

**ARABIAN HORSE ASSOCIATION
BOARD OF DIRECTORS MEETING
APPROVED MINUTES
Aurora, Colorado
March 6-7, 2009**

Please refer to the end of the Minutes for Exhibit I-II.

Lance Walters, President called the Board of Directors meeting to order at 8:06 a.m., March 6, 2009, at the AHA Headquarters, Aurora, Colorado.

PRESENT:

Lance Walters	Peggy Weems	Dave Daugherty
Dale Harvill	Tague Johnson	Marty Kleiner
David Garrett	Cecile Hetzel Dunn	Walter Misco
Mollie Krumlaw-Smith	Terry Andreasen	Terry Johnson
Frank Galovic	Jim Hitt	Allan Ehrlick
Jan Decker	Pat Barton	Debby Cain
Myron Krause	Van Jacobsen	Kathie Hart
Nancy Harvey	Dave Waggoner	Hamp Johnston (12:30 p.m.)
Jeff Reichman	George Attwood	Cory Soltau
Deborah Johnson	Pam Kittredge	

OTHERS PRESENT:

Glenn Petty, Executive Vice President; various members of the AHA staff; and various AHA members were present at the Board of Directors meeting.

INTRODUCTIONS

Lance Walters, President, welcomed everyone to the Board of Directors meeting. The Board of Directors, staff and guests gave a brief synopsis of their involvement in the Arabian industry.

PRESIDENT'S COMMENTS

Lance Walters, President, reported on the FY 2010 budget process, relations with USEF, meetings at the Scottsdale Show, and the upcoming Breeder's Summit meeting.

APPROVAL OF AGENDA

MOTION by Jan Decker, That the Board of Directors agenda of March 6-7, 2009 be approved as amended.

Motion Passed Unanimously. (**Motion #1-3/6/09-BOD**)

**CODE OF ETHICS, CONFIDENTIALITY & CONFLICT OF INTEREST
POLICY**

MOTION by Dale Harvill:

Whereas, It is important to keep confidential information of the Arabian Horse Association away from the view of adversaries, bloggers and persons having no right or need to know such information; and

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Whereas, Confidential information of the Arabian Horse Association has sometimes been further passed on or disseminated to adversaries, blogs and others having no right or need to have access to such information; and

Whereas, Confidential information has been passed on or disseminated to former staff members and current staff members who have claims pending or potential claims against the Arabian Horse Association and have no right or need to know such information; and

Whereas, Communications of Officers and Directors of the Arabian Horse Association, by reason of the office, is potentially binding against AHA as an admission against interest or otherwise admissible evidence against the interest of AHA; Therefore, Be It

Moved, That all discussions, information and business conducted in closed sessions of the Executive Committee and the Board of Directors of the Arabian Horse Association, respectively, are hereby designated Confidential in accordance with AHA Rule 501.15 (Article 501.15 in the AHA Handbook) and shall not be further passed on or disseminated to non Executive Committee Members and non Board Members, respectively, except through official Arabian Horse Association communications.

Effective: Immediately.

Motion Passed Unanimously. **(Motion #2-3/6/09-BOD)**

MOTION by Dale Harvill:

Whereas, Clarification of the term, “designated Confidential” contained in Arabian Horse Association Rule 501.15 pertaining to information is desirable to avoid misunderstanding; Therefore, Be It

Moved, That, when any written or oral communication contains the statement “Confidential” in the heading or the beginning of the communication, all the information contained in such communication is “designated confidential” in accordance with Arabian Horse Association Rule 501.15 and shall be kept confidential by the recipient, and not further passed on or disseminated, without the written consent of the sender.

Effective: Immediately.

Motion Passed Unanimously. **(Motion #3-3/6/09-BOD)**

MOTION by Dale Harvill, To approve the revision to the Code of Ethics, Confidentiality and Conflict of Interest Policy.

