

COMMONWEALTH OF KENTUCKY
FAYETTE CIRCUIT COURT
DIVISION 3
CIVIL ACTION 09 CI 5292

AMERICAN SADDLEBRED HORSE
ASSOCIATION, INC.
4083 Iron Works Parkway
Lexington, Kentucky 40511

PLAINTIFF

v.

EDWARD R. BENNETT
1600 Zaring Mill Road
Shelbyville, KY 40565

CARL T. FISCHER, JR.
1041 Alta Vista Road
Louisville, Kentucky 40205

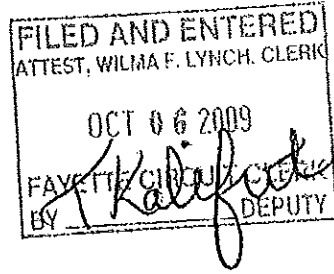
KRIS KNIGHT
10201 Shelbyville Road
Simpsonville, Kentucky 40067

TOM FERREBEE
9250 Friendsville Road, Box 540
Westfield Center, Ohio 44251

SIMON FREDRICKS
101 Westcott, #1002
Houston, Texas 77007

LYNN W. VIA
3358 Peakwood Drive
Roanoke, Virginia 24014

DEFENDANTS



COMPLAINT FOR DECLARATORY JUDGMENT

Comes the Plaintiff, American Saddlebred Horse Association, Inc., by counsel, and for its
Complaint for Declaratory Judgment states as follows:

[Handwritten signature]

PARTIES

1. The Plaintiff, AMERICAN SADDLEBRED HORSE ASSOCIATION, INC. ("ASHA"), is a Kentucky nonprofit corporation having its principal place of business located at 4083 Iron Works Parkway, Lexington, Kentucky 40511.
2. The Defendant, EDWARD R. BENNETT, is an individual resident of the Commonwealth of Kentucky, whose residence is located at 1600 Zaring Mill Road, Shelbyville, Kentucky 40565.
3. The Defendant, CARL T. FISCHER, JR., is an individual resident of the Commonwealth of Kentucky, whose residence is located at 1041 Alta Vista Road, Louisville, Kentucky 40205.
4. The Defendant, KRIS KNIGHT, is an individual resident of Commonwealth of Kentucky, whose residence is located at 10201 Shelbyville Road, Simpsonville, Kentucky 40067.
5. The Defendant, TOM FERREBEE, is an individual resident of Ohio, whose residence is located at 9250 Friendsville Road, Box 540, Westfield Center, Ohio 44251.
6. The Defendant, SIMON FREDRICKS, is an individual resident of Texas, whose residence is located at 101 Westcott, #1002, Houston, Texas 77007.
7. The Defendant, LYNN W. VIA, is an individual resident of Virginia, whose residence is located at 3358 Peakwood Drive, Roanoke, Virginia 24014.

JURISDICTION AND VENUE

8. This Court has jurisdiction over the parties. ASHA is a Kentucky nonprofit corporation with its principal place of business in Kentucky and, accordingly, is deemed a resident of the Commonwealth of Kentucky. Defendants, Edward R. Bennett, Carl T. Fischer, Jr., and Kris Knight, each reside in the Commonwealth of Kentucky, are members of ASHA, and

regularly engage in ASHA membership activities. The remaining Defendants, Tom Ferrebee, Dr. Simon Fredricks, and Lynn W. Via, are nonresidents, but are subject to the jurisdiction of this Court pursuant to KRS 454.210 in that said Defendants are members of ASHA, which is located in the Commonwealth of Kentucky, and regularly engage in ASHA membership activities.

9. This Court has jurisdiction over the subject matter of this action pursuant to KRS 418.040 and KRS 418.045, as this is an action involving an actual controversy seeking a declaration of rights affected by statute.

10. Venue is appropriate in this Court pursuant to KRS 418.040, as an action for declaratory relief may be brought in any court of general jurisdiction in this Commonwealth. Venue is proper in this Court because the documents which are the subject matter of this declaratory judgment action, and which give rise to same, are kept in the ordinary course of business at ASHA's principal place of business, 4083 Iron Works Parkway, Lexington, Fayette County, Kentucky 40511.

11. Declaratory relief is appropriate in this case under KRS 418.065 since the requested declaration of rights will terminate the uncertainty and controversy that exists in this situation.

12. This action is filed pursuant to KRS 418.040 et seq., and CR 57.

STATEMENT OF FACTS

13. In a letter dated April 20, 2009 addressed to the Board of Directors and Officers of ASHA, certain of the named Defendants, including Carl T. Fischer, Jr., Kris Knight, Tom Ferrebee, Dr. Simon Fredricks, and Lynn W. Via, acting on their own behalf as members of ASHA, and asserting to be acting as representatives of other members, proffered a written

request for information signed by them. A copy of that letter is attached hereto as Exhibit ("Ex.") A and incorporated herein by reference.

14. In a letter dated April 29, 2009 addressed to the Defendants identified in Paragraph 13 and other concerned ASHA members, the President of ASHA (jointly with the President of the American Saddlebred Registry, Inc.), responded, inviting the ASHA members, and any other concerned members, to meet with the directors at a director's meeting scheduled for July 6, 2009. A copy of that letter is attached as Ex. B and incorporated herein by reference.

15. In a letter dated May 4, 2009 addressed to the President of ASHA and the American Saddlebred Registry, Inc., Dr. Simon Fredricks, on behalf of the concerned ASHA members, refused ASHA's offer of attending the July 6, 2009 meeting and requested that ASHA make requested documents available for inspection by an agent of the concerned ASHA members. A copy of that letter is attached as Ex. C and incorporated herein by reference.

16. In a letter dated May 12, 2009 addressed to the Presidents of ASHA and the American Saddlebred Registry, Inc., counsel for the concerned ASHA members, Stephen A. Houston ("Mr. Houston"), reiterated the April 20, 2009 request for certain documents and asserted that "Members of ASHA are entitled to the information requested without further delay". A copy of that letter is attached as Ex. D and incorporated herein by reference.

17. In a letter dated May 15, 2009 addressed to Mr. Houston, Jefferson K. Streepey ("Mr. Streepey"), corporate counsel for ASHA, responded, agreeing to provide some documentation and offering a schedule for inspection. Mr. Streepey also noted certain categories of information which ASHA believes to be confidential and/or not subject to inspection. A copy of that letter is attached as Ex. E and incorporated herein by reference.

18. In a letter dated May 20, 2009 addressed to Mr. Streepey, Mr. Houston asserted that KRS 273.233 gave the ASHA members the right to inspect all of the documents requested. A copy of that letter is attached as Ex. F and incorporated herein by reference.

19. On or about June 15, 2009, by pre-arranged appointment, Mr. Houston and Walter Newell appeared at ASHA's offices as representatives of the concerned ASHA members, including Defendants, to conduct the inspection of documents. As previously explained by Mr. Streepey, some requested documents were produced for inspection while others were withheld. The representatives of the concerned ASHA members were not provided photocopies of the documents requested.

20. In a letter dated June 26, 2009 addressed to Mr. Streepey, Mr. Houston described the events of June 15, reiterated his position that KRS 273.233 grants the ASHA members the right to inspect all documents, and asserted that KRS 273.233 includes a right to photocopies. Mr. Houston also reiterated the documents the concerned ASHA members wished to inspect. A copy of that letter is attached as Ex. G and incorporated herein by reference.

21. On or about July 6, 2009, the ASHA Board of Directors at its regularly scheduled meeting adopted new internal policies regarding inspection of ASHA books and records. Specifically, the policy designated the third Tuesday of each month as an opportunity for members, upon advance written notice, to inspect ASHA books and records at ASHA's offices, consistent with the scope of KRS 273.233. The policy further dictated that personnel information and private, confidential or privileged documents would not be subject to review if determined to be inappropriate for disclosure. A copy of a press release, dated July 13, 2009, describing the Board's adoption of this policy is attached as Ex. H and incorporated herein by reference.

22. In a letter dated July 13, 2009 addressed to Mr. Houston, Mr. Streepey challenged Mr. Houston's characterizations of the events of June 15 and reasserted ASHA's position that KRS 273.233 does not support the expansive interpretation that the concerned ASHA members were asserting. Mr. Streepey also reported that the Boards had, nevertheless, agreed to permit inspection of the documents requested by Mr. Houston in his June 26 letter, and further advised him of the Board's adoption of the internal policy regarding document disclosure. A copy of that letter is attached as Ex. I and incorporated herein by reference.

23. In a letter dated July 22, 2009 addressed to Mr. Streepey, Mr. Houston reiterated the concerned ASHA members' expansive interpretation of KRS 273.233, outlined a request for additional documents, and agreed to a date on which to inspect those documents ASHA had agreed to produce. A copy of that letter is attached as Ex. J and incorporated herein by reference.

24. On or about July 29, 2009, by pre-arranged appointment, Mr. Houston, Mr. Newell and Mr. Houston's paralegal appeared at ASHA's offices as representatives of the Defendants and other concerned ASHA members to inspect certain requested documents. At this time, ASHA provided photocopies of certain documents requested by the representatives, for which a nominal copy fee was assessed.

25. On or about August 12, 2009, ASHA's Executive Secretary, Alan F. Balch, posted a message on an Internet forum on behalf of ASHA which stated in part:

The small group of concerned members should avail themselves of the opportunity offered to them to sit down with the board as a whole and ****talk**** about their concerns, determine what they are with precision, and inspect or review whatever they want.

Approximately an hour later, Defendant, Dr. Simon Fredricks, replied on the same forum, stating:

Thank you for your offer we ACCEPT and ask for a date as soon as possible.

A copy of those postings is attached as Ex. K and incorporated herein by reference.

26. In an email dated August 12, 2009 addressed to Mr. Streepey, Mr. Houston confirmed the ASHA members' acceptance of Mr. Balch's posted offer. A copy of that email is attached as Ex. L and incorporated herein by reference.

