Sections memberships. The free Sections membership program has ceased operating, although the liaison program continues.

The State Bar was asked by CEB to terminate the MOU to allow CEB to modernize its governance structure and State Bar staff agreed to bring this item to the Board of Trustees for resolution. State Bar and CEB staff have committed to engaging in future discussions to continue the relationship between the two entities. Staff have also discussed the possibility of the new Sections association entering into a partnership with CEB given the Sections' historical partnership with CEB on promoting legal education, and request that the Board encourage continued informal partnership between the Sections and CEB while the Sections remain part of the State Bar through the end of 2017.

FISCAL/PERSONNEL IMPACT

There is no direct fiscal or personnel impact from this item.

STAFF RECOMMENDATION

Staff recommends that the Board of Trustees approve the following resolutions:

RESOLVED, that based upon the mutual desire by the State Bar and Continuing Education of the Bar to terminate the Memorandum of Understanding ("MOU") dated September 12, 2001 and the associated agreement between CEB and the State Bar Sections, the State Bar hereby gives notice of its intent to terminate those agreements; and it is

FURTHER RESOLVED, that the State Bar expresses its appreciation for the historical partnership with CEB and encourages the continued informal cooperation between the State Bar Sections and CEB; and it is

FURTHER RESOLVED, that State Bar staff are directed to engage in further discussions with CEB regarding a future relationship between the State Bar and CEB and report back to the Board.

ATTACHMENTS

1. Memorandum of Understanding for the Joint Sponsorship of The Continuing Education of the Bar [Primary Agreement for CEB Governance]
2. Agreement Between the State Bar of California and Continuing Legal Education of the Bar [Secondary Agreement for Sections]

**Memorandum of Understanding for the Joint Sponsorship of
The Continuing Education of the Bar**

Text:

This Agreement is made and entered into by and between the State Bar of California (hereinafter referred to as "State Bar") and the Regents of the University of California (hereinafter referred to as "University") and becomes effective upon the date of execution by the last party to execute the same.

I. RECITALS

This agreement is made with reference to the following recitals:

A. The parties to this Agreement have been jointly associated since 1947 in the presentation of a program of continuing legal education for California attorneys and others interested in the administration of justice in California. This program has been conducted under the name, Continuing Education of the Bar of the State of California (hereinafter referred to as "CEB").

B. Due to changes in the State Bar, CEB, and the market for continuing legal education and legal practice, it is necessary to redefine the respective responsibilities of State Bar and University relating to CEB, a department of the University and to restructure the instrumentalities by which the program is administered. To achieve this end, the parties hereto agree to the several provisions herein contained.

II. LOCATION OF PRINCIPAL OFFICE

The principal office of CEB shall be upon such site or sites as may be chosen by the University.

III. OBJECTIVES OF CEB

A. The basic objective of CEB is to collaborate with lawyers, judges and law professors (hereinafter collectively referred to as members of the legal profession) to

deliver the best current knowledge for the proficient and successful practice of law, thereby contributing to the betterment of the members of the legal profession, the public and the administration of justice. To that end, CEB should:

- (1) Keep the members of the legal profession informed of changes and developments in the law through instruction, publications and other services;
- (2) Provide continuing legal education to members of the legal profession in significant areas of legal practice;
- (3) Promote greater efficiency in the practice of law by providing instruction, publications and other services for law office management;
- (4) Present courses and publish materials concerned with the ethical and professional responsibilities of the members of the legal profession; and
- (5) Engage in such activities and provide such other services necessary to further the purposes set forth above.

B. Either party to this agreement may engage in activities related to or designed for continuing legal education outside the scope and terms of this agreement.

IV. ADMINISTRATIVE RESPONSIBILITIES OF THE UNIVERSITY

The University shall:

- A. Monitor CEB to ensure that personnel administration including the employment of staff of CEB is in accordance with regular University policies and procedures and is consistent with the special delegations of authority approved by the University.
- B. Provide suitable quarters for the principal office of CEB and for any branch offices which might be established from time to time.
- C. Make available on request from CEB general administrative services as considered appropriate by the University.
- D. Retain all authority necessary to ensure that CEB operates in a financially responsible manner, to preserve CEB as a financially viable operation, to ensure that

CEB operations and products conform to University policies and purposes, and to manage or dispose of CEB in a fashion that protects the assets of the University.