Motion Passed Unanimously. **(Motion #4-3/6/09-BOD) (See Exhibit I)**

RECEIVE CONSENT AGENDA

A lengthy discussion was held regarding the lack of committee reports being completed and submitted to the AHA office. It was noted that there appears to be confusion as to what information should be submitted and when it should be submitted to the AHA office. Lance Walters, President, stated that this matter would be reviewed shortly to resolve the problems.

MOTION by Jan Decker, to receive the consent agenda.

Motion Passed Unanimously. **(Motion #5-3/6/09-BOD)**

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EXECUTIVE COMMITTEE MEETING

A lengthy discussion was held regarding usage of the AHA logo by the regions. Several concerns were expressed that the AHA licensing agreement was too prohibitive and it was determined that Dale Harvill, Vice President, would review the agreement.

MOTION by Terry Andreasen, that there shall be a recording of the vote for all non-unanimous motions of the Executive Committee.
It was determined that this motion would be properly written up and brought back to the Board members after the lunch break.

SUBMISSION OF BOARD MINUTES TO OFFICIAL BOOKS

The following amendment was made to the November 19, 2008 Board of Directors minutes: Page 11, first paragraph, change "800" to "60". A lengthy discussion was held regarding the importance of all Board members casting their votes for e-mail motions.

MOTION by Jan Decker, That the November 19, 2008 (as amended at this meeting); November 22, 2008; December 3, 2008; January 7, 2009; and the January 8, 2009 Board of Directors meeting minutes that were approved on February 13, 2009, be submitted to the Official Books of AHA.
Motion Passed Unanimously. (**Motion #6-3/6/09-BOD**)

TREASURER'S REPORT

The Treasurer's Report was given by Frank Galovic. Mr. Galovic reviewed the January 2009 Unaudited Financial Statements. Mr. Galovic stated that the cash flow statement will be sent to the Board members with their February 2009 Unaudited Financial Statements. Mr. Galovic requested that time be allotted at the August Board meeting to discuss strategic planning.

MOTION by Frank Galovic:

Whereas, AHA continues to remain reactive instead of pro-active with its budgetary process; and
Whereas, AHA should take a fiscally responsible stance and review fees on a regular basis to bring them in line instead of making larger increases over longer periods of time; and
Whereas, By reviewing fees annually at a set Board of Directors meeting, the Board can come prepared to discuss necessary changes; Therefore, Be It
Moved, That at each May meeting of the Board of Directors, the Board will discuss possible fee increases to take place for the next fiscal budget in support of the strategic planning; and,
Be It Further
Moved, That any fee increases will be brought to the general Membership's attention through AHA e-mail blasts and publicized in the official Arabian Horse Association publication.
Effective: May 1, 2009.
Motion Passed Unanimously. (**Motion #7-3/6/09-BOD**)

Discussion was held regarding the composition of the Competition Advisory Committee and no action was taken.

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Discussion was held on the base membership dues and it was noted that the fee had not been increased for several years. It was noted that this should be brought to the attention of the Membership Committee and possibly there could be a forum at Convention regarding this matter. It was determined that this would be discussed further at the May Board meeting.

APPROVAL OF FY 2010 BUDGET

Gerald McDonald, Budget & Finance Committee Chair, explained the budget process and presented the Fiscal Year 2010 Budget to the Board members.

MOTION by Frank Galovic, That the Board of Directors approve the FY 2010 operating budget as presented by the Budget & Finance Committee.
Motion Passed Unanimously. (**Motion #8-3/6/09-BOD**)

JUDGES & STEWARDS COMMISSIONER REPORT

George Johnson gave the Judges & Stewards Commissioner Report. Mr. Johnson reported that the Judges & Stewards Selection Committee met March 2-4, 2009 at the AHA office to select judges and stewards for the 2010 national shows. The Board members were advised that the 2009 Judges Seminar will be held March 13-15 in Denver, Colorado; and, the NRHA Seminar will be held March 16-17. Mr. Johnson advised that the Fall Exhibitor/Judges School and Evaluation will be held December 2-6, 2009 in Scottsdale, Arizona.

