

AMERICAN SADDLEBRED REGISTRY, INC.

**Board of Directors Meeting
Friday, February 17, 2012 at 3:30PM Eastern Time
Marriott Griffin Gate Resort, Lexington, Kentucky**

MINUTES

Members Present: Brian Curran
Lisa Duncan
Louise Gilliland
Larry Hartsock
Chuck Herbert
Scott Matton
Margaret McNeese
Don Schilling
Suzie Teater

Members Absent: Carl Holden
Sandra Lilly

Others Present: Paula Johnson, Registrar
Katriona Adams, staff
Rachel Brown, Dean Dorton Allen Ford
Smith Lilly, Kentucky and National Futurities Committee

- I. Roll Call/Establish Quorum/Consider Agenda/Adopt Rules of Order**
President Duncan called the meeting to order at 3:30PM. Ms. Johnson called the roll and noted that a quorum of directors was present. Mr. Herbert made a motion to adopt the agenda, Dr. McNeese seconded and the motion was passed.
- II. Introduction of Guests**
President Duncan welcomed guests Smith Lilly who will present the Kentucky and National Futurities Committee report and Rachel Brown, Dean Dorton Allen Ford, who will present the audit report.
- III. Kentucky & National Futurities Committee**
Mr. Lilly presented the report of the Kentucky and National Futurities Committee. The committee is requesting approval to submit the following rule change proposal to USEF for safety factors:
SB111 Division of Classes
6. ASR National Three-Year-Old and ASR Kentucky Futurity Fine Harness classes with ~~16~~ **12** or more declared entries shall be divided as equally as possible into two sections.

No more than ~~15~~ **12** entries from the sections shall be selected by the judges to return for a final class.

Mr. Schilling moved approval of this recommendation, Mr. Hartsock seconded and the motion passed with all in favor.

Mr. Lilly explained a second request from the committee to submit a rule change proposal to USEF as follows:

ASR TWO-YEAR-OLD SWEEPSTAKES; ASR NATIONAL THREE-YEAR-OLD FUTURITY: Shown at a walk, trot and canter. To be judged on performance, conformation, presence, quality and manners. Entries are to be stripped.

After discussion, Mr. Herbert moved approval of this recommendation, Mr. Curran seconded and the motion was passed with all in favor.

IV. Audit Report

Rachel Brown of Dean Dorton Allen Ford provided a report on the 2011 audit and noted that the audit went very efficiently and smoothly. She reported that they found that the financial statements are presented fairly in accordance with generally accepted financial standards. She noted that the statements provided were in draft format and highlighted some changes from last year.

V. Registry Committee

a. Requiring photographs and adding coat colors to rules

SECTION III. REGISTRATION

A. ELIGIBILITY AND REQUIREMENTS

~~10. It is strongly recommended that photos be submitted with all Applications for Registration. For any horse with white markings above the knees or hocks (such as pintos),~~ **four current photographs of the horse**, showing both sides, front and rear, must accompany the Application for Registration.

11. The following coat colors are recognized by the American Saddlebred Registry: black, brown, bay, chestnut, gray, palomino, buckskin, pinto (white with any other recognized color either in Tobiano, Sabino, or Overo patterns), roan (red, blue, or bay), champagne (classic, sable, amber, gold), dun (red, yellow, or blue), silver (black or bay), cremello, perlino, and smoky cream. Two words may be used to describe a horse's color, such as "dark bay" or "liver chestnut." Coat color testing is available for a \$40 fee per coat color. If the color listed on an application for registration does not correspond with the photographs received, the Registry may require coat color testing at the owner's expense.

President Duncan reported on the recommendations of the Registry Committee. They would like to require photos with all applications for registration and would also like to add coat colors back into the rules and effective December 1, 2012. After discussion, Mr. Schilling made a motion to refer the proposal regarding photos to the Breeder's Committee with a request for feedback by April 1, 2012, Mr. Matton seconded and the motion was passed with all in favor.

