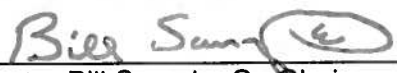


**Arkansas Legislative Council Report
For Emergency Review of
Employment of Outside Legal Counsel
December 12, 2014**

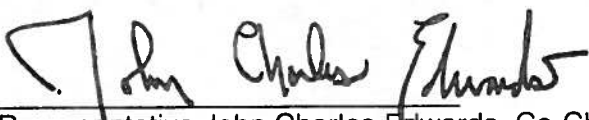
On December 12, 2014, Senator Bill Sample and Representative John Charles Edwards, Co-Chairs of the Legislative Council received written notification from Mr. Richard Weiss, Chief Fiscal Officer of the State, that review of an agreement to retain outside counsel by the Attorney General's Office, as requested by the University of Central Arkansas and Arkansas State University, in the matter of *Samantha Sackos v. National Collegiate Athletics Ass'n, et al.*, Case No. 1:14-CV-0170-WTL-MJD in the U.S. District Court for the Southern District of Indiana, required immediate action. The Attorney General's Office requires expedited review of the agreement due to pending legal deadlines in this matter which will pass prior to the next meeting of the Legislative Council.

Under Rule 17 of the Rules of the Arkansas Legislative Council, the Co-Chairs of the Legislative Council determined that emergency review of the agreement was essential to enable the agency to perform essential services. As such, the Senate Co-Chair and the House of Representatives Co-Chair of Legislative Council may act on behalf of the Legislative Council in regard to this agreement, and state herein that this agreement shall be filed as reviewed in accordance with Arkansas Code § 25-16-702(b)(2), and be reported to the Legislative Council at the next regularly scheduled meeting in accordance with Rule 17.

Respectfully Submitted,



Senator Bill Sample, Co-Chair
Arkansas Legislative Council



Representative John Charles Edwards, Co-Chair
Arkansas Legislative Council



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE DIRECTOR
1509 West Seventh Street, Suite 401
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
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December 12, 2014

Senator Bill Sample, Co-Chair
Representative John Charles Edwards, Co-Chair
Arkansas Legislative Council
Room 171, State Capitol
Little Rock, AR 72201

RE: Suspension of the Rules Request

Dear Senator Sample and Representative Edwards:

The Arkansas Attorney General, at the request of the University of Central Arkansas and Arkansas State University, wishes to retain outside counsel to represent these universities' interests in a lawsuit, *Samantha Sackos v. National Collegiate Athletics Ass'n et al.*, Case No. 1:14-CV-01710-WTL-MJD filed in the United States District Court for the Southern District of Indiana. According to the attached letter from the Attorney General's chief of staff, this firm, Littler Mendelson, P.C. of Atlanta, GA, has unique experience in these matters, and the Attorney General has determined that it is in the best interest of the State to retain this firm.

According to Ark. Code Ann. § 25-16-702, the Attorney General may not enter into any contract with outside counsel without prior review of the Legislative Council. The engagement letter between the State and Littler Mendelson is also attached with the chief of staff's letter. Because of legal deadlines that must be met in order to protect the State's interests, deadlines that will pass before the next meeting of the Council, the Attorney General is requesting a suspension of the rules.

As Chief Fiscal Officer of the State, I approve this request and respectfully request a suspension of the rules and an immediate review of this engagement for the Attorney General's Office. Should you have any questions or require additional information, please contact Erica Gee, chief of staff for the Attorney General, at (501) 682-3632.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Weiss".

Richard A. Weiss
Director



ERIKA GEE
CHIEF OF STAFF

STATE OF ARKANSAS
THE ATTORNEY GENERAL
DUSTIN MCDANIEL

December 11, 2014

Mr. Richard Weiss, Director
Department of Finance and Administration
1509 West 7th St.
Little Rock AR 72202

Dear Mr. Weiss:

As we discussed, the Attorney General's Office seeks to engage the law firm of Littler Mendelson to assist with the representation of the University of Central Arkansas and Arkansas State University in a lawsuit titled *Samantha Sackos v. National Collegiate Athletic Association, et. al*, Case No. 1:14-cv-01710-WTL-MJD, filed in the United States District Court for the Southern District of Indiana, Indianapolis Division. This firm is representing the NCAA and many of the other universities named in the suit and it has particular experience with the subject of the lawsuit. The initial phase of the group defense will be paid for by the NCAA and there will therefore be no cost to the state for this engagement. The proposed letter of representation is enclosed for your review.