27. In a letter dated August 18, 2009 addressed to Defendants, Carl T. Fischer, Jr., Kris Knight, Tom Ferrebee, Dr. Simon Fredricks, and Lynn W. Via, and other concerned ASHA members, the President of ASHA (jointly with the President of the American Saddlebred Registry, Inc.), specified that the date of the agreed-to meeting and inspection would be Monday, October 5, 2009. The letter specifically asked that the concerned ASHA members identify, on or prior to September 21, 2009, the individuals who would be in attendance on that date to inspect the documents. A copy of that letter is attached as Ex. M and incorporated herein by reference.

28. In a letter dated August 25, 2009 addressed to Mr. Streepey, Mr. Houston again reiterated the concerned ASHA members' expansive interpretation of KRS 273.233 and alleged that Mr. Balch's August 12 offer confirmed this view. Mr. Houston also requested that certain documents be produced for inspection prior to the agreed October 5, 2009 meeting date. A copy of that letter is attached as Ex. N and incorporated herein by reference.

29. In a letter dated September 4, 2009 addressed to Mr. Houston, Mr. Streepey responded that the offer and acceptance clearly contemplated that documents would be made available on October 5, 2009, but further advised that the documents would be made available at the regularly scheduled third Tuesday in September pursuant to the adopted guidelines. A copy of that letter is attached as Ex. O and incorporated herein by reference.

30. In an email dated September 10, 2009 addressed to Mr. Streepey, Mr. Houston again reiterated the concerned ASHA members' expansive interpretation of KRS 273.233 and specifically threatened litigation should ASHA fail to produce all of the requested documents. A copy of that email is attached as Ex. P and incorporated herein by reference.

31. On or about September 18, 2009, Mr. Houston again appeared at ASHA's offices to inspect requested documents.

32. In an email dated September 25, 2009, addressed to Mr. Streepey, Mr. Houston finally responded to the Presidents' August 18, 2009 request that they identify the individuals who would be in attendance on October 5, 2009. Mr. Houston identified seventeen (17) people by name, including Defendants, Edward R. Bennett, Kris Knight, Tom Ferree, Dr. Simon Fredricks (by telephone), and Lynn W. Via, and further indicated that other ASHA members may attend as well. A copy of that email is attached as Ex. Q and incorporated herein by reference.

33. Defendants, Edward R. Bennett, Kris Knight, and Lynn W. Via, did in fact attend the meeting of October 5, 2009. Upon information and belief, Dr. Simon Fredricks listened to the meeting of October 5, 2009 via telephone.

34. The entire Board of Directors for the ASHA and the American Saddlebred Registry appeared at the meeting of October 5, 2009 and produced for inspection ten (10) boxes of documents previously provided to the concerned ASHA members. Mr. Houston once again asked the Board of Directors of ASHA and the American Saddlebred Registry on behalf of the Defendants and other concerned ASHA members to identify the documents withheld by ASHA. The Board reiterated that the 10 boxes contain all materials and documents responsive to the original April 20, 2009 request except for: (1) personnel files and salary information of ASHA employees and (2) email communications between ASHA Board directors and officers

discussing personnel issues, prospective and current Board members, and other personal, confidential information that was exchanged with a reasonable expectation of privacy. When the Board asked Mr. Houston to identify any other documents that the ASHA members in attendance at the October 5, 2009 meeting believed should be produced, he refused to respond and restated that KRS 273.233 entitles ASHA members to inspect and photocopy all documents.

REQUEST FOR DECLARATORY JUDGMENT

35. KRS 273.233 provides in its entirety as follows:

273.233 Books and records

Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office in this state a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

36. It is Plaintiff's position that the language of KRS 273.233 does not support the expansive interpretation of "[a]ll books and records of a corporation" alleged by certain ASHA members, but rather has a much narrower scope. Specifically, the use of the term "all books and records of a corporation" in the second sentence of the statute is clarified by the first sentence to mean, and be limited to, "books and records of account", "minutes of the proceedings of its members, board of directors and committees" and "record of the names and addresses of its members entitled to vote". It is further the position of the Plaintiff that comparative statutes and caselaw support this limited scope.

37. It is Plaintiff's position that KRS 273.233 does not require that it provide photocopies of "books and records" to ASHA members.

38. Accordingly, Plaintiff has fully and completely complied with KRS 273.233 by permitting the Defendants and all other concerned ASHA members to inspect the books and records of account as set forth in the statute. Plaintiff has denied further requests to photocopy these materials.

39. Plaintiff has withheld personnel files and salary information of individual ASHA employees from inspection. These materials are replete with confidential information, including health-related records and other personal identifying data, that Plaintiff is not authorized to produce to ASHA members, nor required to disclose for inspection under KRS 273.233.

40. In addition, Plaintiff has not permitted the Defendants and other ASHA members to inspect email correspondence between Board directors and officers on the grounds that these individual communications are not "books and records of account" as contemplated under KRS 273.233. The ASHA directors and officers exchanged such candid and private email correspondence under a reasonable expectation that such information would be kept strictly confidential.

41. Pursuant to KRS 418.045, an actual controversy exists as to the scope of the right of inspection set forth in KRS 273.233, evidenced by the fact that certain ASHA members, including the named Defendants, have threatened litigation over disclosure of documents referenced herein, and also based upon the fact that Plaintiff, as a nonprofit corporation to whom requests for inspection have been made, is an interested party who may obtain a declaration of rights pursuant to KRS 418.045 and declaratory judgment pursuant to CR 57.

WHEREFORE, the Plaintiff, American Saddlebred Horse Association, Inc., by counsel, prays as follows:

1. That the Court enter a Declaratory Judgment pursuant to KRS 418.040 finding that the scope of the right of inspection set forth in KRS 273.233 does not include the right to have photocopies provided by the nonprofit corporation;

2. That the Court enter a Declaratory Judgment pursuant to KRS 418.040 finding that the scope of the right of inspection set forth in KRS 273.233 is limited to those "books and records of account", "minutes of the proceedings of its members, board of directors and committees" and "record of the names and addresses of its members entitled to vote" as set forth in the statute, and specifically that the scope of the right of inspection does not include all papers and documents as the Defendants and other ASHA members have asserted;

3. That the Court enter a Declaratory Judgment pursuant to KRS 418.040 declaring the rights of the parties hereto; and

4. That the Court grant the Plaintiff its costs expended in this action, reasonable attorney fees, and for any other just and proper relief to which it may appear entitled.

BOEHL STOPHER & GRAVES, LLP

James B. Cooper by Amanda Tanker

Edward H. Stopher
Jefferson K. Streepey
Earl L. Martin III
AEGON Center, Suite 2300
400 West Market Street
Louisville, KY 40202
Phone: (502) 589-5980
Fax: (502) 561-9400

-- and --

James B. Cooper
Boehl Stopher & Graves, LLP
444 West Second Street
Lexington, Kentucky 40507
Phone: (859) 252-6721 / Fax: (859) 253-1445
COUNSEL FOR PLAINTIFF,
AMERICAN SADDLEBRED HORSE
ASSOCIATION, INC.

270852.1

April 20, 2009

American Saddlebred Horse Association, Inc.
4083 Iron Works Parkway
Lexington, KY 40511

Ms. Judy Warner
President, ASHA
Redwing Farm
Waterloo, IL 62298

Ms. Victoria Gillenwater
1st Vice President, ASHA
900 Vista Oaks Lane
Knoxville, TN 37919

Ms. Barbara Molland
2nd Vice President, ASHA
5000 Carroll Road
Petaluma, CA 94952

Mr. Paul Treiber
Secretary, ASHA
Pine Meadows Farm
2220 Lakewood Court
Hartland, WI 53029

Mr. Jim Ruwoldt
Treasurer, ASHA
3004 Village Lane
Roswell, GA 30075

Mr. Scott Matton,
Bd. of Dir., ASHA
2800 Oakwood Rd.
Hartland, WI 53029

Ms. Mary Ann Pardieck
Bd. of Dir., ASHA
4181 South Summit Lane
Columbus, IN 47201

Dr. Alan Raun
Bd. of Dir., ASHA
Reedamland Farm
2291 50th Avenue
Cumming, IA 50061

Mr. Jimmy Robertson
Bd. of Dir., ASHA
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Simpsonville, KY 40067

Mr. Carl Holden
Bd. of Dir., ASHA
8007 Westover Dr.
Prospect, KY 40059

Dr. Margaret McNeese
Bd. of Dir., ASHA
2719 Ferndale
Houston, TX 77098

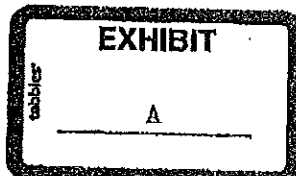
Mr. Art Zubrod
Bd. of Dir., ASHA
Fair Island Farm
1590 Pisgah Pike
Versailles, KY 40383

Ms. Betsy Boone
Bd. of Dir., ASHA
8651 Boone Farm Road
Concord, NC 28027

Ms. Louise Gilliland
Bd. of Dir., ASHA
Winsdown Farms
Route 6
Box 166A
McAlester, OK 74501

Mr. Nelson Green
Bd. of Dir., ASHA
1242 Catnip Hill Road
Nicholasville, KY 40356

REC'D APR 22 2009



Mrs. Germaine Johnson
Bd. of Dir., ASHA
4025 Peppertree Drive
Lexington, KY 40513

Mr. William Whitley
Bd. of Dir., ASHA
913 Queensferry Rd.
Cary, NC 27511

American Saddlebred Horse Association, Inc.

Dear ASHA Directors:

We are senior members in good standing of the American Saddlebred Horse Association, Inc. ("ASHA"). We have become increasingly concerned about the decline in popularity of the American Saddlebred horse in recent years. Since 2005, there has been a steady decrease in the total number of registered Saddlebred horses. The erosion of popularity of our breed is further evidenced by steadily declining attendance over the past decade at the World's Championship, our industry's signature event.

As you know, one of the primary purposes of the ASHA is to stimulate and promote interest with respect to the history, breeding, exhibiting, and improvement of the American Saddlebred. As concerned members of the ASHA, we want to be sure that the ASHA is utilizing its assets in a prudent manner, and in furtherance of the purposes of the ASHA.