EXECUTIVE VICE PRESIDENT REPORT/DEPARTMENT UPDATES

Glenn Petty gave the Executive Vice President Report. Mr. Petty reported on publishing/producing regional prize lists and providing regional e-mail blasts for a fee, meetings held at Scottsdale, the budget process, timely process for PCP/EPRB hearings, new horse show entry process for the national shows, and redirecting AHA recreational rides to the regions. Mr. Petty reported that Lance Walters, President, is in the process of appointing a Recreational Riding Ad Hoc Committee. The Board members were requested to appoint a member from their region to serve on this ad hoc committee.

Jon Barnickel, Controller, reported on Sweepstakes payout checks, AHA tax return, insurance policy renewals, and cash forecasting.

Debbie Fuentes, Customer Service Sr. Director, reported on new membership card, membership statistics, survey results, membership recruitment of non-renewing members, club secretary reports, registration statistics, other breed registration statistics, stallion reports, import/export activity, WAHO Conference, outreach and alliance activity and the USLGE America's Horses CD.

Molly Gunning, Interim IT Senior Director, reported on the Horse Registration System, monthly membership reports to club secretaries, improved membership cards, improved club verbiage on website, new national show entry system, website improvements, website banner ads, new scanning system, infrastructure upgrades, switching to an e-mail service provider, and improvements to Discovery Farms.

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Dan Lawrence, Marketing Senior Director, reported on the broadcast TV campaigns and statistics of resulting website visits, Arabian DataSource, corporate alliance statistics, racing advertising, and Arabian Horse Galleries.

Jim Gordon, Publications & Corporate Alliances Director, reported on corporate alliances, changes to *Modern Arabian Horse*, outside sales representatives, advertising rates, non-member publication subscriptions and membership value.

Dauane Elkins, National Events/Competition Services Senior Director, reported on statistics for recreational rides, awards, shows, rides, Futurities and Sweepstakes. Mr. Elkins announced the following: 2008 Youth Amateur Achievement Award High Point – Collier McLeod; 2008 Adult Amateur Achievement Award High Point – Natacha Lesburgueres; and 2008 Horse High Point Award – FF Irish Vodka+++//.

Jackie Cuin, Personnel & Office Services Manager, reported on staff counts, employee health insurance, and upcoming postage increase.

ORGANIZATIONAL EFFICIENCY TASK FORCE

Jan Decker, Chair, gave the Organizational Efficiency Task Force update. Ms. Decker stated that all committees will be required to create their committee mission statement and submit a list of action items they will be doing in order to accomplish their mission. Ms. Decker reported on the progress of the committee online forums.

Ms. Decker, advised that nominations to fill the vacancies created by Mary Jane Brown & C.A. Butler coming off the Board of Directors were needed for the Organizational Efficiency Task Force. Hamp Johnston, Nancy Harvey, and Dave Daugherty were nominated. Lance Walters, President, announced that nominations were closed. The Board members were requested to vote for two individuals, and, the ballots were collected for tabulation.

NEW CLUB APPROVAL

MOTION by Pat Barton:

Whereas, The Frontier Arabian Horse Club application and non-refundable initiation fee have been received and are complete; and

Whereas, The Frontier Arabian Horse Club Bylaws have been reviewed; and

Whereas, The regional director has been contacted and is fully aware of the club's application; Therefore, Be It

Moved, That the Frontier Arabian Horse Club, Region 9, be approved as a new member organization.

Effective: Immediately.

Motion Passed Unanimously. (**Motion #9-3/6/09-BOD**)

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AHA NATIONAL DISTANCE COMMISSION

Cory Soltau, Board Liaison, gave the AHA National Distance Commission report. Mr. Soltau reported on plans for the 2009 National Distance (Competitive and Endurance) Rides which will be held October 27-31 at Lake Carl Blackwell in Stillwater, Oklahoma. Mr. Soltau advised that the entry forms will be included in the Omnibus. Mr. Soltau requested that all regions consider sponsoring the National Rides.

ARABIAN BREEDERS SWEEPSTAKES

Myron Krause, Board Liaison, gave the Arabian Breeders Sweepstakes report. Mr. Krause reported on entry statistics and payouts. Cheryl Holloway, Staff Liaison, advised that Competitive and Endurance local rides will receive Sweepstakes points using the combined Arabian, Half-Arabian/Anglo-Arabian concept which is the same for regionals and nationals.

RECORDING OF EXECUTIVE COMMITTEE VOTES

MOTION by Terry Andreasen, That non-unanimous votes conducted by the Executive Committee that represents Board authority be reported in the Board of Directors minutes.
Motion Passed. (**Motion #10-3/6/09-BOD**)

CANADIAN NATIONAL SHOW COMMISSION

Gerald McDonald, Chair, gave the Canadian National Show Commission report. Mr. McDonald invited all of the Board members to attend this year's show which will be held August 17-22, 2009 in Regina, Saskatchewan, Canada. Allan Ehrlick, Vice Chair, reported on changes to Equine Canada's drug testing rules.

LEGAL REVIEW COMMITTEE UPDATE

Myron Krause, Chair, gave the Legal Review Committee Update. Mr. Krause advised that the Executive Vice President now reviews the legal bills prior to committee approval.

PUREBRED ARABIAN TRUST (PAT) UPDATE

Mollie Krumlaw-Smith, Vice President At-Large, gave the Purebred Arabian Trust update. Ms. Krumlaw-Smith reported on the progress of the Arabian Horse Galleries.

RACING COMMISSION REPORT

Terry Andreasen, Board Liaison, gave the Racing Commission report. Mr. Andreasen reported on the Darley Awards which was held February 28, 2009 in San Marcos, Texas. Mr. Andreasen also reported on activities of the Racing Medication and Testing Consortium (RMTTC). Mr. Andreasen advised that communications are continuing with the Abu Dhabi United Arab Emirates and the Arabian Jockey Club to consider sponsoring Arabian races at the Keeneland Race Track during the 2010 World Equestrian Games in Lexington, Kentucky.

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SPORT HORSE NATIONAL SHOW COMMISSION

Allan Ehrlick, Board Liaison, gave the Sport Horse National Show Commission report. Mr. Ehrlick advised that there will be a site visit March 24-26, 2009 in Lexington, Kentucky. The Board members were advised that exhibitors arriving early for the show must contact the AHA office to make their request so that stalling accommodations can be made. This is important as another show will be moving out as Sport Horse Nationals is moving in.

WORKING WESTERN HORSE COMMITTEE

MOTION by Jim Hitt:

Whereas, AHA is continuing to expand into other disciplines and fields of interest; and
Whereas, Encouraging people to participate in these different disciplines does nothing but benefit the breed as a whole, through increases in membership, registration and markets for horses; Therefore, Be It

Moved, That the following classes be added to the Standard Class List of AHA and that these classes be governed under the rules of the United States Team Penning Association (USTPA):

Purebred Team Penning Open

Purebred Team Penning ATR

Half Arabian/Anglo Arabian Team Penning Open

Half Arabian/Anglo Arabian Team Penning ATR

Effective: December 1, 2009.

Motion Passed Unanimously. (**Motion #11-3/6/09-BOD**)

U.S. NATIONAL SHOW COMMISSION

Myron Krause, Board Liaison, gave the U.S. National Show Commission report. Reports were given on plaques, skyboxes, ticket sales, traffic flow in the commercial exhibit area and show venue.

There being no further business, the meeting was adjourned at 4:53 p.m.

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President Lance Walters called the Board of Directors meeting to order at 9:06 a.m. on March 7, 2009 at the AHA Headquarters, Aurora, Colorado.

AWARDS COMMITTEE

Marty Kleiner, Board Liaison, gave the Awards Committee report.

MOTION by Marty Kleiner:

Whereas, The Awards Committee is charged with the responsibility of submitting a motion to the Board of Directors to approve the awarding of the AHA Ambassador Award, after awards committee approval; and
Whereas, Tsarina Bint RII was unanimously approved by the Awards Committee, at its 2008 AHA Convention meeting to receive the AHA 2008 Ambassador Award; Therefore, Be It
Moved, That Tsarina Bint RII be approved by the Board of Directors to receive the AHA 2008 Ambassador Award.
Effective: Immediately.
Motion Passed Unanimously. **(Motion #12-3/7/09-BOD)**

MOTION by Marty Kleiner:

Whereas, The Awards Committee is charged with the responsibility of submitting a motion to the Board of Directors to approve the awarding of the AHA Ambassador Award, after awards committee approval; and
Whereas, WH Bodacious was approved by the Awards Committee, at its 2008 AHA Convention meeting to receive the AHA 2008 Ambassador Award; Therefore, Be It
Moved That WH Bodacious be approved by the Board of Directors to receive the AHA 2008 Ambassador Award.
Effective: Immediately.
Motion Passed Unanimously. **(Motion #13-3/7/09-BOD)**

MOTION by Marty Kleiner:

Whereas, The Special Recognition Award honored Arabians, Half-Arabians or Anglo-Arabians for outstanding accomplishments in Open competitions; and
Whereas, This award was combined with the Ambassador Award in 2005; and
Whereas, The specifications of the Ambassador Award do not truly include horses that compete at Open competitions; Therefore, Be It
Moved, That the Open Competition Award be created to give recognition to Arabians, Half-Arabians or Anglo-Arabians in Open competitions. See attachment for Award specifications.
Effective: January 1, 2010.
Motion Passed Unanimously. **(Motion #14-3/7/09-BOD) (See Exhibit II)**

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COMPETITIONS ADVISORY COMMITTEE

MOTION by Dave Waggoner to reconsider Motion #2-11/22/08-BOD.
Motion Passed Unanimously. (**Motion #15-3/7/09-BOD**) (See **Motion #25-3/7/09-BOD**)

MOTION by Dave Waggoner to approve Motion #2-11/22/08-BOD.
Motion Defeated Unanimously. (**Motion #16-3/7/09-BOD**) (See **Motion #25-3/7/09-BOD**)

A lengthy discussion was held on rules for concurrent classes and it was determined that this item would be postponed until after the lunch break so that the Chair of the USEF Arabian Division Committee could be contacted for clarification.

MOTION by Dave Waggoner:

Whereas, In other breeds, Adult Equitation and Adult Showmanship classes are popular; and
Whereas, AHA does not current offer these classes within its Standard List; Therefore, Be It
Moved, That the following classes be added to the AHA Standard list:
Showmanship AAT
Showmanship AAT Championship
Saddle Seat Equitation AAT
Saddle Seat Equitation AAT Championship
Reining Seat Equitation AAT
Reining Seat Equitation AAT Championship
Hunter Seat Equitation Not To Jump AAT
Hunter Seat Equitation Not To Jump AAT Championship
Hunter Seat Equitation Over Obstacles AAT
Hunter Seat Equitation Over Obstacles AAT Championship
Western Horsemanship AAT
Western Horsemanship AAT Championship

Effective: December 1, 2009.

Motion Passed Unanimously. (**Motion #17-3/7/09-BOD**)

MOTION by Dave Waggoner:

Whereas, AHA has added Reined Cow Horse to its Regional class list; and
Whereas, Other Western "Specialty" classes are listed as an exception in Article 1209.5; Therefore,
Be It
Moved, That Reined Cow Horse be included in the following AHA Article 1209.5:
5. If the Regional Championship classes are held in conjunction with a regular show, they must be held separate from those classes that are the same type at that show. A horse may cross-enter the same type class (Breeding and In-Hand or Performance) provided the same judge does not adjudicate both classes. (Res. 37-77). The exception to this shall be the Cutting Horse, Reined Cow Horse and Working Cow Horse judges.

Effective: Immediately.

Motion Passed Unanimously. (**Motion #18-3/7/09-BOD**)

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INTERNAL AUDIT COMMITTEE

MOTION by Dave Waggoner, That the Arabian Horse Association (“the Association”) Board of Directors approve the President’s expenses in the amount of \$7,310.17 for the period July 1, 2008 through September 30, 2008 and \$5,268.80 for the period October 1, 2008 through December 31, 2008. These expenses have been examined by the Internal Audit Committee and have been determined to be acceptable.

Motion Passed Unanimously. (**Motion #19-3/7/09-BOD**)

MOTION by Dave Waggoner, That the Arabian Horse Association (“the Association”) Board of Directors approve the retention of the independent CPA firm of JDS Professional Group to audit the books and records and prepare the corporate tax returns of the Association for the fiscal year ending March 31, 2009.

Motion Passed Unanimously. (**Motion #20-3/7/09-BOD**)

The Board members were advised that the Association’s audit will go through a bidding process next year. The Board members were also advised that the Internal Audit Committee is working on setting up parameters for the President’s expenses.

MARKET DEVELOPMENT & PROMOTION (MDP) COMMITTEE

Dan Stevenson, Chair, gave the Market Development & Promotion Committee report. Mr. Stevenson reported that the MDP would be holding a meeting on Sunday following the Board meeting and will be discussing their 2009-2010 budget. Mr. Stevenson stated that the MDP will also be discussing their 3-year strategic plan, whose components include increasing registrations, memberships, general awareness of the breed, Youth and supporting Core Projects (Galleries project at Kentucky Horse Park, TAIL, ACS shows). Mr. Stevenson also reported that the PR Network was going to be revamped and that communication of AHA and MDP programs would be done through e-mail blasts and the MDP Newsletter going to the Club President’s as well as other interest parties who were not members of clubs.

POINTS MONITORING COMMITTEE

MOTION by Pam Kittredge:

Whereas, It was not the intent of the Points Monitoring Committee to raise the Walk/Jog Trail points higher than those required for the Open Trail class; Therefore, Be It

Moved, That the points required for Regionals be changed from “2” back to “1”; and, Be It Further

Moved, That the points required for nationals be changed from “4” to “2”.

Effective: Immediately.

Motion Defeated. (**Motion #21-3/7/09-BOD**)

MOTION by Pam Kittredge:

Whereas, AHA Article 1237 currently addresses Western Pleasure Select and Hunter Pleasure Select Regional qualifying points; and

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Whereas, We do not address the points required for English Pleasure Select and Country English Pleasure Select classes; Therefore, Be It

Moved, That AHA Article 1237 be changed to read:

**ARTICLE 1237. WESTERN/HUNTER/ENGLISH/COUNTRY ENGLISH
PLEASURE SELECT QUALIFICATIONS FOR REGIONAL CHAMPIONSHIP
CLASSES (BOD 8/06)**

A total of 3 points are required to qualify for the Arabian and Half-Arabian/Anglo-Arabian Western and Hunter Pleasure Select Regional Championship classes. A total of 2 points are required to qualify for the Arabian and Half-Arabian/Anglo-Arabian English and Country English Pleasure Select Regional Championship classes.

Effective: Immediately.

Motion Passed Unanimously. (**Motion #22-3/7/09-BOD**)

YOUTH NATIONAL SHOW COMMISSION

Deborah Johnson, Board Liaison, gave the Youth National Show Commission report. The Board members were advised that the following classes have been added to the 2009 show: JOTH Mares and Geldings and JOTR Half-Arabian/Anglo-Arabian Native Costume. Ms. Johnson advised that the 2009 Youth Nationals will be held July 25 to August 1 in Albuquerque, New Mexico, and invited all of the Board members to attend the show.

ARABIAN HORSE FOUNDATION (AHF) REPORT

Larry Kinneer, Arabian Horse Foundation President, gave the report. Mr. Kinneer advised that information on the Foundation was included in the mailing to the show secretaries this year with a request for either proceeds from the show or from select classes to go to the Foundation. Mr. Kinneer advised that Beth Minnich has been appointed chair of the newly formed President's Task Force on Genetic Research. The Board members were advised that the Days End Equine Rescue was a recipient of a \$2,500 grant in 2008. Mr. Kinneer advised that there will be a two-page annual Foundation report in the April/May issue of *Modern Arabian Horse*. The Board members were advised that in the Spring of 2009 there will be an AHF donation box added to the AHA membership form. Mr. Kinneer stated that the AHF is working on a club president mailing to remind clubs of the Foundation needs. The Board members were advised that 75 percent of funds raised in 2009 will be disbursed with the remainder to go into a perpetual fund.

POINTS MONITORING COMMITTEE

MOTION by David Garrett to reconsider Motion #21-3/7/09-BOD.

Motion Passed Unanimously. (**Motion #23-3/7/09-BOD**)

General discussion was held regarding points for regional and national classes and it was determined that it would be appropriate to amend the Walk/Jog Trail points at this time.

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MOTION by Pam Kittredge:

Whereas, It was not the intent of the Points Monitoring Committee to raise the Walk/Jog Trail points higher than those required for the Open Trail class; Therefore, Be It

Moved, That the points required for Regionals be changed from "2" back to "1"; and, Be It Further

Moved, That the points required for nationals be changed from "4" to "2".

Effective: Immediately.

Motion Passed Unanimously. (**Motion #24-3/7/09-BOD**)

TERRY ANDREASEN ITEMS

Terry Andreasen, Region 7 Director, discussed Executive Committee and Board accountability and the need for constructive debate, measurable business metrics and a policy driven organization.

Frank Galovic, Treasurer, discussed strategic planning and requested that at the May Board meeting there be a self-assessment to gather metrics and trends, and at the August Board meeting prepare strategic initiatives/objectives in order to move towards a planning process. Mr. Galovic also stated that one hour be set aside at each Board meeting to hold a closed session for candid and open discussions of where the Association stands on certain issues.

Mr. Andreasen stated that there has been Board mandated action items that have not been completed and advised that there is a need for accountability and suggested that future action items should note who shall be responsible for implementation.

Mr. Andreasen discussed the need for task forces to have a purpose, be required to fulfill their purpose and then be disbanded once their tasks have been completed. Mr. Andreasen also stated that if assignments are not fulfilled there should be consequences.

Discussion was held on the seating assignments of the Board of Directors at Board meetings and it was determined that seating shall be random at future meetings so that the Board members can continue to build positive relationships.

It was determined that the merger survey results be compiled, copied, and sent to the Board members prior to the May 2009 Board meeting.

COMPETITION ADVISORY COMMITTEE

MOTION by Dave Waggoner:

Whereas, The motion adding concurrent shows to the Handbook which was passed at the November 2008 Convention was deemed as not following the spirit of the resolution which was Concurrent Classes and not Concurrent Shows; Therefore, Be It

Moved, That the current wording found in the 2009 AHA Handbook for "Concurrent Classes" be approved:

ARTICLE 1108. CONCURRENT CLASS/JUDGE SYSTEM General Rules

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1. This system allows a show to hold concurrently adjudicated classes at the same time/date in a single arena with identical AHA class codes. (Regionals, Nationals and Dressage classes cannot be run utilizing this system). Using two different judges for each class session/division (for record keeping purposes only, AHA will utilize two recording numbers, i.e. Judge A will be recorded under one recording number and Judge B under another). AHA encourages a show to run all classes under both judges. (BOD 11/08) Working Hunter, Trail and Sport Horse In-Hand may be run on open cards. Horses in Working Hunter classes would still have to be trotted for soundness for each class when required. (Res. 15-07)
 - a. Two recognition fees (\$100 per judge) must be submitted to the AHA office along with one application per judge, plus \$1.00 per horse per judge must be submitted with the show results. (BOD 11/08)
 - b. A Single Event Membership must be submitted for each owner, trainer, rider, driver, handler without current Competition Level Membership.
 - c. Only one 9-90 Fee (\$3.00 per horse) will be charged at concurrently run shows. Refer to Article 1111.4. (Res. 15-07)
 - d. A \$100 penalty per judge will be assessed if the prize list is not postmarked and submitted to the AHA office within 30 days prior to the first day of the show. Refer to Article 1110.9. (BOD 11/08)
 - e. An office fee of \$100 per judge will be assessed to a show that submits a prize list without class codes. Refer to Article 1110.9. (BOD 11/08)
 - f. Once a prize list has been received by the AHA office a \$25 fee per class per judge will be charged for added classes. Any classes added after 5 days prior to the show will also be charged \$25 per class per judge. Refer to Article 1110.14. (BOD 11/08)
2. For recognition requirements refer to Articles 1101-1104. Concurrently run classes qualifying for two different Regions must obtain approval from each Regional Director. (BOD 11/08)
3. Judges and Stewards refer to Article 1125-1126. (BOD 11/08)
4. Equitation Medal Class requirements refer to Article 1119. (BOD 11/08)
5. USEF Cross entry class rules apply to concurrently run shows. (BOD 11/08)
6. To record results properly, the prize list must clearly state which judge will officiate under which assigned recording number. A show utilizing concurrently run classes may qualify for two different Regions. Prize lists must specify the qualifying Region for each judge. In addition, a show using concurrently run classes will be exempt from 1110.13 and may run a Championship class once per judge. For additional requirements refer to Article 1110. (BOD 11/08)
7. Results – refer to Article 1136 for complete information. (BOD 11/08)
 - a. Results must be submitted separately under the appropriate recording number.
 - b. Required lists must be submitted with the results for each judge.
8. Sweepstakes classes refer to Article 1816.1 and 1816.4.

Effective: With the printing and posting of the 2009 Handbook.
Motion Passed Unanimously. (**Motion #25-3/7/09-BOD**)

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STRATEGIC PLANNING

Frank Galovic, Treasurer, made a motion to create a committee to develop a strategic plan which was withdrawn after it was determined that the President would appoint an ad hoc committee to accomplish this. Mr. Galovic requested that Frank Galovic, Terry Andreasen, Mollie Krumlaw-Smith and Nancy Harvey be considered as some of the candidates for this ad hoc committee.

REVIEW OF BUSINESS DEPLOYMENT PLAN (BDP)

Lance Walters, President, presented the BDP to the Board members. The Board members reviewed the BDP and determined that the Strategic Planning Ad Hoc Committee would review the BDP to formulate a plan to set goals and measurements of the line items and it would be brought back to the Board members for consideration at the May 2009 Board meeting.

DISCUSSION – WHAT AHA DOES FOR ITS MEMBERS

Debbie Fuentes, Customer Service Sr. Director, reviewed promotional programs and materials that AHA has available for members.

Dan Lawrence, Marketing Senior Director, reviewed the PR Network program, and advised that the Market Development & Promotions Committee has requested that AHA solicit members who would be willing to volunteer as PR representatives, rather than being appointed by a region. The regions were requested to consider helping the PR Representatives with modest funding of some expenses involved with members of their regions who are traveling to various events to promote the Arabian horse.

Marty Kleiner, Region 15 Director, reported that the Competitions Advisory Committee has been working on updating the Recipe for Success and the Golden Book and noted that both will be available electronically in the near future.

A roundtable discussion was held in which each Board member reported on which programs were working and not working in their area. It was requested that staff provide the Board of Directors with an informational document explaining what promotional items are available to the members. The Board members were reminded that the Market Development & Promotion (MDP) