



AMERICAN SADDLEBRED REGISTRY, INC.

**Board of Directors Meeting
Friday, July 8, 2016 at Noon ET
At the USEF Office, Lexington, Kentucky
And via tele-conference**

MINUTES

Directors Present: Susan Aschenbrenner, Brian Curran, Sandra Currier, Bret Day, Elisabeth Goth, Gail Kline, Scott Matton, Margaret McNeese, David Mount, Donna Pettry-Smith, Karen Richardson, Matt Shiflet and Judy Werner.
Done

Others Present: Lisa Duncan; Registrar, Katriona Adams; Assistant Registrar, Jenny Taylor; Stallion Sweeps, William G. Carroll; Strotham+Co, Bob Funkhouser; ASHA President and Bill Whitley; ASHA Executive Director.

I. Roll Call/Establish Quorum/Consider Agenda

Mr. Curran, ASR President, called the meeting to order and asked Ms. Duncan to call the roll. A quorum was present. Ms. Goth made a motion to accept the agenda, Mr. Mount seconded and the motion was passed.

II. Introduction of Guests

Mr. Curran welcomed guests, Jenny Taylor, William G. Carroll, Bob Funkhouser and Bill Whitley.

III. The Stallion Sweeps

Jenny Taylor explained a new fund raising program called The Stallion Sweeps. Tickets are \$25 each and entitle you to be entered into a drawing for a free stallion service. Tickets will be available for 15 different stallions. The winners will be drawn in January, 2017. Ms. Taylor noted that the stallion services are not transferrable. Proceeds will go toward the promotion of breeding.

IV. Financials

a. Treasurer's Report

Ms. Aschenbrenner noted that the Registry Financial Statements are in the Board Packets. She reported that we have changed banks which will eliminate approximately \$5,000 a year in bank fees. The next big project for the ASR Finance Committee is to talk to different financial advisors to see if we can improve our returns on investments. We are currently earning only 1.5% on our returns. Ms. Kline made a motion to approve the Treasurer's Report, Ms. Currier seconded and the motion was passed with all in favor.

b. Audit Report

Mr. William G. Carroll, CPA with Strothman+Co, provided the Independent Auditors' Report. He explained Management's Responsibility for the Financial Statements and the Auditors' Responsibility as well as the Opinion which read: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Registry as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America."

A question was raised about the amount of credit card fees paid by the Registry and it was suggested that we try to reduce those. We will start with discussions with our new bank. Questions about administration fees versus management fees were also raised and we will seek clarification on those.

c. Merrill Lynch Investment Report

The Merrill Lynch Investment Report was distributed to Directors. Ms. Aschenbrenner, Treasurer and Chair of the ASR Finance Committee, reported that she will work with the ASR Finance Committee to create an investment strategy.

V. Registry Committee Report

a. Broodmare Hall of Fame

Ms. Duncan explained a proposal from the Registry Committee to add Show Pleasure and the Park Division to Broodmare Hall of Fame. A discussion took place about how both of these divisions have evolved. A suggestion was made to also add Country Pleasure and Park Pleasure. After a lengthy discussion, Mr. Matton made a motion to add Show Pleasure, Country Pleasure, Park Pleasure, and Park Divisions to Broodmare Hall of Fame, effectively immediately and retroactive, Ms. Kline seconded and the motion was passed with all in favor.

b. Equine Welfare Recommendation

Ms. Duncan explained the below rule change proposal from the Equine Welfare Committee, the Registry Committee and ASR General Counsel. After discussion, Ms. Goth made a motion to approve the rule change proposal as presented, Ms. Currier seconded and the motion was passed with all in favor. This new rule is effective January 1, 2017.

ASR Rules and Regulations

Section V. E. Transfer without signature of recorded owner

4. If ownership of a registered American Saddlebred is conveyed: (i) pursuant to an auction that was not authorized by the American Saddlebred Registry, (ii) pursuant to the seizure by a governmental agency pursuant to legal process or (iii) pursuant to a legal adoption by a nonprofit rescue organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; and if the chain of ownership with respect to such registered American Saddlebred is broken with transfer signature(s) being unavailable, upon completing and submitting to the Registry appropriate application documentation (that includes the name of the organization and the color, sex, and markings of the horse, if the registered name is not listed), proof of horse identity (DNA or blood typing), payment of fees in full, and such other information as the Registry may from time to time, in its discretion request, the Registry will notify the last recorded owner of such horse.