After discussion of the proposed coat colors, Ms. Teater made a motion to approve the proposal with the following changes: add white and albino and remove the fee from this section of the rules, Ms. Gilliland seconded and the motion was passed with all in favor.

b. Transfer of Ownership rules

I. RIGHT TO CANCEL CERTIFICATE

The ~~original~~ **current** recorded owner(s) of a registered American Saddlebred horse may, ~~if the original recorded owner(s) continues to be the owner(s),~~ cancel its Certificate of Registration **only** by surrendering the Certificate to the Registry together with a signed statement requesting cancellation. However, a Certificate of Registration cannot be cancelled if any foals have been registered from the horse in question, whether it be a mare, a gelding, or a stallion. After cancellation of the registration certificate, the certificate may be reissued or reinstated only upon the written request of the person(s) who previously submitted the request for cancellation (or the administrator of his or her estate). ~~If the Certificate of Registration of an American Saddlebred horse has not been surrendered and cancelled by the original recorded owner(s), the certificate shall be considered to be assigned to the horse for the remainder of its life.~~

Anything in these rules to the contrary notwithstanding, the American Saddlebred Registry, Inc. expressly reserves the right to alter or cancel a certificate at any time in case any information upon which it is based should be found inaccurate. In any event, under no circumstances will the Registry be responsible for any loss or damage resulting from any inaccurate information contained on any certificate.

The committee discussed the above recommended changes but agreed that the original owners should only be allowed to cancel a certificate of registration. Mr. Herbert moved amending the first sentence to read "**All** original recorded owner(s) of a registered American Saddlebred horse may, if the original recorded owner(s) continues to be the owner(s), cancel its Certificate of Registration by surrendering the Certificate to the Registry together with a signed statement requesting cancellation." and deleting the sentence starting "If the Certificate of Registration...", Dr. McNeese seconded and the motion was passed with all in favor.

C. PROCEDURE TO RECORD TRANSFER OF OWNERSHIP

4. If a stallion is sold and the seller retains frozen semen with ownership rights, a contract of sale or statement of the parties must be filed with the registry verifying that the seller has authority to sign breeder's certificates and stallion service reports for foals conceived by the use of retained frozen semen. The contract must include the signatures of the buyer and the seller or their authorized agents.

ASR Procedure To Record Transfer Of Ownership Section V. C. 1 requires the original Certificate of Registration. Refer to Section IV. B. if the original certificate has been lost or destroyed. Refer to Section II. E. regarding sale or disposal without the Certificate of Registration. ASR rules regarding transfer of ownership must be followed in order to record a change of ownership when the Certificate of Registration is unavailable.

D. AUCTIONS AND SALES COMPANIES

4. The seller is responsible for the cost of transfer where a horse is sold through an auction. The Registry will request that such companies announce this rule prior to commencement of the auction. The Registry will request such companies to withhold the transfer fee from sellers' proceeds in cases where such companies are authorized to complete and sign transfer forms and remit the fee directly to the Registry along with the form.

5. If the seller elects to retain the registration certificate and does not sign a transfer of ownership form, the recorded owner of the horse may not be changed without a court order or satisfactory proof of authority for the transfer or without a legal opinion of counsel for the party seeking the transfer that ownership has legally passed to the new owner.

President Duncan explained that these were 'housekeeping' changes to help clarify the requirements to transfer ownership. After discussion, Mr. Herbert moved approval of the above language, Mr. Hartsock seconded and the motion was passed with all in favor.

c. Rules for Half Saddlebred Registry of America, Inc.

The rules for the Half Saddlebred Registry of America, Inc. have been revised to mirror the rules of the American Saddlebred Registry, Inc. where relevant. It was noted that these rules should also be updated as relevant changes are made to the ASR rules in the future. After discussion, Mr. Schilling moved approval of the rules, Mr. Curran seconded and the motion was passed with all in favor.

d. Policy for mailing lists and requests for registry data

Ms. Duncan explained the background on a request for a designated policy for mailing lists and requests for registry data. We receive requests primarily from Futurities for mailing labels or lists for mare owners for a

certain breeding year. After discussion, a motion was made for staff to draft a policy based on the policy in place for the Association, for affiliated futurities to be able to purchase mailing labels or lists and to circulate it to the Board for consideration. The cost of producing the labels is to be included.

e. Pending registry transactions

Ms. Johnson explained a recommendation regarding processing older pending registry transactions. The proposal includes a provision for staff to scan older documents and to get rid of the originals and remove the transaction from the database. Mr. Herbert moved approval of the recommended policy with the addition of being able to also scan documents received after 2009, Mr. Schilling seconded and the motion was passed with all in favor.

VI. Grand National Committee

President Duncan explained that the Grand National Committee is recommending termination of the Grand National Program. The committee provided the following list of questions for consideration by the Board:

1. Does the Registry Board concur with the Grand National Committees recommendation that the Grand National Program be terminated?

After discussion, Mr. Herbert moved concurrence with the Grand National Committees recommendation that the Grand National Program be terminated, Mr. Curran seconded and the motion passed with Mr. Schilling abstaining.