After request, the ASHA provided copies of tax returns and certain related financial reports of the ASHA for calendar years 2006 and 2007. After our initial review, these reports seem to indicate that the ASHA has expended significant sums on items for which we are unable to determine what benefit, if any, the ASHA received in return. Those expenditures range from a few thousand dollars to more than \$400,000. Furthermore, none of the financial reports identify the recipients of these disbursements. We believe it is important for the members of the ASHA to be provided with more detailed information about the expenditures of the ASHA, and we are therefore enclosing a list of questions related to certain expenses as to which we would appreciate receiving additional information.

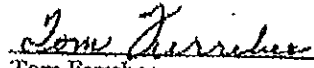
Included in the enclosed list is our request for a copy of the "employment agreement and deferred compensation package" for Alan Balch, the Executive Secretary of the ASHA. According to the ASHA Financial Statements prepared by Bennett & Company CPAs for the year ended December 31, 2007 ("2007 Statements"), the ASHA approved "an employment agreement and deferred compensation package" with Alan F. Balch on October 31, 2007. The 2007 Statements indicate that the compensation agreement with Mr. Balch was given retroactive effect beginning November 1, 2006. The IRS Form 990 filed on behalf of the ASHA for the year 2007 indicates that Mr. Balch's base salary increased to \$100,000, but the financial records we received fail to disclose the additional benefits that Mr. Balch is entitled to receive, in addition to his salary, as part of his "deferred compensation package." As members of the ASHA, we respectfully request a copy of Mr. Balch's "employment agreement and deferred compensation package" so that we may determine the total compensation and benefits that Mr. Balch is entitled to receive from the ASHA while key barometers of the Saddlebred industry are falling. We also want to determine if any deferred compensation owed to Mr. Balch poses a substantial off-balance sheet expense which will become due for payment in future years. In today's

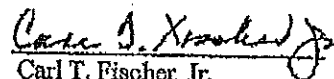
challenging economic environment, and in light of the particular decline in our industry, we want to be certain that the ASHA has not entered into any agreements that might not be in the best interest of the ASHA.


We are confident that you respect the fiduciary responsibilities that you, as Directors, have to the ASHA and its members, including your oversight of the budget and expenditures of the ASHA. We look forward to receiving the information we have requested from you at your earliest convenience. Please provide your response to us by delivering the same to Stoll Keenon Ogden, PLLC, c/o Stephen A. Houston, 2000 PNC Plaza, 500 West Jefferson Street, Louisville, KY 40202.

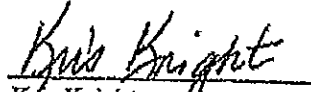
This request is being submitted by the signatories to this letter, indicated below, as well as the individuals listed on the next page who have authorized us to include their names in this request.

Sincerely,


Tom Ferree


Carl T. Fischer, Jr.


Simon Fredericks M.D.


Kris Knight


Lynn W. Via

Enclosure

Additional Individuals Joining In This Request

Moe Anson
Matthew Heiman, Esq.
John Jones
Billy Knight
Betty Moore
Ron Moore
James Nichols
Randy Stoess
Allison Walker

AMERICAN SADDLEBRED HORSE ASSOCIATION, INC.

1. Provide a copy of the employment agreement and deferred compensation package entered on October 31, 2007 between ASHA, Inc. and Alan F. Balch, as identified in the Financial Statements prepared by Bennett & Company CPAs for the year ended December 31, 2007 ("2007 Financial Statements").
2. Identify the individuals who voted to approve the agreement and deferred compensation package described in number 1 above.
3. Identify the individuals who voted against the agreement and deferred compensation package described in number 1 above.
4. Identify each individual and entity who received any portion of the "professional fees" totaling \$16,400 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
5. Identify each individual and entity who received any portion of the "professional fees" totaling \$15,650 in 2006 listed in the Financial Statements prepared by Bennett & Company CPAs for the year ended December 31, 2006 ("2006 Financial Statements"), and identify the specific purpose for those expenditures.
6. Identify each individual and entity who received any portion of the expenditures for "meetings/conferences" totaling \$222,166 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
7. Identify each individual and entity who received any portion of the expenditures for "meetings/conferences" totaling \$159,865 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
8. Identify each individual and entity who received any portion of the expenditures for "printing" totaling \$200,796 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
9. Identify each individual and entity who received any portion of the expenditures for "printing" totaling \$180,497 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
10. Identify each individual and entity who received any portion of the expenditures for "commissions" totaling \$29,369 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
11. Identify each individual and entity who received any portion of the expenditures for "commissions" totaling \$26,105 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.

12. Identify each individual and entity who received any portion of the expenditures for "contract fee" totaling \$9,600 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
13. Identify each individual and entity who received any portion of the expenditures for "contract fee" totaling \$78,443 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
14. Identify each individual and entity who received any portion of the expenditures for "advertising/promotion" totaling \$13,523 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
15. Identify each individual and entity who received any portion of the expenditures for "advertising/promotion" totaling \$63,287 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
16. Identify each individual and entity who received any portion of the expenditures for "bank fees" totaling \$19,442 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
17. Identify each individual and entity who received any portion of the expenditures for "bank fees" totaling \$13,214 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
18. Identify each individual and entity who received any portion of the expenditures for "interest expense" totaling \$26,179 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
19. Identify each individual and entity who received any portion of the expenditures for "interest expense" totaling \$32,949 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
20. Identify each individual and entity who received any portion of the expenditures for "Market Research" performed in 2007 for a total cost of \$12,796 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures. Provide a copy of any document indicating the results of that research.
21. Identify each individual and entity who received any portion of the expenditures for "Market Research" performed in 2006 for a total cost of \$38,721 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures. Provide a copy of any document indicating the results of that research.
22. Identify each individual and entity who received any portion of the expenditures for "web page/email" totaling \$20,136 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.

23. Identify each individual and entity who received any portion of the expenditures for "web page/email" totaling \$4,267 in 2006 listed in the 2006 Financial Statements, and identify the specific purpose for those expenditures.
24. Identify each individual and entity who received any portion of the expenditures for the "Comm. and Publications" portion of "salaries" in 2007 totaling \$90,157 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
25. Identify each individual and entity who received any portion of the expenditures for the "advancement" portion of the "salaries" totaling \$77,428 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
26. Identify each individual and entity who received any portion of the expenditures for the "administration" portion of the "salaries" totaling \$413,691 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
27. Identify each individual and entity who received any portion of the expenditures for the "Comm. and Publications" portion of "benefits" in 2007 totaling \$12,530 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
28. Identify each individual and entity who received any portion of the expenditures for the "advancement" portion of the "benefits" totaling \$9,758 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.
29. Identify each individual and entity who received any portion of the expenditures for the "administration" portion of the "benefits" totaling \$66,990 in 2007 listed in the 2007 Financial Statements, and identify the specific purpose for those expenditures.

American Saddlebred
Horse Association, Inc.



American Saddlebred
Registry, Inc.

4083 Iron Works Parkway, Lexington, KY 40511

April 29, 2009

Mr. Tom Ferree, Post Office Box 540, Westfield Center, Ohio 44251
Mr. Carl T. Fischer, Jr., 1041 Alta Vista Road, Louisville, Kentucky 40205
Dr. Simon Fredricks, 101 Westcott, #1002, Houston, Texas 77007
Ms. Kris Knight, Post Office Box 114, Simpsonville, Kentucky 40067
Ms. Lynn W. Via, 3358 Peakwood Drive, Roanoke, Virginia 24014

Dear ladies and gentlemen,

This confirms that all the directors of the American Saddlebred Horse Association and American Saddlebred Registry have received your April 20, 2009 letters.

We note that each year beginning in 2005 at the annual convention we have opened virtually all committee meetings to the entire membership, including the Finance Committee meeting, and encouraged questions from ASHA members and discussion with our leadership. These open meetings have been noticed in advance in writing to the members. We make our independent auditor available for questions at that meeting and at the open meeting of members. Copies of our audited financials are available at the annual meeting for any member who wants them. Abridged financials and other statistical information are published in the March/April issue of the *American Saddlebred* magazine.

We invite each of you who signed the April 20, 2009 letters, and the members named in the letters' attachments, requesting information in addition to that regularly furnished, to attend a meeting with directors of both the ASHA and Registry on Monday, July 6, in Lexington. We will advise you of the time and place as soon as it is established. At the meeting, we will respond to the questions in your letters.

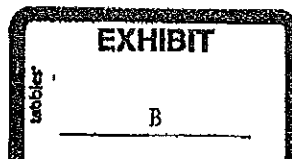
Sincerely yours,

Barbara Molland, President
American Saddlebred Registry

Judith Werner, President
American Saddlebred Horse Association

copy: Moe Anson
Matthew Helman, Esq.
John Jones
Billy Knight
Betty Moore
Ron Moore
James Nichols
Randy Stoess
Allison Walker

Directors, American Saddlebred Horse Association
American Saddlebred Registry



SIMON FREDRICKS, M.D.

May 4, 2009

Ms. Barbara Molland & Ms. Judith Werner
American Saddlebred Registry & American Saddlebred Horse Association
4083 Iron Works Parkway
Lexington, Ky 40511

Dear Ladies:

Your letter of April 29, 2009 is duly noted. Your invitation to attend a meeting with the directors of both organizations on Monday, July 6, in Lexington was I am sure well intentioned. However, it would serve no useful purpose, until we have an opportunity to review the documentation we have requested. The review should precede any discussion of our concerns.

Therefore be advised that we will not be attending the proposed meeting in Lexington some two months from now. Surely, it should not take that long to gather the material we have requested.

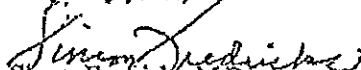
I have been advised by many members of your respective boards that they are in favor of transparency and acknowledge that as members in good standing are entitled to review the documentation requested.

The expense to the organizations should be only the time and effort of the employed personal to gather together the requested documentation. Have them available in the Library Conference Room during regular business hours. Your bookkeeper could be present for the security of the material and to respond to any questions. The documents should speak for themselves. I do not understand your need for the expense of your auditor since the documents are already created previously.