The notification shall be delivered to the last recorded owner at such owner's address on file with the Registry by registered mail, return receipt requested. The notification shall notify such owner that ownership of the horse has been conveyed, the acquirer has requested that a duplicate registration certificate be issued and/or the transfer of ownership to the acquirer be recorded with the Registry and request that such owner consent to the issuance of the registration certificate and recording of the transfer of the horse to the acquirer. The notification shall further provide that if the owner fails to respond to the notification, the Registry may issue a duplicate registration certificate and record such transfer on its books and records.

In the event the last recorded owner fails to respond within 30 days of the date of the first notification or if the letter is returned as undeliverable, the Registry shall send a duplicate letter to the last recorded owner. In the event the last recorded owner fails to respond to the second letter within 30 days of the date of the second letter or if the letter is returned as undeliverable, the Registry may, in its discretion and taking into account such factors as it deems appropriate in its discretion, issue a duplicate registration certificate for such horse and record the transfer of such horse to the acquirer. Any acquirer requesting the issuance of a duplicate certificate and recording of a transfer under this Section agrees, prior to any action by the Registry, to provide the Registry any and all information requested by the Registry with respect to the horse and the transfer of the horse. The Registry reserves the right, in all circumstances, to refuse to issue any

duplicate certificates or record the transfer of any horse under this Section. The Registry may convene the Registry Committee to decide whether to issue any duplicate certificates and record transfers under this Section.

In the event the Registry elects to issue a duplicate certificate and record the transfer under this Section, the acquirer agrees to indemnify, defend and hold harmless the Registry, its officers, employees, agents, representatives directors, successors and assigns from and against any and all claims, causes of action, losses, liabilities, damages, fees and expenses (including attorneys' fees) of any kind with respect to the issuance of such duplicate certificate and recordation of the transfer of such horse to the acquirer.

Section XI. Fees

*Staff assistance with updating chain of ownership for horse. (See Rule. V. E. 4. \$100.00
(Also requires DNA/Blood typing test fee and Transfer of Ownership fees)*

c. ASR Futurity and ASR Sweepstakes Rules

Ms. Duncan explained the below proposals to the ASR Futurity and the ASR Sweepstakes rules to account for the new Naming Rule effective January 1, 2017. Ms. Currier made a motion to approve these changes, Ms. Goth seconded and the motion was passed with all in favor. These changes are effective January 1, 2017.

ASR Futurity Rules

To continue eligibility, pending applications must be completed before March 31 of the yearling year, i.e., ***a name must be claimed, a registration number assigned, and*** results of blood typing or DNA testing must be received in the American Saddlebred Registry office before March 31.

ASR Sweepstakes Rules

Two-Year-Old Sweepstakes: Open to American Saddlebred yearlings that have been ***assigned a registration number, claimed a name, and DNA testing or blood typing results completed***, with the American Saddlebred Registry before the nomination closing date of June 1 of the horse's yearling year.

Three-Year-Old Sweepstakes: Open to American Saddlebred yearlings that have been ***assigned a registration number, claimed a name, and DNA testing or blood typing results completed***, with the American Saddlebred Registry (or application received in the ASR office) before the nomination closing date of March 1 of the horse's yearling year. "In order to maintain sweepstakes eligibility, pending applications, including ***a registration number assigned, a name claimed, and DNA testing or blood typing*** results, must be completed prior to March 31 of the yearling year.

d. Breeder address

Ms. Duncan reported that when a member updates their City and State on their ASHA member profile online, the new city and state automatically upload to the Horse records in our database and change the breeder location. The breeder location should never change and this was very clearly explained when the database was being built. This problem will potentially affect breeder incentive funds and must be fixed immediately. Justin Provost, USEF IT Director, joined the meeting and said that he will fix this problem right away.

e. Letter regarding member not in good standing

Mr. Mount explained the background on a letter that is being sent to members who owe money to the ASHA. Ms. Duncan explained that the Registry has some concerns about possible legal exposure and has asked for a legal opinion. After discussion, Ms. Goth made a motion to wait on a response from ASR General Counsel. All agreed with this course of action.

VI. Half Saddlebred Committee Rules

Proposed USEF rule changes submitted by the Half Saddlebred Committee were discussed which, if passed, will allow horses registered with the Half American Saddlebred Registry of America to compete in the following divisions: Five Gaited, Fine Harness, Park, Park Pleasure, Show Pleasure, Country Pleasure, Western, Hunter Country Pleasure, Dressage Suitability, In Hand, Model, Parade, and Roadster. It is recommended that competition management offer separate classes restricted to Half American Saddlebreds. However, management may permit Half American Saddlebreds to show in American Saddlebred classes when separate classes are not offered and is stated in the prize list. After discussion, Ms. Goth made a motion to approve the rule changes as presented, Mr. Day seconded and the motion was passed with all in favor. These proposals will be submitted to USEF and will be considered by their Board of Directors in January 2017.

VII. 2016 Points of Emphasis

Ms. Duncan explained that the Standards and Rules Committee has updated the Points of Emphasis document which is sent to USEF licensed competitions. Mr. Curran suggested that Dressage Suitability also be included when they are updating it again. Ms. Goth made a motion to approve the 2016 Point of Emphasis, Mr. Day seconded and the motion was passed with all in favor.

VIII. President's Report

Mr. Curran thanked all committees for their hard work on the proposals considered. He reported on a meeting held at the office the previous day between the leadership of the Association and the Registry. He also reported that he had appointed an ASR Human Resources Committee which is reviewing all bylaws, policies and job descriptions for the Registry. A suggestion was made to combine the Human Resources committees and add a neutral individual to serve on the committee.

a. 2016 ASR Nominating Committee

Mr. Curran asked for nominations for two Directors to serve on the 2016 ASR Nominating Committee. Ms. Goth nominated Ms. Kline, Ms. Pettry-Smith nominated Ms. Werner, and both nominations were unanimously approved by the Board.

b. Breeders for ASHA Mentoring Program

Mr. Curran asked the Board to think of breeders who might be interested in being a mentor for the "Ask the Breeder" ASHA Mentoring Program.

c. Next Meeting

Mr. Curran reported that the next board meeting is scheduled for Tuesday, November 1st at 1:00 p.m. A suggestion was made to start having joint ASHA/ASR Board meetings again. It was noted that routine matters could be handled at separate meetings and some items could be handled by email. Directors were asked to provide Mr. Curran with agenda items for the next meeting and a request was made to distribute the agenda early.

d. 2017 Convention

Mr. Curran reported that the 2017 convention will be held January 19 – 21, 2017 in New Orleans. The format will be the same as the 2016 convention where committees present reports in a group session.

IX. Registrar's Report

a. Registry Statistics as of June 30, 2016

Ms. Duncan reported on the Registry Statistics as of June 30, 2016. 690 applications for registration were processed in 2016 compared to 654 at the same time in 2015 which is an increase of 36 registrations processed. A discussion took place regarding the reports and a request was made to change the format of the registration comparison report to include a column for conditional registrations.

Ms. Duncan reported that 1,707 transfers have been processed compared to 1,827 at the same time in 2015 which is a decrease of 120. She noted that the transfer reports are not pulling data from the correct fields and this has been reported to USEF. A request was made to have reports of pending transactions as well.

b. Farm Visit Update

Ms. Duncan reported that she had a recent farm visit and took photos and got hair samples for several older horses. We have made a lot of progress in registering these horses.

c. Splitting of Futurity Classes

Ms. Duncan referred to a report from the Kentucky and National Futurities Committee about splitting of Futurity classes. No action was required of the Board.

d. Pending Database Project items for the Registry

The pending list of database items for the Registry was discussed. Mr. Provost noted that the statement of work, was vague on details as well as the request for programming. A lot of those details were submitted later. He also noted that they had several changes in staff during this project. A question was raised about costs and Mr. Provost clarified that items included in the statement of work would not incur new fees, however, new requests would. A discussion took place regarding direct communication between the Registry and USEF IT staff. Mr. Provost noted that it would be beneficial for his department to have direct contact with the staff in the Registry. Mr. Funkhouser agreed staff could contact USEF IT staff directly, however, only one staff person from the Registry and one staff person from the Association is authorized to contact them. Lisa Duncan will be the contact for the Registry and Bill Whitley will be the contact for the Association. Cynthia Lowell is to be copied on all emails. Registry staff will prioritize the needed improvements and determine what is covered under the original scope of work. Staff will request quotes for work that requires additional expenditures and receive approval prior to proceeding.

X. Executive Session

The Board went into Executive Session to discuss several matters including Human Resources and the new FLSA overtime rules. Allison Pettrey, with Hanna Resources Group, has been contracted by the Association to determine which staff are exempt and non-exempt from overtime.

With no further business to address, Mr. Matton made a motion to adjourn, Ms. Richardson seconded and the meeting was duly adjourned at 3:20 p.m.

Submitted by:
Katriona Adams
Assistant Registrar