

IN THE SUPREME COURT OF THE STATE OF NEVADA

FILED

**IN THE MATTER OF AMENDMENTS
TO THE SUPREME COURT RULE 216:
CLIENT INTEREST BEARING TRUST
ACCOUNTS; CREATION OF
FOUNDATION.**

ADKT 0479

JUL 18 2014

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *A. M. M. M.*
DEPUTY CLERK

**EMERGENCY PETITION
UNDER NRAP 27(e),
PURSUANT TO SUPREME
COURT RULE 216, FOR AN
ORDER:
(1) APPROVING THE SBN'S
DESIGNATION OF
FOUNDATION AND
DIRECTING THE
TRANSFER OF ALL IOLTA
ASSETS, BOOKS AND
RECORDS TO FOUNDATION;
AND
(2) APPOINTING
FOUNDATION BOARD
MEMBERS**

COMES NOW Petitioner State Bar of Nevada (SBN) and petitions this court, pursuant to Supreme Court Rule 216, for an order approving the SBN's designation of the Nevada Bar Foundation (NBF) as of August 1, 2014 to administer the interest on lawyer trust account (IOLTA) program, directing the transfer of all IOLTA assets, books and records to NBF and appointing six (6) NBF board members. This Petition is being made on an emergency basis since the

SBN is requesting that the designation of the NBF be approved by the court effective August 1, 2014. See the attached NRAP 27(e) Certificate.

I. Procedural Background

Under Supreme Court Rule 216 the Board of Governors with the approval of the court shall designate a tax-exempt bar foundation for the purposes of providing legally related services to the poor, to the victims of domestic violence, and to children protected by or in need of protection of the juvenile court, promoting or providing law-related educational programs for members of the public and providing similar tax-exempt programs. On April 15, 2014, the Board of Governors of the State Bar of Nevada filed a petition in this court seeking certain amendments of Supreme Court Rule 216. On June 19, 2014 the court entered "Order Amending Supreme Court Rule 216" ("Order"), which became effective within 30 days from the date of the Order. Among other changes to Supreme Court Rule 216, the Order provides that the designated IOLTA foundation shall have 11 board members, five (5) members appointed by the SBN and six (6) appointed by the court.

II. Petitioner Requests An Order Approving the SBN's Designation of the NBF as the Supreme Court Rule 216 Foundation and Directing Transfer of the IOLTA Assets to the NBF.

Pursuant to Supreme Court Rule 216 as amended, the Board of Governors, contingent upon the court's approval, designated the NBF in place and instead of

the Justice League of Nevada (JLN) as the Supreme Court Rule 216 IOLTA foundation. Petitioner requests that the court approve the Board of Governor's designation of the NBF as the Supreme Court Rule 216 foundation to administer IOLTA funds effective August 1, 2014. The NBF, which was formed by the SBN in 1997, is a Nevada non-profit corporation under the Nevada Revised Statutes, Chapter 82 and qualified as a tax-exempt organization under the IRC section 501(c)(3).

JLN possesses and/or controls the interest on attorney trust account (IOLTA) funds and other assets acquired with these funds received during the time the JLN acted as the SCR 216 designated IOLTA Foundation ("IOLTA Funds"). To effectuate the designation of NBF, the SBN requests that the court issue an order directing that:

1. The JLN transfer all IOLTA funds to the NBF no later than July 31, 2014.
2. The JLN immediately transfer to the NBF all IOLTA funds that come into its possession after July 31, 2014;
3. Any and all financial institutions holding IOLTA Funds, whether in the name of JLN or otherwise transfer all IOLTA funds to the NBF no later than July 31, 2014.
4. Financial institutions that hold IOLTA trust accounts transfer all

interest earned on those accounts to the NBF beginning August 1, 2014; and

5. The JLN immediately transfer to the Nevada Bar Foundation any and all IOLTA books and records in its possession or control.

III. Petitioner Requests That The Court Appoint NBF Board Members.

Under Supreme Court Rule 216(2), as amended by the Order, the governing body of the designated bar foundation shall be composed by 11 members: 7 of whom shall be members in good standing of the state bar. The court shall appoint 6 members and the state bar shall appoint 5 members. The SBN has appointed to the board of the NBF, 5 members in good standing of the state bar. Petitioner requests that the court appoint 6 board members to the NBF, at least two of whom shall be members in good standing of the state bar. The NBF supplied the court with the applications of individuals who have expressed an interest in serving on the board of the NBF.

WHEREFORE, the SBN requests that the court grant its Petition for the reasons set forth herein.

Dated this 18th day of July, 2014.

NRAP 27(e) CERTIFICATE

STATE OF NEVADA }
COUNTY OF CLARK } ss.

I, Laurence Digesti, being duly sworn, do hereby depose and say:

1. I am President-Elect of the State Bar of Nevada.
2. On January 21, 2014 the Board of Governors, contingent upon the court's approval, designated the NBF in place and instead of the Justice League of Nevada (JLN) as the Supreme Court Rule 216 IOLTA foundation.
3. The SBN is asking for the court to act on its Petition on an emergency basis since it requests that the designation of the NBF be effective August 1, 2014.
4. The SBN will notify the JLN today by serving a copy of its Petition on JLN's President Dara Goldsmith.
5. I make this certification on behalf of Petitioner.

EXECUTED this 18th day of July, 2014.

Laurence Peter Digesti

SUBSCRIBED AND SWORN to before

me this 18th day of July, 2014.

Nellie A. Lawver
Notary Public