We intend to send a professional to review the material as our agent and report the findings back to us.

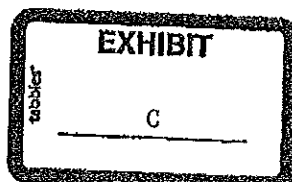
All that remains is for you to designate the time and day for the review to promptly begin. I see no reason why this can not be accomplished in a spirit of friendly cooperation. That would serve the best interests of all concerned and the societies.

Very truly yours,


Simon Fredricks, M.D.
Past Vice President ASHA
Past President ASHM

RECEIVED MAY 07 2009

101 Wescott, Apt 1002, Houston, Texas 77007-Ph(713)863-1178-Fax(713)869-6509





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stephen.houston@skoffirm.com

May 12, 2009

Ms. Barbara Molland, President
American Saddlebred Registry
5000 Carroll Road
Petaluma, CA 94952

Ms. Judith Werner, President
American Saddlebred Horse Association
Redwing Farm
Waterloo, IL 62298

Dear Ms. Molland and Ms. Werner:

On March 9, 2009, we requested the annual financial reports of the ASHA and Registry for the three most recent years. Senior members of the ASHA reviewed those records and are concerned that the reports list significant expenditures without indicating to whom the payments were made or what, if any, benefit the ASHA and Registry received in return. Accordingly, by letter dated April 20, 2009, a group of senior members of the ASHA requested certain information regarding the financial records of the ASHA and Registry for fiscal years 2006 and 2007.

As presidents of the ASHA and Registry, you responded by joint letter dated April 29, 2009. In that letter, you state that ASHA Financial Committee meetings are open to the members. Several Senior members disagree with this statement. In their experience, such meetings are, in fact, usually closed. You also state that the audited financial reports are available to the membership. However, the audit reports that were provided on March 9 do not contain sufficient detail to indicate the recipients of large amounts of money and what, if any, benefit the ASHA or Registry received in return.

While the statements made in your joint letter are troubling, the larger issue is the fact that the directors of the ASHA and Registry have not provided the information requested. Instead, you invited the members to travel to Lexington, at great expense and inconvenience, to meet at a future date months away without any promise that the information requested would be provided.

Your response is gravely disappointing. It increases concerns about the financial expenditures of the ASHA and Registry. Members of the ASHA are entitled to the

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EXHIBIT

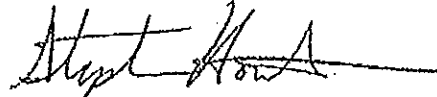
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information requested without further delay. On or before May 18, please provide us with the documents containing the information requested in the April 20, 2009 letters. In addition, please provide copies of the IRS Form 990 for the ASHA and Registry for the year 2008.

In the alternative, please identify a day on or before May 21, on which an accountant and other representatives of senior members may review and copy all of the financial documents requested.

Sincerely,

STOLL KEENON OGDEN PLLC



Stephen A. Houston

cc:

American Saddlebred Registry, Inc.
4083 Iron Works Parkway
Lexington, KY 40511

Mr. Jimmy Robertson
ASR Bd. of Dir.
P.O. Box 616
Simpsonville, KY 40067

Ms. Louise Gilliland
ASR Bd. of Dir.
Winsdown Farms
Route 6
Box 166A
McAlester, OK 74501

Mr. Brian Reimer
ASR Bd. of Dir.
P.O. Box 69
Turin, GA 30289

Ms. Lisa Duncan
ASR Bd. of Dir.
Westwood Farm
3860 Carleton Dr.
Lexington, KY 40510

Dr. Margaret McNeese
ASR Secretary
2719 Ferndale
Houston, TX 77098

Ms. Mary Anne Cronan
ASR Bd. of Dir.
3200 Canterbury Lane
Louisville, KY 40207

Mr. Chuck Herbert
ASR Bd. of Dir.
Cedarwood Farms, Inc.
12201 Old State Rd.
Evansville, IN 47725

Mr. Robert Ruxer
ASR Bd. of Dir.
Alvin C. Ruxer Farms
P.O. Box 670
Jasper, IN 47547

Mr. Art Zubrod
ASR Bd. of Dir.
Fair Island Farm
1590 Pisgah Pike
Versailles, KY 40383

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Ms. Victoria Gillenwater
1st Vice President, ASHA
900 Vista Oaks Lane
Knoxville, TN 37919

Mr. Paul Treiber
Secretary, ASHA
Pine Meadows Farm
2220 Lakewood Court
Hartland, WI 53029

Mr. Scott Matton,
Bd. of Dir., ASHA
2800 Oakwood Rd.
Hartland, WI 53029

Dr. Alan Raun
Bd. of Dir., ASHA
Reedamland Farm
2291 50th Avenue
Cumming, IA 50061

Mr. Carl Holden
Bd. of Dir., ASHA
8007 Westover Dr.
Prospect, KY 40059

Mr. Art Zubrod
Bd. of Dir., ASHA
Fair Island Farm
1590 Pisgah Pike
Versailles, KY 40383

Ms. Louise Gilliland
Bd. of Dir., ASHA
Winsdown Farms
Route 6
Box 166A
McAlester, OK 74501

Mr. Jim Ruwoldt
Treasurer, ASHA
3004 Village Lane
Roswell, GA 30075

Ms. Mary Ann Pardieck
Bd. of Dir., ASHA
4181 South Summit Lane
Columbus, IN 47201

Mr. Jimmy Robertson
Bd. of Dir., ASHA
P.O. Box 616
Simpsonville, KY 40067

Dr. Margaret McNeese
Bd. of Dir., ASHA
2719 Ferndale
Houston, TX 77098

Ms. Betsy Boone
Bd. of Dir., ASHA
8651 Boone Farm Road
Concord, NC 28027

Mr. Nelson Green
Bd. of Dir., ASHA
1242 Catnip Hill Road
Nicholasville, KY 40356

Mr. William Whitley
Bd. of Dir., ASHA
913 Queensferry Rd.
Cary, NC 27511

Mrs. Germaine Johnson
Bd. of Dir., ASHA
4025 Peppertree Drive
Lexington, KY 40513

MAY 14 2004



BOEHL STOPHER & GRAVES LLP

AECON CENTER · SUITE 2300
400 WEST MARKET STREET · LOUISVILLE, KENTUCKY 40202-3354

TELEPHONE: 502-589-5980
FACSIMILE: 502-561-9400

JEFFERSON K. STREEPEY
PARTNER
EXTENSION 234
JSTREEPEY@BSG-LAW.COM

May 15, 2009

BY FACSIMILE AND U. S. MAIL

Mr. Stephen A. Houston
STOLL KEENON & PARK LLP
2000 PNC Plaza
500 West Jefferson
Louisville; KY 40202-2828

Re: American Saddlebred Horse Association
American Saddlebred Registry

Dear Mr. Houston:

We represent the American Saddlebred Horse Association and American Saddlebred Registry. This responds to your letter of May 12, 2009 addressed to the Presidents of these entities and also responds to the May 4, 2009 letter sent by Dr. Simon Fredricks on behalf of your clients.

Although the ASHA and the Registry have no legal obligation to do so, they will provide documentation on terms as follows:

1. Portions of the ASHA and Registry general ledgers itemizing the account detail covering the requested information for calendar years 2006 and 2007 will be available for review by your representative at the ASHA office in Lexington on June 15, 2009 between the hours of 8:30 a.m. and 4:30 p.m. You will need to identify your representative and his/her profession at least three days prior to the inspection date, so the office will know whom to expect.

EXHIBIT

E

444 WEST SECOND STREET
LEXINGTON, KENTUCKY 40507-1040
TELEPHONE: 859-252-6721
FACSIMILE: 859-253-1445

410 BROADWAY
PADUCAH, KENTUCKY 42001
TELEPHONE: 270-442-4369
FACSIMILE: 270-442-4689

137 MAIN STREET, SUITE 200
PIKEVILLE, KENTUCKY 41502
TELEPHONE: 606-432-9670
FACSIMILE: 606-432-9680

ELSBY EAST · SUITE 204, 400 PEARL STREET
NEW ALBANY, INDIANA 47150
TELEPHONE: 812-948-5053
FACSIMILE: 812-948-9233

BOEHL STOPHER & GRAVES LLP

Mr. Stephen A. Houston
May 15, 2009
Page 2

2. Joan Jones, the ASHA controller, will be available during those hours to answer questions your representative may have concerning the account detail. Obviously, Ms. Jones is not in a position to discuss matters of policy or to make discretionary decisions; she can only provide information regarding the contents of the account detail.

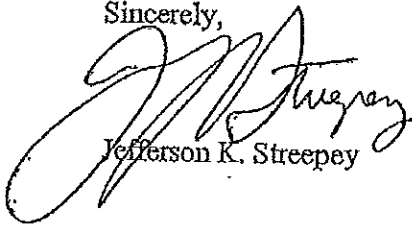
3. Except with respect to Alan Balch the compensation of any individual employee will not be disclosed. We believe our employees are entitled to privacy on compensation issues. Mr. Balch has consented to disclosure of his compensation, and his employment contract and deferred compensation agreement will be available for your representative's review. You may be sure Mr. Balch's total compensation is as reflected in these agreements; he has received no bonuses, commission, royalties, or other forms of compensation and has in fact during the contract term voluntarily foregone significant salary and expense reimbursement to which he was entitled under his contract. Both Mr. Balch's employment contract and deferred compensation agreements were unanimously approved by the directors in attendance at the ASHA board meeting where they were discussed in detail and referred to the Executive Committee for approval of a final form incorporating the approved terms. All duly elected directors were at that board meeting except Mr. Heiman, who did not attend. Minutes of the meeting have been available on the ASHA Web site for over a year.

4. Your representative's review will be in lieu of the meeting we previously suggested between your group and the ASHA and Registry boards during their regular July meeting.

We will provide you copies of the ASHA and Registry Form 990 for 2008 after they are completed.

Please direct all future communications to me and not to the ASHA or Registry officers and directors.