Pursuant to Ark. Code Ann. § 25-16-702, the Attorney General must obtain the approval of the Arkansas Legislative Council prior to engaging outside legal counsel. Due to the time constraints of the deadlines in this case, it is necessary to engage Littler Mendelson before the Legislative Council can consider the matter. If you agree with the need to consider the engagement of this firm on an emergency basis, please inform the co-chairs of the Legislative Council. Thank you for your assistance.

Sincerely,


Erika Gee
Chief Deputy Attorney General

Enclosure

323 CENTER STREET, SUITE 200 • LITTLE ROCK, ARKANSAS 72201
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Littler Mendelson, P.C.
3344 Peachtree Road N.E.
Suite 1500
Atlanta, GA 30326.4803

December 4, 2014

Lisa A. Schreter
Chair of the Board
404.760.3938 direct
404.233.0330 main
404.795.0758 fax
lschreter@littler.com

**PERSONAL & CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGED
TO BE OPENED BY ADDRESSEE ONLY**

VIA FIRST CLASS MAIL AND ELECTRONIC MAIL

Scott Bearby
General Counsel
National Collegiate Athletic Association
P.O. Box 6222
Indianapolis, IN 46206-6222

David A. Curran
Deputy Attorney General
Civil Department
323 Center Street, Suite 800
Little Rock, AR 72201

Re: *Conflict of Interest Waiver*

Dear Scott and David:

We are pleased that the National Collegiate Athletic Association ("NCAA"), Arkansas State University ("Arkansas State") and the University of Central Arkansas ("Central Arkansas") have retained our law firm, Littler Mendelson, P.C., to represent them in a lawsuit that has been brought against the NCAA, Arkansas State and Central Arkansas by Samantha Sackos, on her own behalf and on behalf of similarly situated persons, in the United States District Court for the Southern District of Indiana, Indianapolis Division, titled *Samantha Sackos, on her own behalf and on behalf of similarly situated persons v. National Collegiate Athletic Association, et al.*, Case No. 1:14-cv-01710-WTL-MJD ("Lawsuit"). We will serve as counsel for the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit on the basis and under the conditions of representation set forth in this letter.¹

We understand that the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit have agreed that we will represent and defend them jointly in the Lawsuit. Although we are pleased to provide these services, we must reserve the right to withdraw as attorneys for the parties at any time when, in our professional judgment, continuing to represent any party may conflict with our duties to another.

¹ In addition to representing the NCAA, Arkansas State and Central Arkansas, our firm also will be representing other institutions named as defendants in the Lawsuit. We will provide you with a list of the names of each institution we currently represent. We may be asked to represent other institutions after this letter agreement is executed. As such, we will, at your request, provide your institution with an updated list of all defendant institutions we are representing in the Lawsuit at any date after this letter agreement is executed by you. For purposes of this letter and its terms, our representation in the Lawsuit includes the NCAA, Arkansas State, Central Arkansas and all other defendant institutions, either currently or in the future, that we represent or will represent in the Lawsuit.

Insurance coverage and indemnification issues are outside the scope of our representation, so if the NCAA, Arkansas State and Central Arkansas, or any the other defendant institutions we represent in the Lawsuit have any questions about these issues, they should seek independent counsel with respect to them. "Indemnification issues" means one client's obligation, if any, to pay any amounts that may be awarded against the other client in the Lawsuit. "Insurance coverage issues" means insurance, if any, that one client may have that would provide coverage for the claims raised in the Lawsuit.

Applicable ethical rules prohibit a lawyer from representing two or more clients where there is a potential or actual conflict of interest between them, without their informed, written consent. At this time, we see no actual conflict. The NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit deny the allegations made against them in the Lawsuit. If, however, facts develop in the future that would demonstrate a conflict, we may be compelled to withdraw from representing the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit unless we obtain the informed, written consent from each to our continuing the joint representation and we believe that continued representation under such circumstances would be ethically proper and beneficial to all parties. Further, a court could, as a matter of law, disqualify us from representing the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit if a conflict arises.

A "conflict" is a dispute between the NCAA, Arkansas State, Central Arkansas or the other defendant institutions we represent in the Lawsuit that creates an adversity between any of them of any kind that would, in our view, prevent us from zealously representing all of them in the Lawsuit. A conflict may be a potential conflict (a dispute that has not specifically arisen, but may arise based on the known facts) or an actual conflict (a dispute that has specifically arisen) and both are covered by this waiver agreement. The NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit are waiving potential and actual conflicts.

There is also the possibility that we may be required to seek withdrawal as counsel for the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit if we receive conflicting instructions from one institution that renders us unable to carry out that instruction without violating an instruction received from another of the institutions we are representing in the Lawsuit. In such a situation, each institution must decide upon a common instruction that we can follow so that we can continue the joint representation.

Another example of a situation in which an actual conflict could arise between the NCAA, Arkansas State, Central Arkansas or the other defendant institutions we represent in the Lawsuit is where one client chooses to pursue a claim against another client regarding subjects at issue in the Lawsuit. Should this occur, we may request to be allowed to withdraw as that institution's counsel.

There may be other examples of potential, future conflicts that could arise as a result of this joint representation. We have outlined only some examples above so that you are aware of some ways in which potential conflicts could arise. You should review this representation with

your individual legal counsel, if you so choose, in order to assure that you are properly considering all aspects of this waiver request.

Because we represent the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit, we must bring to the attention of each client any information we learn which would or could have a bearing on the Lawsuit. As such, you should be aware that what any institution, or any of the employees, agents or representatives of that institution, say to any attorneys or other representatives of our firm may be disclosed to each institution we represent. Accordingly, there is the risk that an institution may not be as candid with us as it might be if separately represented.

Additionally, because we will be jointly representing the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit, we are limited in our ability to take certain positions with respect to any one institution if that position would impact the other institutions we are representing. In essence, on behalf of all of the clients we are representing in the Lawsuit, we will be taking positions with respect to the Plaintiff's claims that are in the best interests of all of those clients jointly. This may mean that the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit may not be able to take a position with respect to the claims raised in the Lawsuit as a result of the joint representation that the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent would be able to assert if each were separately represented by counsel. This is one of the risks of this joint representation.

Finally, we have not been involved in any discussions between the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit regarding who will be responsible for payment of any damages and other costs associated with any findings that ultimately may be made by a jury or the court (assuming, for the moment, that such findings were to be made). We will not be involved in any indemnification/defense cost issues between the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit.

If you agree that there is no actual conflict of interest and you wish us to continue representing the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit based on the terms set forth above, please acknowledge your agreement to the conditions set forth in this letter by dating and signing the original of this letter in the space provided below and returning it to me.

Each executed waiver will be made available to each party for their records. If you have any questions, please do not hesitate to contact me.

December 4, 2014
Page 4

Sincerely,

s/ Lee Schreter

Lisa A. Schreter

WAIVER:

On behalf of NCAA, I agree and consent to have Littler Mendelson, P.C. represent the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit on the terms and conditions set forth above.

Scott Bearby, on behalf of the National
Collegiate Athletic Association (NCAA)

Date: _____

On behalf of Arkansas State University and the University of Central Arkansas, I agree and consent to have Littler Mendelson, P.C. represent the NCAA, Arkansas State, Central Arkansas and the other defendant institutions we represent in the Lawsuit on the terms and conditions set forth above.

David A. Curran, on behalf of Arkansas
State University and the University of
Central Arkansas

Date: _____