V. RESPONSIBILITIES OF STATE BAR

The State Bar shall:

- A. Permit the use of its Journal for announcements approved by the State Bar concerning CEB and the use of its name, mailing list and similar facilities, for the purpose of promoting CEB and facilitating its mission. Costs of mailing lists shall be borne by CEB.
- B. Encourage the participation of its Sections and of local bar associations in CEB activities and in facilitating its mission.
- C. Encourage the participation of members of the State Bar in CEB activities and in facilitating its mission.

VI. FISCAL PROVISIONS

- A. CEB shall be budgeted on a self-supporting nonprofit basis to provide revenues sufficient to cover the following:
 - (1) All direct costs;
 - (2) General administrative services; and
 - (3) An allocable share of University overhead, in accordance with established University accounting policies and procedure.
- B. The application of any annual surpluses will be first to pay interest charges upon and then to reduce CEB's long term debt to the University, if any. After the long term debt has been repaid, a percentage of each year's surplus, as recommended by the Governing Committee and determined by the University, will be transferred to the General Income Fund of the University and the remaining amount placed in a special Program Reserve held in trust for CEB by the University to cover:

(1) Possible' operating deficits for future years and other contingencies. The appropriate minimum level of CEB's Program Reserve needed to cover contingencies will be recommended by the Governing Committee and approved by the University;

(2) Special emergency needs; and

(3) Investments in new products, technological enhancements and modernization, research and development and other special projects as recommended by the Governing Committee and approved by the University.

C. The fiscal year shall be as established by the University.

D. Members of the Governing Committee, and of any subcommittee, or advisory committee established by the Governing Committee, will be allowed travel expenses and per diem allowances according to the rates established therefor by the University.

All such allowances shall be regarded as costs of CEB.

VII. TERMINATION

A. Either party may terminate this Agreement by giving the other party at least three (3) months written notice of such termination.

B. Title of all assets acquired through CEB, including copyrights, shall be in the name of The Regents of the University of California. It is understood that these assets shall be reserved for the sole benefit of CEB. In the event of termination, accumulated assets will remain the property of the University; these assets -- and, if feasible, CEB as an ongoing enterprise -- shall be used or disposed of to serve the continuing education of members of the legal profession; provided, however, that any or all copyrights may be assigned, sold, or transferred to another on a "for profit" basis only if such is determined by the University, in its reasonable judgment, to be necessary or desirable in order to maintain its own continuing legal education program or to protect the assets of the University. In the case of a disposition of the CEB assets, any net

proceeds from the sale would be offered first to the UC law schools to be used for the continuing education of attorneys and then, if no appropriate program is offered by a UC law school, for scholarships to law schools for UC students who are in need of financial assistance.

VIII. THE GOVERNING COMMITTEE

A. The Governing Committee shall consist of nine voting members, to be selected as follows:

(1) The Chair of the Governing Committee shall be the University Provost or other appropriate individual designated by the University and assigned responsibility for direct supervision of the Director.

(2) The Vice Chair shall be an attorney in active practice in California appointed by the State Bar Board of Governors and serving at its pleasure as its representative for a term and under selection procedures determined by the Board of Governors.

(3) One member shall be the Executive Director of the State Bar or the Executive Director's designee, said designee to be an attorney.

(4) Two members shall be attorneys actively practicing law in California, at least one of whom represents the interests of the Sections, appointed by and serving at the pleasure of the State Bar Board of Governors.

(5) Four other members shall be appointed by the University and serving at the pleasure of the University:

(a) one shall be selected from the Law School Deans of the University;

(b) one shall be the Chair of the CEB Financial Review Committee to be established by the University; and

(c) two, of whom at least one shall be an attorney, shall be appointed from lists of names recommended by the Governing Committee and others to meet needs for special competencies.

(6) Appointments made under sections two, four and five of this paragraph A of Article VIII shall normally be for renewable terms of two years.

B. The Governing Committee shall have the following responsibilities pertaining to the selection and retention of the Director:

(1) When a vacancy exists, to submit to the University a panel of candidates for the position of Director and a recommendation for the appointment of Director.

