



BOARD OF DIRECTORS

RESOLUTION

RELATED TO ENFORCEMENT RULE CHANGES

WHEREAS, the Board of Directors is considering regulations to amend its enforcement mechanisms rules (hereinafter “these regulations”); and

WHEREAS, the Board of Directors wishes to monitor the implementation of these regulations;

NOW, THEREFORE, BE IT RESOLVED that the management of LSC is directed to provide an annual report to the Board regarding the implementation of these regulations. Such a report shall be provided no later than the regularly scheduled quarterly meeting of the Board held in April, and shall cover the fiscal year ending the previous September 30. The first such report shall be provided no later than the April 2014 meeting of the Board and shall cover the fiscal year ended September 30, 2013.

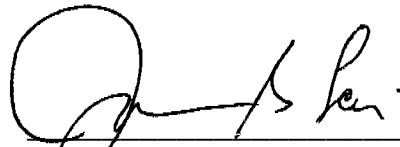
BE IT FURTHER RESOLVED THAT, at a minimum, this report shall include:

- An accounting of all suspension, debarment, termination, or reduction of funding proceedings initiated under these regulations or active in the relevant fiscal year, including a brief discussion of the causes for such proceedings and the status of each as of the close of the fiscal year. Management shall preserve confidentiality as appropriate and consistent with applicable law.
- A description, to the extent practicable, of the effect of such proceedings on the provision of legal services to the poor.
- Any and all due process concerns raised by grantees in the course of the reported proceedings.
- Management’s opinion as to the ongoing need for and effectiveness of the enhanced enforcement procedures provided for in this rule change.

- Management's suggestions, if any, of any proposed changes to these Enforcement Regulations to enhance due process for grantees and better protect the provision of legal services to the poor, while at the same time maintaining the ability of LSC to adequately ensure that the corporation is able to take timely action to deal with issues of substantial noncompliance by grantees.
- Any guidance issued in the prior year related to these regulations.

BE IT FURTHER RESOLVED that this resolution shall take effect only if the Board also adopts the proposed regulations to amend its enforcement mechanisms rules also under consideration at this January 2013 Board meeting.

Adopted by the Board of Directors
on January 25, 2013



John G. Levi
Chairman



Victor M. Fortuno
*Vice President for Legal Affairs,
General Counsel & Corporate Secretary*