

AMERICAN SADDLEBRED HORSE ASSOCIATION

Executive Committee

Friday, September 18, 2009

4:00 p.m. Eastern Time

By Secure Teleconference (Operator Assisted)

MINUTES

[As approved Tuesday, October 6, 2009]

Members Present: President Judith Werner, First Vice President Vicki Gillenwater, Second Vice President Barbara Molland, Secretary Paul Treiber, Treasurer Jim Ruwoldt.

Members Absent: None.

Others Present: Association Directors: Mary Anne Cronan, Mary Ann Pardieck, Jimmy Robertson.
Registry Directors: Lisa Duncan.
Executive Secretary Alan F. Balch; Counsel Jefferson K. Streepey, Esq.

President Werner called the meeting to order at 4:00 p.m., and asked Mr. Balch to call the roll and determine all those present. It was noted that all members of the Executive Committee were present, and that all directors of both the Association and Registry had been duly noticed for the meeting, and those that had responded were present. Ms. Gillenwater joined shortly after the beginning of the meeting.

Ms. Werner stated the meeting notice included discussion of the upcoming joint board meeting scheduled for October 5 and 6, and asked Mr. Balch to describe the location and time. He noted that he had received some items suggested to be on the agenda from directors, and that he would follow up and be sure they were placed on it. Ms. Werner reminded the group that suggestions for the agenda should be made soon.

Ms. Werner stated that the next item was discussion of the correspondence with a group of concerned members and their attorney, and that confidentiality was important. Mr. Streepey noted that since litigation had been threatened, discretion in communicating private discussions among directors was especially important. Ms. Werner stated that she had asked Mary Anne Cronan, Barbara Molland, Mary Ann Pardieck, and Paul Treiber to serve on a Select Legal Advisory Committee, and they had agreed, along with Mr. Streepey and Mr. Balch; in addition, she had tried to reach Ms. Gillenwater to discuss her possible appointment, but had been unable to connect. She invited Ms. Gillenwater to serve, and she accepted the appointment.

Mr. Streepey advised the Executive Committee that there had been a number of developments recently in this matter, including the receipt by Ms. Werner of some particularly sensitive information the previous weekend, in writing, concerning Mr. Balch. Mr. Balch had retained his

own attorney, Richard Getty of Lexington, Kentucky. In addition, Ms. Werner in consultation with Mr. Streepey and Mr. Balch, had decided to engage Cipher Group, a forensic technology firm, to protect the interests of the Association and Registry in the event of litigation, and that their work in preserving and investigating electronic files had begun. In addition, President Werner had directed that Boehl Stopher Graves begin additional work to prepare for possible litigation.

Mr. Streepey described the visit earlier in the day by the attorney for the group of members, Stephen Houston, for document inspection. He invited Mr. Houston once again, in Mr. Balch's presence, to disclose what he and his clients were looking to find, so that the Association might be helpful in finding whatever it was. Mr. Houston stated that it was simply the members' right to inspect documents as a matter of their oversight, and that nothing in particular was being sought. Mr. Streepey then provided him a letter he had written on behalf of the Association, with Mr. Balch's affidavit attached, and Mr. Balch handed him a letter from his own attorney. He once again sought to have copies, and Mr. Streepey advised that no copies were to be provided.

Various aspects of potential litigation were then discussed, and Ms. Werner and Mr. Streepey stated that in the immediate future, quick decisions might be required, and that was why the Select Legal Advisory Committee had been appointed, in order that the president have appropriate advice on short notice. Upon the recommendation of Mr. Streepey, ***Mr. Ruwoldt moved that Ms. Werner be authorized to take whatever steps she may deem necessary as to litigation upon advice of the Select Committee, without the need to convene an additional Executive Committee meeting, and Mr. Treiber seconded the motion. Following discussion, the motion carried unanimously.***

Adjournment: Following brief discussion of the updated bylaws and the Association's presence at the World Equestrian Games 2010, the meeting was adjourned by consent of all present at 5:25 p.m.

Submitted by: _____
Alan F. Balch, Executive Secretary