(2) The Governing Committee shall review the performance of the Director annually and shall forward to the University a summary of the performance review along with such recommendations as it deems appropriate pertaining to the employment or termination of the Director. If the Governing Committee recommends termination of employment of the Director, the University shall, if it concurs, proceed with termination following the usual policies and procedures for comparable positions. Nothing contained in this section shall limit the power of the University, following consultation with the Governing Committee, to take action respecting the employment or termination of the Director at any time.

C. The Governing Committee shall be responsible for the following matters:

(1) Review and approval of the content and structure of CEB's annual publishing and educational program.

(2) Annual review and approval of CEB's updated strategic plans and objectives for the next fiscal year;

(3) Approval of the annual budget of CEB;

(4) Approving recommendations from the Director on the overall operation of CEB; and

(5) Approval of CEB's long term plans for investment and new products.

D. The Governing Committee may formulate rules pertaining to its own operation and may create such subcommittees as may be necessary from time to time. The

Governing Committee shall meet with such frequency as it deems appropriate, but not less than quarterly.

E. The Governing Committee may create such advisory committees and procedures to assist it in carrying out its purposes and to provide advice and guidance to CEB as it deems appropriate.

F. The Governing Committee, on or before October 1 of each calendar year, shall submit to the Board of Governors of the State Bar and the President of the University an annual report setting forth a review of operations of CEB for the preceding fiscal year and a statement of CEB's plans for the current fiscal year.

IX. THE DIRECTOR

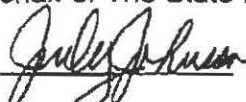
A. The Director shall be the chief administrative officer of CEB.

B. The Director shall advise the President of the State Bar and the President of the University concerning such matters as the Governing Committee shall direct.

C. The employment of the Director shall be governed by paragraph B of Article VIII. Any action of the Governing Committee to forward a recommendation respecting the employment or termination of the Director shall require the concurrence of not less than five of the nine members of the Governing Committee.

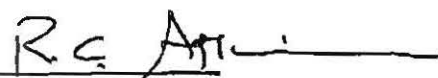
D. For the purposes of this agreement, the term "Director" may include a director and co-director.

Executed on behalf of The State Bar of California on 4-17-2001 by:

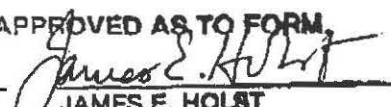
(Signed) 
Executive Director

Executed on behalf of The Regents of the University of California on 9/12/01

by:

(Signed) 
President of the University

APPROVED AS TO FORM


JAMES E. HOLST
COUNSEL OF THE REGENTS
UNIVERSITY OF CALIFORNIA

March 13, 2001

**AGREEMENT BETWEEN THE STATE BAR OF CALIFORNIA
AND CONTINUING LEGAL EDUCATION OF THE BAR**

This Agreement is made and entered into by and between the State Bar of California (hereinafter "State Bar"), a public corporation, with its principal place of business located at 180 Howard Street, San Francisco, CA 94105 and Continuing Legal Education of the Bar (hereinafter "CEB"), a program administered by the University of California with its principal place of business located at 300 Frank H. Ogawa Plaza, Suite 410, Oakland, CA 94612-2001.

RECITALS

WHEREAS, CEB is jointly sponsored by the State Bar and the University of California (hereinafter "University") and for many years has successfully provided high quality, affordable continuing legal education for California lawyers; and

WHEREAS, CEB and the State Bar recognize the expertise of each other in providing education to California lawyers. CEB has particular expertise in larger audience, statewide programs and the organization and publicity relating thereto along with successful publishing efforts in books, guides and periodicals. Sections of the State Bar have developed a strong presence in specialized programs for lawyers concentrating their efforts in one or more practice areas together with publishing specialized journals or quarterlies with high quality specialized content; and

WHEREAS, over the past 20 years the State Bar has created special interest Sections in various substantive and practice areas of the law, which are charged with the responsibility of providing educational materials and programs for California lawyers; and

WHEREAS, the Sections have gained substantial support among such lawyers with some 45% of all California lawyers paying voluntary dues to participate in the Sections; and

WHEREAS, with the need for CEB and the Sections to be self-supporting it is important to strengthen and renew the partnership between the Sections and CEB to provide continuing legal education for the lawyers of the State of California, while maintaining the distinct and separate identities of each; and