Sincerely,



Jefferson K. Streepey

JKS:mfk

cc: Judith Werner
Barbara Molland



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stephen.houston@skofirm.com

May 20, 2009

By Electronic Mail
istreepey@bsg-law.com

Jefferson K. Streepey, Esq.
Boehl Stopher & Graves LLP
Aegon Center, Suite 2300
400 W. Market Street
Louisville, KY 40202-3354

ASHA and Registry

Dear Mr. Streepey:

By letter dated May 12, 2009, on behalf of a group of senior members, I requested that the American Saddlebred Horse Association, Inc. ("ASHA") and the American Saddlebred Registry, Inc. ("Registry") produce certain documents or, in the alternative, provide an opportunity for an accountant and other representatives of the senior members to review and copy the documents.

By letter dated May 15, 2009, you responded on behalf of the ASHA and Registry agreeing to produce some, but not all, of the documents requested. In that letter, the ASHA and Registry contend that they "have no legal obligation" to produce the documents. That is not correct. For example, in Kentucky, "all books and records of a [nonprofit] corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time." See KRS §273.233. Accordingly, the ASHA and Registry should provide access to all of the documents previously requested.

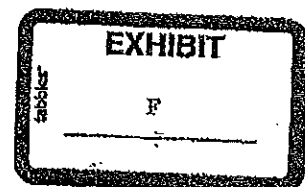
Although we remain troubled by the ASHA and Registry's response and the delay in making the existing documents available, we look forward to the opportunity to review and copy the documents on June 15, 2009. As you requested, we will provide a list of the individuals who will attend the document production at the ASHA office in Lexington.

Sincerely

Stoll Keenon Ogden PLLC

Stephen A. Houston

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DIRECT DIAL: (502) 568-5768
DIRECT FAX: (502) 333-6099
stephen.houston@skofirm.com

June 26, 2009

By Electronic Mail
fstreep@bse-law.com

Jefferson K. Streepey, Esq.
Boehl Stopher & Graves LLP
Aegon Center, Suite 2300
400 W. Market Street
Louisville, KY 40202-3354

American Saddlebred Horse Association, Inc.

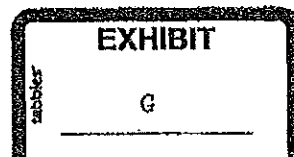
Dear Mr. Streepey:

The American Saddlebred Horse Association, Inc. ("ASHA") is a Kentucky non-profit organization. KRS §273.233 entitles members of a Kentucky non-profit organization, and their representatives, to have access to "all books and records" maintained by the non-profit organization. By letter dated April 20, 2009, certain members of the ASHA asked it to produce documents relating to its financial expenditures. The ASHA agreed to produce some, but not all, of the responsive documents at its office in Lexington on June 15, 2009.

Mr. Walter Newell, CPA, and I appeared at the ASHA office on June 15, 2009 as representatives of certain members of the ASHA. You and the ASHA's controller, Ms. Joan Jones met with us on behalf of the ASHA. Notwithstanding the clear language in KRS §273.233, you confirmed that the ASHA refused to produce all of the records previously requested. Furthermore, the ASHA refused to allow us to retain photocopies of the select documents it was willing to let us see. You stated that you were following instructions provided to you by Mr. Alan Balch. You also stated that it was your understanding that Mr. Balch conferred with some of the Officers or some of the Executive Committee, but not the full Board of Directors, regarding the decision to withhold documents.

Pursuant to KRS §273.233, we continue to demand to inspect and copy all of the books and records previously requested. If possible, we wish to avoid petitioning a court to allow members of this non-profit organization to have access to its books and records. As you and I discussed, please present this issue to the ASHA's Board of Directors for consideration. It is our hope that the ASHA will comply with the law and make its records available to its members.

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Jefferson K. Streepey, Esq.

June 26, 2009

Page 2

You permitted me to ask the ASHA controller, Ms. Joan Jones, questions about some of the ASHA's financial expenditures. Ms. Jones stated that the ASHA pays commissions to some of its employees, but it does not have a formal written policy regarding commissions, including the eligibility of ASHA employees and the amounts available to be earned. Please confirm that the ASHA has no formal written policy regarding commissions. If a written policy regarding commissions exists, please produce a copy of it.

Similarly, Ms. Jones stated that the ASHA has also paid bonuses to some of its employees, but it does not have a formal written policy regarding the payment of bonuses. Please confirm that the ASHA has no formal written policy regarding bonuses. If a formal written policy regarding bonuses does exist, please produce a copy of it.

When asked about a financial expenditure identified as a "draw" of approximately \$6,000, Ms. Jones stated that it was an advance payment to William Wood for potential fundraising commissions. Ms. Jones stated that she did not believe the ASHA memorialized that agreement in writing. Ms. Jones also stated that Mr. Wood was told that he would not need to return the advanced money even if he never earned the commission by raising the necessary amount of funds for the ASHA. Please confirm that the agreement with Mr. Wood was not memorialized in writing. If an agreement was memorialized in writing, please provide a copy of the written agreement.

The letter to the board of directors dated February 10, 2009 from Bennett & Company, CPAs indicates that there is a concern about "segregation of duties" in the ASHA's accounting department. Please provide documents indicating whether this matter is a "control deficiency," "significant deficiency" or a "material weakness" as defined by SAS 112 *"Communicating Internal Control Matters Identified in an Audit"*. Also, please provide documents indicating the ASHA's investigation into this issue and its efforts to resolve the issue.

Based upon our review of the documents that were produced on June 15, it is apparent that the ASHA should also produce for inspection and copying, without limitation, the 22 categories of invoices and other specific documents discussed below:

1. Please produce documents indicating where the \$20,000 related to Mr. Balch's annual deferred compensation is accrued in the December 31, 2007 audited financial statements.

2. Expenditures identified as "Meetings and Conferences" totaled \$222,166 in 2007. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- \$29,522 Kentucky State Fair
 - Saddlebred Daily \$2,970
 - Monday \$593

Jefferson K. Streepey, Esq.
June 26, 2009
Page 3

- Tuesday \$1,317
- Wednesday \$1,317
- Thursday \$1,317
- Friday \$830
- Saturday \$1,264
- Sunday \$1,416
- Contract Labor \$2,500
- 06 Ring 1,250
- KSF Results Commission \$2,043
- \$29,010 Youth Conference Expense.
 - Printing cost of \$724
 - Embassy Suites of \$6,525
- \$26,502 Lordosis
- \$40,838 annual meeting expense
 - Embassy Suites \$18,791
 - Convention Sponsors of \$2,070
- \$28,171 Fundraiser Auction
 - Rocking Horse \$2,000
 - Saddle \$1,200
 - Derby Tickets
 - Executive West \$8,293

3. Meetings and Conferences totaled \$159,865 in 2006. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- \$22,000 American Saddlebred Ball
 - \$12,536
 - \$2,468
- \$35,091 Annual Meeting Expense
 - \$12,418
 - \$7,723

Jefferson K. Streepey, Esq.
June 26, 2009
Page 4

- \$50,211 Kentucky State Fair Expense
 - o \$5,775
 - o Online Payment \$5,221
 - o Online Payment \$2,500
 - o L. Weatherman \$2,904

✓ 4. Printing expenditures totaled \$200,796 in 2007. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- \$21,691
- \$12,932
- \$15,751
- \$14,893
- \$45,297
- Susanna Thurston \$15,180
- Susanna Thurston \$6,225
- Marcia Carothers \$5,652

✓ 5. Printing expenses totaled \$180,497 in 2006. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- \$11,015
- \$39,531
- \$19,880
- \$12,442
- \$14,009
- \$13,858
- \$10,458

✓ 6. Contract fees totaled \$9,600 in 2007. Please provide invoices supporting those expenditures. Also, please provide a copy of any agreements with Mae Condon and Brenda Newell.

✓ 7. Contract fees totaled \$78,442 in 2006. Please provide invoices supporting those expenditures.

Jefferson K. Streepey, Esq.
June 26, 2009
Page 5

✓8. Advertising/Promotion totaled \$13,523 in 2007. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- Primea \$1,732
- Advertising \$1,000

✓9. Advertising/Promotion totaled \$63,287 in 2006. Please provide all of the invoices supporting those expenditures including, without limitation, the following:

- Primedia \$1,648
- Derby Tickets \$2,300
- \$2,173 World Equestrian Games

⇒ ✓10. Bank fees totaled \$19,442 in 2007.

- Please provide copies of bank statements for the months of January 2007 through December 31, 2007.

✓11. Bank fees totaled \$13,442 in 2006.

- Please provide copies of bank statements for the months of January 2006 through December 31, 2006.
- Please provide the invoice supporting the "APS Settlement" charge of \$1,119.

✓12. Interest expenses totaled \$26,179 and \$32,949 for 2007 and 2006, respectively. Please provide a copy of the lease agreement and respective amortization schedule that indicates the necessity of these expenditures.

✓13. Market Research totaled \$12,796 in 2007.

- Please provide all documents supporting those expenditures, including the name and address of all payees.
- Please provide a copy of all agreements and contracts to perform work relating to market research.

✓14. Market Research totaled \$38,721 in 2006.

- Please provide all documents supporting those expenditures, including the name and address of all payees.

Jefferson K. Streepey, Esq.
June 26, 2009
Page 6

- Please provide a copy of all agreements and contracts to perform work relating to market research.
- ✓ 15. Web page/email totaled \$20,136 in 2007.
- Please provide all documents supporting those expenditures, including the name and address of all payees.
 - Please provide a copy of all agreements and contracts to perform work relating to web page / email expenditures.
16. Web page/email totaled \$4,267 in 2006.
- Please provide all documents supporting those expenditures, including the name and address of all payees.
 - Please provide a copy of all agreements and contracts to perform work relating to web page / email expenditures.
- ✓ 17. Salaries for fiscal years 2006, 2007 and 2008
- Please provide invoices and other documents that support these amounts for "administration," "Comm. And Publications" and "advancement."
 - Please provide documents indicating all commissions paid
 - Please provide documents indicating all bonuses paid
 - Please provide all job descriptions, employment agreements and other documents indicating the ASHA and Registry employees responsible for selling advertisements in magazines or other ASHA productions.
- ✓ 18. Benefits for fiscal years 2006, 2007 and 2008
- Please provide invoices and other documents that support these amounts for "administration," "Comm. And Publications" and "advancement."
- ✓ 19. Executive compensation for the Registry totaled \$81,687 \$74,737 in 2007 and 2006, respectively. Please provide all invoices supporting those expenditures, including any such invoices for contract labor.
20. Please provide documents indicating all written requests by Alan Balch to participate in "outside activities" as stated in his employment agreement. Please provide all written responses to those requests.

Jefferson K. Streepey, Esq.
June 26, 2009
Page 7


↓ 21. Please provide a copy of all documents and communications that indicate that the ASHA's audits for fiscal years 2006, 2007 and 2008 comply with *Statement on Auditing Standards (SAS) No. 114: "The Auditors Communication With Those Charged with Governance."*

↓ 22. Please provide documents indicating that the organization has adopted FIN 48 accounting for income taxes to ensure that it does not have any tax positions that could jeopardize its tax exempt status.

Please let me know at your earliest convenience, but no later than July 13, 2009, if the ASHA will produce all of the documents requested. Of course, please let me know if you have questions.

Sincerely

Stoll Keenon Ogden PLLC



Stephen A. Houston


7/29/2009

ASHA - American Saddlebred Hors...



Saddlebred News

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<http://www.asha.net/asha/asha-news.xml>

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For Immediate Release
Monday, July 13, 2009
Contact: [Brice Carr](#), Marketing & Communications Manager

Saddlebred Association Enacts New Governance Policies, Releases Documents

Lexington, Kentucky - At its regularly scheduled meeting of the directors of the American Saddlebred Horse Association (ASHA), held Monday, July 6, in Lexington, Kentucky, the board formally adopted several new policies, continuing its commitment to increasingly open governance and inclusion begun in 2005.

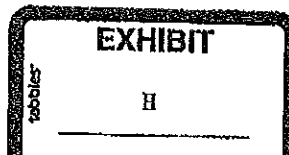
For the last five years, the Association's annual convention in February has featured committee meetings which are open to all members. In particular, the Finance Committee's meeting which begins the convention each year has been open, and attended by the Association's independent auditor; financial statements of the Association and the American Saddlebred Registry (ASR) are discussed in detail. Further, the schedule each year has included an open members' forum, as well as the formal Annual Meeting of members, where the volunteer leadership, staff, legal counsel, and auditor are all available for questioning, and the independent audits are made available to Association members upon request.

The Association's magazine, *American Saddlebred*, which is mailed to all senior members, has historically featured an annual report in its March/April issue, which has been formalized and expanded in recent years. Its web site, www.saddlebred.com, in its Governance tabs and elsewhere, provides a window into the Association's governance, through video streaming of the annual meeting, special events, and publication of the organic documents of the Association and Registry, as well as minutes of directors' meetings once approved.

This month, with the Internal Revenue Service having released a new and lengthy tax return for all charitable and non-profit organizations to file each year (Form 990, available to the public upon request from any such organization once filed), the Association's directors adopted a policy of reviewing the annual return line-by-line before filing. The Registry's board did the same. In addition, each of the two boards adopted formal, written policies on Document Retention, Employee Protection, and elaborated upon their previously enacted Conflict of Interest policies, consistent with questions in the new Form 990.

The directors also formally considered a series of letters received over the last several months from a group of Association members demanding financial, personnel, and other documents. The boards voted to disclose to the general membership of the Association all such correspondence including its responses on the member-secure area of its Internet web site, [here](#). Further correspondence with this group of members will be posted in this area as well, along with materials (such as general ledger detail) produced for those members inquiring about financial data and other documents. Certain documents not available on the web site, relating to personnel or private matters, will be subject to inspection at the Association's offices only on written request. Information furnished to ASHA on a confidential basis, and other records legally privileged or determined upon advice of legal counsel to be inappropriate for disclosure, will not be released.

saddlebred.com/asha/news.php?f...



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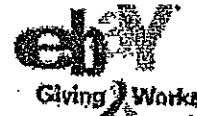
7/29/2009

ASHA - American Saddlebred Hors...

The Association's directors also approved new bylaws relating to Litigation and Inspection of Records. In addition, the Association's staff suggested and the directors approved a new policy enabling any member, upon providing appropriate notice to ASHA, to visit the offices on the third Tuesday of each month beginning at 10 a.m. on August 18, to inspect financial documents of the Association. This policy will be in place from August until the Association's annual convention in February 2010, so that all members will be permitted to review material they're interested in, as well as documents produced for other inquiring members. Senior members are also invited to attend a document production scheduled for Wednesday, July 29, beginning at 10 a.m. at the Association's offices in the Kentucky Horse Park, per correspondence released today. Any member wishing to attend must provide ASHA written notice by the close of business on Wednesday, July 22.

Please address any questions or comments to Saddlebred@asha.net.

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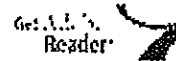


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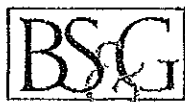
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Year: <input type="text" value="2009"/>	Search phrase: <input type="text"/>	<input type="button" value="Refresh"/>
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JEFFERSON K. STREEPEY
PARTNER
EXTENSION 234
JSTREEPEY@BSG-LAW.COM

July 13, 2009

Mr. Stephen A. Houston
STOLL KEBNON OGDEN, PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2828

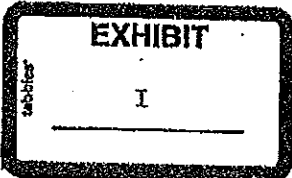
Re: American Saddlebred Horse Association

Dear Mr. Houston:

This responds to your June 26, 2009 letter. Your letter contains misstatements concerning events of June 15, 2009. You assert I advised you I was following instructions provided me by Mr. Balch in refusing photocopies. That is wrong. I clearly recall our exchange. You asked me on whose authority I refused photocopies. I specifically told you "not Mr. Balch," but rather the officers of the Association and Registry to whom responsibility was delegated by both boards. I believe you have mischaracterized Ms. Jones' statements to you concerning commissions, bonuses, and draws. She did not state ASHA had no written policies pertaining to these matters; she said she did not know whether written policies exist.

We continue to disagree on the applicability of KRS 273.233 to your clients' request for documents. We do not believe the request is covered by the statute. At its July 6, 2009 meeting the ASHA Board adopted a bylaw amendment covering document inspection, a copy of which is enclosed.

The ASHA Board reviewed your June 26 letter at its July 6, 2009 meeting. Even though not obligated to do so, the Board authorized the production for inspection of the additional documents requested in that letter.



444 WEST SECOND STREET
LEXINGTON, KENTUCKY 40507-1040
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FACSIMILE: 859-253-1445

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TELEPHONE: 270-442-4369
FACSIMILE: 270-442-4689

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TELEPHONE: 606-432-9570
FACSIMILE: 606-432-9680

SUITE 204, 400 PEARL STREET
NEW ALBANY, INDIANA 47150
TELEPHONE: 812-948-5053
FACSIMILE: 812-948-9233

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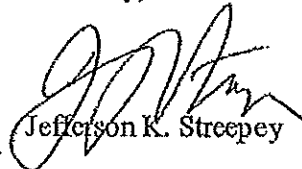
Stephen A. Houston
July 13, 2009
Page 2

The documents will be available for inspection at the ASHA office in Lexington, Kentucky between 10 a.m. and 4 p.m. on July 29, 2009. Your clients are invited to attend or to send their representatives, or bring their representatives with them. Please let me know by July 22, 2009 who will be attending for your clients.

Except with respect to Mr. Balch, the compensation of any individual employee of ASHA will not be disclosed by name. ASHA continues to believe its staff members are entitled to privacy with respect to their individual compensation.

You should know that effective August 1, 2009 ASHA will designate the third Tuesday of each month, until the annual convention in February 2010, beginning at 10 a.m. as regular monthly office hours for any member to come to the ASHA office to inspect ASHA records, provided that requests are made at least five business days in advance for those materials described in the above-referenced bylaw amendment, and ten business days in advance for other materials such member wishes to review. This is an internal operating policy which will be reevaluated at the time of the annual convention and may be modified or discontinued. It is not part of the new bylaw. Personnel matters, compensation of individual staff members by name, except for the current executive secretary, information furnished to ASHA on a confidential basis, and other records legally privileged or determined by the executive secretary with advice of counsel to be inappropriate for disclosure will not be disclosed during these monthly sessions.

Sincerely,



Jefferson K. Streepey

JKS:mfk
Enclosure



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PLLC

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LOUISVILLE, KY 40202-2828
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STEPHEN A. HOUSTON
DIRECT DIAL: (502) 568-5768
DIRECT FAX: (502) 333-6099
stephen.houston@skofirm.com

July 22, 2009

By Electronic Mail
istreepey@hsg-law.com

Jefferson K. Streepey, Esq.
Boehl Stopher & Graves LLP
Aegon Center, Suite 2300
400 W. Market Street
Louisville, KY 40202-3354

American Saddlebred Horse Association, Inc.

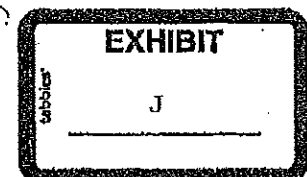
Dear Mr. Streepey:

As you are aware, we represent certain senior members of the American Saddlebred Horse Association, Inc. ("ASHA"). Our clients are concerned about significant expenditures incurred by the ASHA and the American Saddlebred Registry ("Registry") in recent years that remain largely unexplained. On April 20, 2009, our clients asked the ASHA and the Registry to produce documents that indicate the specific purposes for those expenditures as well as the recipients of the money. Unfortunately, the ASHA and the Registry have failed to produce a single invoice in support of those expenditures, which expenditures total several hundred thousand dollars per year. It has now been over three months since senior members of the ASHA first approached the ASHA about these issues.

Your letter dated July 13, 2009, on behalf of the ASHA and the Registry, was mostly non-responsive to the issues raised in my letter to you dated June 26, 2009. In addition, you continue to dispute the plain language of KRS § 273.233 that provides all members of non-profit organizations with access to all records maintained by the non-profit entity. Once again, you failed to cite any authority for your position. Finally, you failed to address the questions raised by the ASHA's auditor about the ASHA's accounting policies and governance.

Nonetheless, after much resistance and delay, your letter states that the ASHA and the Registry have finally agreed to produce the documents we have sought for over three months. Accordingly, Walter Newell, CPA, Ms. Maria Combs and I will arrive at 10 a.m. on July 29 at the ASHA Office in Lexington to review the documents.

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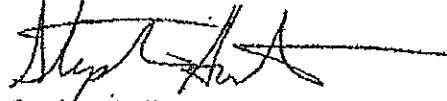


Jefferson K. Streepey, Esq.
July 22, 2009
Page 2

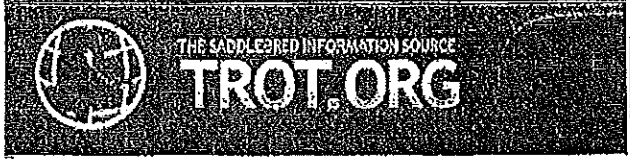
It is our understanding that Mr. Carl Holden recently resigned from his position on the ASHA Finance Committee. In addition to the documents previously requested, please produce all records including, without limitation, all correspondence between Mr. Holden and any ASHA member or employee, including Mr. Alan Balch, relating to Mr. Holden's position on the Finance Committee from April 20, 2009 through July 22, 2009.

Sincerely

Stoll Keenon Ogden PLLC

A handwritten signature in black ink, appearing to read "Stephen A. Houston", with a long horizontal line extending to the right.

Stephen A. Houston



Welcome to Trot.org

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Trot.org Forums > General Forums > General Equine Topics
ASHA Enacts New Gov. Policies/Releases Documents



Page 11 of 11 < First < 9 10 11 >

Thread Tools Display Modes

Today, 03:51 AM

#101



nicole_wettstein
Junior Member

Join Date: Nov 2007
Posts: 17

Quote:

Originally Posted by [attafox](#)
In the interest of fairness, Mr. Balch was in Washington, D.C. on June 15th representing the ASHA at the American Horse Council annual meeting. My understanding is that this was at his personal expense. (and yes, I learned of this as a member of the Equine Welfare Committee)

So are you saying that the date chosen & confirmed by Streepy, as a representative of the ASHA, Mr. Balch could not be in the office? Was there no other date that could be chosen that would allow for the Executive Secretary of the ASHA to be present with the Mr. Houston, the member's attorney? It is not my understanding that attorneys show up to question the business of the Association on a regular occasion. It seems the Association might have been better served if it had taken this into consideration and chosen a day that was more available for Mr. Balch, instead of a date with an important and unchangeable conflict that would keep him out of the office for the entirety of the time. One would assume that the Annual meeting of the American Horse Council was likely scheduled well in advance.



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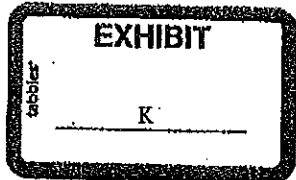
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Today, 09:02 AM

#102



ASB Stars
Senior Member



Join Date: Nov 2007
Posts: 1,323

Quote:

Originally Posted by [nicole_wettstein](#)
So are you saying that the date chosen & confirmed by Streepy, as a representative of the ASHA, Mr. Balch could not be in the office? Was there no other date that could be chosen that would allow for the Executive Secretary of the ASHA to be present with the Mr. Houston, the member's attorney? It is not my understanding that attorneys show up to question the business of the Association on a regular occasion. It seems the Association might have been better served if it had taken this into consideration and chosen a day that was more available for Mr. Balch, instead of a date with an important and unchangeable conflict that would keep him out of the office for the entirety of the time. One would assume that the Annual meeting of the American Horse Council was likely scheduled well in advance.

I would like to point out that not all of the membership sees this exactly the way that this small group seems to. So, when you state that this is the "members" attorney, please be sure to specify exactly who he is representing.

Also, as a senior member, I would be much more pleased to see Alan Balch out representing the interests of our breed at important meetings such as this, rather than wasting time where his presence was not necessary. Unless you have some specific knowledge of anything that Mr. Balch could do, that Joan Jones could not. Bear in mind that this was to view documents, correct? What could Alan Balch's presence possibly bring to that meeting?

A whole lot of ASHA employee time has been spent on these issues. As they seem to be far more important to some, than to others, that would seem to be a bit unfair to the balance of senior members, don't you think?

"When someone shows you who they are- BELIEVE them" Maya Angelou

Yes, that IS a windmill I am tilting at!

www.americansaddlebredspot@horse.com



Today, 12:27 PM

#103

Alan Balch
Junior Member

Join Date: Nov 2007
Posts: 13

Win/Win

I haven't had the time to look at this thread for a few days, and it took me a while to catch up through all the er, well, let's just say it took me a while to sort through it. Interesting that some very vocal people aren't even ASHA members!

Someone asked for a win/win solution. I think I already offered one a long ways back in this thread, and the boards of directors offered essentially the same one early on:

The small group of concerned members should avail themselves of the opportunity offered to them to sit down with the board as a whole and **talk** about their concerns, determine what they are with precision, and inspect or review whatever they want.

People of good faith -- all of whom are purportedly interested in the same thing, the welfare and improvement and sustainability of the breed -- should **talk through their concerns**, together, not indirectly through representatives, surrogates, and lawyers . . . and not (with all due respect) on an Internet message board!

As I said before, I'm quite confident that even the most private compensation questions can be handled in this manner. We can certainly figure out a way that will answer any legitimate question and also preserve the privacy of the staff members concerned. It's just not that hard to envision.

If there are really other policy or management concerns, not personally directed at any particular staff member, then such a meeting would also be valuable to air out any of those differing perspectives.

Let's view this problem as an opportunity -- difficult as that may seem -- and **all** the members could then be confident that **their** financial resources and staff time are not being diverted from the really important problems facing our breed and all horses.

Alan



Today, 01:25 PM

#104

Simon Fredricks
Member

Join Date: Dec 2007
Posts: 41

Mr. Balch;
Thank you for your offer we ACCEPT and ask for a date as soon as possible.
Simon Fredricks



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Page 11 of 11 < First < 9 10 11 >

< Previous Thread | Next Thread >

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Jeff Streepey

From: Houston, Stephen [Stephen.Houston@skofirm.com]
Sent: Wednesday, August 12, 2009 2:42 PM
To: Jeff Streepey
Subject: ASHA and Registry

Dear Jeff,

As we discussed, here is a copy of the offer made today by Mr. Balch on behalf of the ASHA and Registry. We accept the ASHA and Registry's offer to allow concerned members to meet with the full boards and "review whatever they want." I look forward to scheduling the meeting at the boards' earliest convenience.

Regards,
Stephen

Stephen A. Houston
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202
(502) 333-6000
www.skofirm.com

This message, and any documents or previous e-mails attached to it, may contain confidential information protected by the attorney-client privilege. If it was sent to you in error, do not read it. Please inform the sender that you received it and then delete it. Thank you.

Today, 12:27 PM

Alan Balch
Junior Member



Join Date: Nov 2007
Posts: 13

Win/Win

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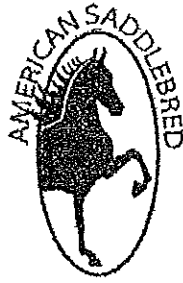
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Let's view this problem as an opportunity -- difficult as that may seem -- and ****all**** the members could then be confident that ****their**** financial resources and staff time are not being diverted from the really important problems facing our breed and all horses.

Alan

American Saddlebred
Horse Association, Inc.



American Saddlebred
Registry, Inc.

4083 Iron Works Parkway, Lexington, KY 40511

August 18, 2009

Mr. Tom Ferrebee, Post Office Box 540, Westfield Center, Ohio 44251
Mr. Carl T. Fischer, Jr., 1041 Alta Vista Road, Louisville, Kentucky 40205
Dr. Simon Fredricks, 101 Westcott, #1002, Houston, Texas 77007
Ms. Kris Knight, Post Office Box 114, Simpsonville, Kentucky 40067
Ms. Lynn W. Via, 3358 Peakwood Drive, Roanoke, Virginia 24014

Dear ladies and gentlemen,

Last week, Dr. Fredricks publicly accepted our invitation for you to meet with our directors and discuss any concerns you may have.

After polling the boards of the Association and Registry, we will be noticing our Fall meeting for Monday, October 5, in Lexington, Kentucky, and will be hoping to see you at 1:30 p.m. Eastern Time. We will be meeting at the Hospitality Tower of the Johnson Outdoor Stadium, located at the Kentucky Horse Park.

Please let us know on or before Monday, September 21, which of you will be attending, and if there are any subjects beyond those covered in your previous correspondence you would like us to address.

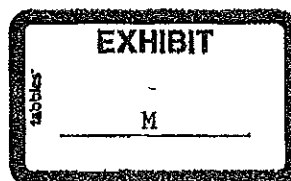
Sincerely yours,

Barbara Molland, President
American Saddlebred Registry

Judith Werner, President
American Saddlebred Horse Association

copy: Moe Anson
Matthew Helman, Esq.
John Jones
Billy Knight
Betty Moore
Ron Moore
James Nichols
Randy Stoess
Allison Walker

Directors, American Saddlebred Horse Association
American Saddlebred Registry





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STEPHEN A. HOUSTON
DIRECT DIAL: (502) 568-5768
DIRECT FAX: (502) 333-6099
stephen.houston@skofirm.com

August 25, 2009

By Electronic Mail
jstreepey@bsg-law.com

Jefferson K. Streepey, Esq.
Boehl Stopher & Graves LLP
Aegon Center, Suite 2300
400 W. Market Street
Louisville, KY 40202-3354

ASHA and Registry

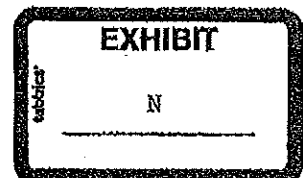
Dear Jeff:

As you are aware, our clients are senior members of the American Saddlebred Horse Association, Inc. ("ASHA"), a Kentucky non-profit organization. KRS §273.233 entitles members of a Kentucky non-profit organization, and their representatives, to have access to "all books and records" maintained by the non-profit organization. Accordingly, our clients have requested to review certain documents maintained by the ASHA and the American Saddlebred Registry ("Registry"). Unfortunately, the ASHA and Registry refused to produce pertinent documents. That decision to not comply with the law, which requires complete transparency for its members, was deeply troubling. It resulted in unnecessary delays and increased costs for our clients.