2. Does the Registry Board have a preferred direction on the following:

A. Accept no new participant's enrollment in the program After 12-1-11 (relates to the "Run Off" period and opportunity for recent enrollments to participate in program before close down)

Mr. Herbert moved approval of question 2. A., Mr. Schilling seconded and the motion was passed with all in favor.

B. Selection of the "Run OFF" termination process to bring the program to an end using approximately equal amounts (\$45,000 +/-) of Grand National funds over each year.

**For example a 5 year run off
December 2011,
December 2012,**

**December 2013,
December 2014, and the last year using balance of funds for the
competition year December 2015 thru Nov. 30, 2016
(or lesser period i.e. 3 years)**

After discussion, Mr. Herbert made a motion to table this question and seek advice from an audit firm to determine whether an actuary analysis could be done, Mr. Hartsock seconded and the motion was passed with all in favor.

C. No refunds or other consideration for entries paid in 2011.

D. That only those shows that paid to offer the Grand National classes during the last 3 years 2009, 2010 and 2011 will be allowed to offer the Grand National classes during the run off period.

E. There will be no charge for competitions during the run off period.

3. Program for announcing the Grand National closing to the membership

Mr. Herbert moved to also table questions C., D., E. and 3. pending advice from an audit firm, Mr. Hartsock seconded and the motion was passed with all in favor.

VII. Pleasure Disciplines Committee

Mr. Matton reported on discussions at the Pleasure Disciplines Committee meeting where a request was made to allow individuals the option of applying for CH status for Country Pleasure where the points could be manually calculated under the previous system for an additional fee. After discussion, Ms. Gilliland made a motion to approve this request. The motion was not seconded and therefore was not passed.

VIII. Reports

a. Treasurer's Report

Mr. Herbert provided a report on financials as of December 31, 2011. He noted that we operated below budget in all areas and also explained some changes for the 2012 budget. Mr. Matton moved approval of the Treasurer's Report, Mr. Schilling seconded and the motion was passed with all in favor.

IX. Strategic Long Term-Planning Committee

President Duncan reported on a recommendation from the Strategic Long Term-Planning Committee regarding committees and committee policies. After discussion, Mr. Herbert moved approval of all of the Registry

Committees as suggested with a request for clarification of the chair of the Finance Committee as ASR Treasurer and with an amendment to the descriptions of State Futurities and Sweepstakes Committees to read: Monitors and promotes all State Futurities Programs/Sweepstakes Programs and reviews and recommends rule changes. The word price also needs to be corrected to read prize. Dr. McNeese seconded and the motion was passed with all in favor.

X. Reports

b. President's Report

President Duncan provided a report on the amnesty offered in 2011 for registrations and for transfers. She noted that some registrations are still pending due to missing items. She reported on year-end statistics.

c. Registrar's Report

i. Technology Update

Ms. Johnson explained that the Association Board has approved a proposal on a new database provided by USEF IT staff. A discussion took place regarding the estimate cost of the database as well as options for funding.

XI. Request regarding show results for Pinto horses

President Duncan explained a request for the Registry to start tracking Pinto show results. We reviewed USEF rules and also researched class schedules for Pinto shows and noted that it is not possible to track these results in our current database. In addition, we noted that USEF does not assign points for classes that are restricted to color. A motion was not made to approve this request, however, it was noted that we could develop criteria for special awards and accomplishments for horses to be recognized on our website. It was noted that these would need to be verified awards and should be National or Regional in nature.

A discussion took place regarding other similar requests regarding show results as well as some concerns regarding the criteria for the High Point Awards Program after which the Board agreed that President Duncan should name a new committee on Show Results/Show Programs with the following description: Responsible for determining what types of show results we track and what is displayed on the web site.

XII. Update on project of entering historical show results

President Duncan reported on some issues which have arisen in the course of entering historical show result. One of these issues is that some horses shown prior to 1984 were not registered. After discussion, Mr. Herbert made a motion to add a disclaimer to the website to read: "For shows held before 1984 horses may have been showing against non-registered

Saddlebreds”, Dr. McNeese seconded and the motion was passed with all in favor.

Another request received is to be able to track the “shown as” name of the horse. After discussion, it was agreed that this request should be added to the list of items for the new database.

A question was raised regarding using historical show results for Saddlebred Record points. The Board agreed that if the results could be verified in our records, then the points should count for Saddlebred Record (CH status).

XIII. Litigation update

Ms. Johnson provided a litigation update.

XIV. Adjournment

There being no other business before the Board, Mr. Matton moved that that the meeting be adjourned, Mr. Curran seconded and the meeting was adjourned at 7:10PM.

Submitted by:

Katriona Adams, staff