WHEREAS, The Board of Regents of the University of California on September 14, 2000, approved a new Memorandum of Understanding for the Joint Sponsorship of CEB; and

WHEREAS, The Board of Governors of the State Bar of California approved a resolution on August 25, 2000, approving, in principle, the new Memorandum of Understanding for Joint Sponsorship of CEB on conditions which include adoption of a formal contractual linkage of this Memorandum of Understanding with the Memorandum of Understanding (Sections and CEB) and inclusion of the Sections in the Advisory Structure of CEB; and

WHEREAS, the Sections of the State Bar of California are required by statute to be funded by sources other than mandatory dues collected from members of the State Bar, and the State Bar of California is entering into this contract on behalf of the Sections which are not legal entities independent of the State Bar and cannot contract on their own behalf; and

WHEREAS, The State Bar Board of Governors authorized the Executive Director of the State Bar negotiate with CEB to assure that these conditions are met and to sign a contractual agreement on behalf of the State Bar implementing the Memorandum of Understanding (Sections and CEB); and

WHEREAS, The Director of CEB, as chief administrative officer of CEB, is authorized by the University of California to sign a contractual agreement on behalf of CEB and the University implementing the Memorandum of Understanding (Sections and CEB).

NOW THEREFORE, the parties agree to the following terms of conditions:

1. Condition Precedent

This Agreement is subject to the approval and execution of the revised Memorandum of Understanding for Joint Sponsorship of the Continuing Legal Education of the Bar (hereinafter "Joint Operating Agreement") in the form set forth and attached hereto, which is fully incorporated herein as Attachment A and is subject to the inclusion of the Sections of the State Bar on substantive advisory committees as set forth in Section 3 below.

2. Term

This Agreement will remain in force until 12/31/02 and may be terminated only for just cause by either party. Hereafter, either party may terminate this Agreement by providing sixty (60) days' written notice to the other party.

3. Advisory Structure

This section on CEB's Advisory Structure will be subject to review and approval by the new CEB Governing Committee as established by the revised agreement between the University of California and the State Bar of California. However, it represents CEB's best current assessment of its advisory requirements and as signator to this agreement the Director of CEB agrees to recommend the structure described in this Section to the Governing Committee for approval and implementation.

- 3.1 The new advisory structure will include Substantive Advisory Committees in the major practice areas in which CEB provides products. As of January 1, 2001, these practice areas include Business, Estate Planning, Litigation, Real Property, Criminal, Family and Employment Law. Additional committees may be established in areas covering Special Practice Issues, including but not limited to solo practitioners, paralegals, ethics, law practice management, legal libraries and legal technologies.
- 3.2. The Advisory Committees act in a consulting capacity to CEB staff in the development of publications, programs and other products, as requested by CEB staff. Committee members typically offer advice and opinions on issues identified by CEB and on issues of importance to the practicing bar.
- 3.3. The members of the Advisory Committees will be formally appointed by the Chair of the CEB Governing Committee.
- 3.4. The Advisory Committees will meet up to four times per year, normally via Conference Call. Chairs of the Advisory Committees may meet annually either in person or by conference call and will report annually, either in person or in writing, on the findings of their Committee to the CEB Governing Committee.
- 3.5. Nomination of members of the Substantive Advisory Committees will be as follows:

Business Committee

Business Law Section	4
Antitrust & Unfair Competition Law Section	1
Intellectual Property Law Section	1

Estate Planning Committee

Estate Planning, Trust & Probate Law Section	4
Taxation Section	1

Real Property Committee

Real Property Law Section	4
Environmental Law Section	1

Public Law Section	1
Litigation Committee	
Litigation Section	4
Criminal Committee	
Criminal Law Section	3
Family Law Committee	
Family Law Section	3
Employment Law Committee	
Labor & Employment Law Section	4

However, individual Sections may nominate additional advisors. The Director of CEB may also nominate additional advisors.

The representation and participation of the various Sections may be modified during the term of this agreement by mutual consent of the Section and CEB, upon ratification by the CEB Governing Committee.