Nonetheless, after four months of delay and obfuscation, the ASHA and Registry apparently reconsidered their positions and agreed to produce all of the documents we requested. Specifically, on August 12 the ASHA and Registry agreed to allow our clients to "inspect or review whatever they want." In addition, the ASHA and Registry agreed to allow us to meet with the full boards of the ASHA and Registry to present questions and discuss our concerns. We accepted both offers that same day.

By letter dated August 18, the ASHA and Registry proposed to meet with us on October 5 in Lexington, Kentucky. However, the ASHA and Registry failed to offer us a date to review the documents it has thus far withheld. Of course, it is imperative that we have an opportunity to

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Jefferson K. Streepey, Esq.
August 25, 2009
Page 2 of 4

review all of the pertinent documents before meeting with the boards of the ASHA and Registry. Accordingly, please produce the following documents on or before September 4, 2009.

1. Please produce copies of all documents reflecting the ASHA's and Registry's internal control policies and procedures with respect to financial receipts, expenditures and accounts.
2. Please produce a copy of Mr. Balch's employment contract.
3. Please produce a copy of Mr. Balch's deferred compensation agreement.
4. Please produce a copy of documents indicating Mr. Balch's time spent at work, on vacation, and absent due to illness from January 1, 2007 through today.
5. Please produce copies of all documents reflecting any employment agreements and compensation arrangements for all ASHA and Registry employees from January 1, 2007 through today.
6. Please produce all documents reflecting the amount and nature of work performed by any ASHA and Registry full-time employees, including without limitation Mr. Balch, on behalf of the United States Equestrian Trust, Inc. ("USET"), the United State Equestrian Federation ("USEF") and any other entity or individual other than the ASHA and Registry.
7. Please produce copies of documents reflecting all of the commissions paid to ASHA and Registry employees for the period January 1, 2007 through today.
8. Please produce copies of documents reflecting all of the bonuses paid to ASHA and Registry employees from January 1, 2007 through today.
9. Please produce a copy of all contracts between Marcia Carothers and either the ASHA or Registry.
10. Please produce copies of all contracts between Mae Condon and either the ASHA or Registry.
11. Please produce copies of all documents reflecting the business purpose for all of the Kentucky Derby tickets purchased or sold by the ASHA and Registry.
12. Please produce all documents reflecting the ASHA and Registry's actions, if any, in response to the letter dated February 10, 2009 in which the ASHA's independent auditor identified "significant deficiencies" in the ASHA's internal control.
13. Please produce all documents, including without limitation all electronic mail, reflecting correspondence between Alan Balch and former finance committee member Carl Holden between January 1, 2009 and today.

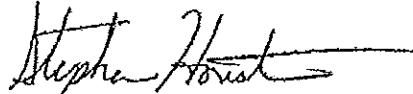
Jefferson K. Streepey, Esq.
August 25, 2009
Page 3 of 4

14. Please produce all documents, including without limitation all electronic mail, reflecting correspondence between Alan Balch and members of the executive committee between January 1, 2008 and today.

In the alternative to producing all of the above documents, please confirm that the ASHA and Registry will not honor their offer, dated August 12, 2009, to allow our clients to "inspect or review whatever they want."

Sincerely,

Stoll Keenon Ogden PLLC



Stephen A. Houston

cc: Dr. Simon Fredricks (By Electronic Mail)
Mr. Tom Ferrebee (By Electronic Mail)
Mr. Carl Fischer Jr. (By Electronic Mail)
Ms. Kris Knight (By Electronic Mail)
Ms. Lynn W. Via (By Electronic Mail)



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TELEPHONE: 502-589-5980
FACSIMILE: 502-561-9400

JEFFERSON K. STREEPEY
PARTNER
EXTENSION 234
JSTREEPEY@BSG-LAW.COM

September 4, 2009

BY E-MAIL

Mr. Stephen A. Houston
STOLL KEENON OGDEN, PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2828

Re: American Saddlebred Horse Association and American Saddlebred Registry

Dear Mr. Houston:

We have your August 25, 2009 letter.

The Association and Registry made an offer in the form of a posting by the Executive Secretary/Registrar on trot.org to arrange a meeting between the directors of the ASHA and Registry with your clients. That proposal provided in part "the small group of concerned members should avail themselves of the opportunity offered to them to sit down with the Board as a whole and talk about their concerns, determine what they are with precision, and [underline added] inspect or review whatever they want." That offer was accepted by Simon Fredricks on behalf of your clients, also by a posting on trot.org in which Dr. Fredricks said "thank you for your offer we ACCEPT and ask for a date as soon as possible." Your August 12, 2009 e-mail to me stated "we accept the ASHA and Registry offer to allow concerned members to meet with the full boards and review whatever they want. I look forward to scheduling the meeting at the boards' earliest convenience." Neither your e-mail nor Dr. Fredricks' posting contained any conditions on acceptance, nor did either suggest an additional document production prior to the meeting. The offer certainly did not contemplate yet a third document production prior to the

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NEW ALBANY, INDIANA 47150

TELEPHONE: 812-948-5053
FACSIMILE: 812-948-9233

EXHIBIT

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BOEHL STOPHER & GRAVES LLP

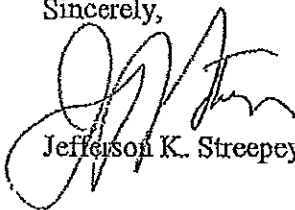
Stephen A. Houston
September 4, 2009
Page 2

meeting. In short we have an agreement that does not contemplate yet another document production prior to the October 5 meeting.

Nevertheless, pursuant to ASHA's previously announced guidelines for the availability of document inspection by its members upon written request, ASHA will make documents you requested in your August 25 letter available for inspection by all the members on the third Tuesday of this month, September 15, 2009, at 10 a.m. at the Association offices in accordance with those guidelines. Many of the documents you have requested have already been provided, but will be made available once again. The only exception will be any documents which the full Association Board has not yet had an opportunity to discuss. Please let me know by September 10 who will be attending the document production on September 15 for your clients.

The ASHA and Registry directors have rearranged their fall meeting schedule in order to meet with some or all of your clients on October 5. The directors look forward to meeting with them at that time.

Sincerely,



Jefferson K. Streepey

JKS:mfk

cc: Alan Balch
Judy Werner
Barbara Molland

Jeff Streepey

From: Houston, Stephen [Stephen.Houston@skofirm.com]
Sent: Thursday, September 10, 2009 5:48 PM
To: Jeff Streepey
Subject: RE: ASHA

Jeff:

I will attend the ASHA document production along with Maria Combs and Dub Newell. Of course, we reiterate our position that the ASHA, a Kentucky non-profit entity, should allow us to inspect all of the documents we have requested. KRS 273.233 provides clear authority for ASHA members and their representatives to inspect "all records" maintained by the ASHA, and the statute makes no exception. We will seek relief from a court if the ASHA fails, once again, to allow its members to inspect "all records."

Regards,
Stephen

Stephen A. Houston
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202
(502) 333-6000
www.skofirm.com

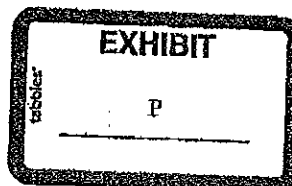
From: Jeff Streepey [mailto:JStreepey@BSG-Law.com]
Sent: Friday, September 04, 2009 11:00 AM
To: Houston, Stephen
Cc: Alan Balch (alan@asha.net); Barbara Molland; Judy Werner (redwingfarm.werner@gmail.com)
Subject: ASHA

Stephen,

See attached.

Jefferson K. Streepey
400 W. Market St. Ste 2300
Louisville, Ky. 40202
502-589-5980
Fax 502-561-9400

Because the extensive disclosures required by IRS Circular 230 in tax communications to clients are not contained in this document, you may not rely on any tax advice contained in this e-mail (or attachments) to avoid tax penalties.



9/21/2009

Subject: FW: ASHA

-----Original Message-----

From: Houston, Stephen [mailto:Stephen.Houston@skofirm.com]
Sent: Friday, September 25, 2009 3:56 PM
To: Jeff Streepey
Subject: ASHA

Dear Jeff:

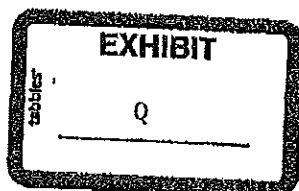
If the ASHA will confirm that it will produce all of the corporate records previously requested by its members, without exception, on October 5, 2009, the following people plan to attend the proposed meeting on October 5:

Thomas Rutledge
Stephen Houston
Walter Newell
Kris Knight (Pleasantview Farm)
Bill Knight (Pleasantview Farm)
Matthew Helman
Edward Bennett (Undulata)
Lynn Via (Fox Grape)
Anne Nell (Blythewood)
Marion Flutcheson (Happy Valley Stables)
Nancy Leigh Fisher
Tom Ferrebee (Tom Ferrebee Stables)
Mozelle Anson
Dr. Simon Fredricks (by telephone)
C. Thomas Galbreath
Victoria Reed
Candi Covino Aversenti

Please understand that the above list is not exhaustive. Other members may plan to attend.

Regards,
Stephen

Stephen A. Houston
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500 West Jefferson Street
Louisville, KY 40202
(502) 333-6000
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10/5/2009