1. Coordination of Programs

- 1.1. The Sections and CEB will periodically coordinate continuing education program calendars to avoid schedule conflicts in programs.
- 1.2. Consistent with their editorial practices, contributing Sections will promote non-conflicting CEB programs in their respective areas of practice through listings in their periodicals up to one-quarter page per issue.
- 1.3. CEB will reciprocate for promotions provided by a contributing Section under subsection 4.2 by promoting non-conflicting Section Programs in CEB's Program Catalogs up to 4 times per year and up to one-quarter page per Section per insertion.
- 1.4. CEB agrees to display at its program registration tables Section newsletters and membership brochures provided and delivered to the CEB program site(s) by representatives of the participating Sections.

4. Section Member Benefit and Membership Recruitment

- 1.1. To provide a member benefit to Section members and to promote enrollment in CEB programs, beginning with the membership year 2001, CEB will provide to the individual member a rebate, certificate, discount or credit ("dues rebate") at least equal to the amount of dues of the relevant section but not exceeding \$60.00 each year for annual Section membership dues following the individual member's purchase of a single ticket.

- 1.2. While the "dues rebate" may not be combined with other CEB offers unless specified otherwise, CEB agrees that the Section "dues rebate" will at all times be the best offer provided by CEB for single tickets and Gold Passports, with the exception of offers to law students and to new admittees for the first twelve months after admittance.
- 1.3. The "dues rebate" shall be subject to the following terms and conditions:
 - For each Section of which an individual is a member or becomes a member during a single membership year, he or she will be eligible for a non-transferable "dues rebate" when purchasing a single ticket or Gold Passport;
 - Only one "dues rebate" shall be applicable to each purchase;
 - The "dues rebate" may be claimed only at the time of purchase; when claiming the rebate, the individual must inform CEB of the specific Section membership for which credit is being claimed.
- 4.1. CEB will provide a Section membership application in all CEB program materials, may provide Section membership applications with other products sold by CEB at CEB's discretion, and otherwise promote the member benefit "dues rebate" to State Bar members.
- 4.2. The Sections and State Bar will promote this member benefit in the best ways available to them: including but not limited to the distribution of "certificates" or other communications to Section members informing them of the member benefit and setting forth its terms and conditions. To ensure proper credit and handling of Section Member orders, Sections will send a copy of any material referencing the "dues rebate" to Manager of Marketing and Customer Service, CEB, 300 Frank H. Ogawa Plaza, Suite 410, Oakland, CA 94612-2001.
- 4.3. The following procedures will be implemented in order to minimize the cost of administration to CEB and to ensure the maximum benefit to the Sections and their members:
 - 4.3.1. For individuals who state they already belong to a Section, CEB will credit the individual customer with the amount of the "dues rebate" as a discount for a singles ticket or Gold Passport, subject to confirmation by the State Bar to CEB of the individual's Section membership, which confirmation shall be provided within 60 days following notification by

CEB of the transaction. To secure confirmation, CEB shall submit to the State Bar monthly a report of the individual recipients of the rebate, including name, State Bar number, the amount of the rebate, and the specific purchase, including if applicable the name of the program attended. Alternatively, the State Bar may choose to have CEB confirm each customer's membership in a Section from lists provided by the State Bar. In the event an individual who claimed to be a section member and is not a section member, CEB will be responsible for collecting any additional payments from non-Section members and not the State Bar.

4.3.2. For individuals who wish to join a Section at the time of purchasing a single ticket or Gold Passport, CEB will be authorized to collect membership applications, process the related CEB order, and send monthly to the State Bar all applications together with an amount equal to the Sections' dues.

5. Optional Services: Printing of Section Materials, Providing Editorial Content

- 5.1. On request, CEB will cooperate with individual Sections in publishing Section periodicals, including printing and mailing at CEB's costs, electronic distribution and assistance with editorial and content generation tasks. CEB will identify specifications for material submitted and approximate printing costs, based on pages and number of copies printed.
- 5.2. On request of a participating Section, CEB will provide editorial content material to the participating Section, provided that the Section provides editorial direction and coordination. "Providing editorial content" means giving permission to reprint copyrighted CEB material. Sections will recognize CEB's copyright by using CEB's standard statement regarding permission to reprint.
- 5.3. On request, CEB will provide low-cost setup and maintenance services for Section websites.

6. Optional Services: Online Education

CEB may develop with individual State Bar Sections joint Internet education programs under which the State Bar Sections may provide content for CEB to record and disseminate via the Internet.

7. Sections' Option to Participate

7.1. Any Section may elect to participate in this overall agreement for an initial term of one year by notifying the Director of Section and Meeting Services prior to 5/01/01 and may renew on a yearly basis thereafter until the term of this Agreement expires. Any Section not electing to participate during this initial period, may subsequently elect to participate by providing CEB sixty (60) days' written notice to CEB.

7.2. Unless and until a Section elects to participate in this agreement, it shall have no obligation under this agreement.

8. Non-Discrimination

The parties will not discriminate on the basis of race, religion, ancestry, national origin, sex, marital status, disability, age or sexual orientation with respect to anyone performing any service or providing any equipment, supplies, or instrumentalities pursuant to this Agreement.

9. Compliance with Laws

The parties shall comply with all applicable laws, ordinances and regulations adopted or established by federal, state or local governmental bodies or agencies.

10. Audit

The State Bar reserves the right to have an independent audit conducted of CEB's compliance with the terms of this Agreement, if the State Bar reasonably believes that such audit is necessary to insure the financial and/or program accountability or integrity. In the event the auditor finds a breach of the program accountability or integrity or finds that the State Bar has not received the proper allocation of gross cash revenues, the CEB will be responsible for the costs of the auditor.

11. Conflict with the Joint Operating Agreement

Should this Memorandum of Understanding conflict in any way with the provisions of the Joint Operating Agreement between State Bar and the University, including any amendments, the Joint Operating Agreement between State Bar and the University will take precedence.

12. Notice

Any notices given by either party to the other will be in writing and will be deemed given when delivered personally or five (5) days after being sent by mail, registered or certified, postage prepaid and addressed as follows:

State Bar of California
180 Howard Street
San Francisco, CA 94105
Attn: Pamela Wilson
Section and Meeting Services

Continuing Education of the Bar
300 Frank H. Ogawa Plaza
Suite 410
Oakland, CA 94612-2001
Attn: Craig Conly, Director

13. Arbitration

Any question, claim, or dispute arising out of or in connection with this Agreement which is in excess of Five Thousand Dollars (\$5,000.00) will be referred to the American Arbitration Association ("AAA") for binding arbitration. Such arbitration will take place before one (1) arbitrator in the City and County of San Francisco, and will be conducted in accordance with California Code of Civil Procedure section 2016 through 2036, inclusive, and the Commercial Arbitration Rules of the AAA. The cost of the arbitration will be borne equally by the parties.

14. General Provisions

- 14.1. ENTIRE AGREEMENT: This Agreement supersedes any and all other agreements, written or oral, which may exist between the parties. By signing below, each party acknowledges that no representations, inducements, promises or agreements which are not embodied herein have been made by any party and that no agreement, statement or promise not contained herein will be binding on the parties.
- 14.2. WAIVER: No term or provision herein will be deemed waived and no breach excused unless such waiver or consent will be in writing and signed by the party claimed to have waived or consented. Any consent by any party to or waiver of a breach by the other, whether expressed or implied, will not constitute a consent to, waiver of, or excuse for any other different or subsequent breach.
- 14.3. JURISDICTION: This Agreement is deemed to have been made and entered into by the parties at San Francisco, California, and will be construed according to the laws of the State of California.
- 14.4. TITLES: The titles used herein are not a part of this Agreement and are included solely for convenience and have no bearing upon and do not in any way limit the application of the terms and conditions of this Agreement.

- 14.5. SEVERABILITY: If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect.
- 14.6. CHANGES: No amendment, alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by both of the parties hereto and approved by the Council of State Bar Sections.
- 14.7. AUTHORITY: Each party hereby represents and warrants that said party has full power and authority to enter into and perform their respective obligations under this Agreement and that the person signing this Agreement has been properly authorized and empowered to enter into this Agreement. Each party acknowledges that said party has read, understands and agrees to be bound by this Agreement.
- 14.8. COUNTERPARTS: This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which, when taken together, will constitute one and the same instrument.
- 14.9. COOPERATION: The parties will take any and all steps and agree to execute and deliver any and all documents necessary to effectuate the terms and intent of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2001.

CONTINUING
EDUCATION OF THE BAR

STATE BAR OF CALIFORNIA

By: _____

By: _____

Its: _____

Its _____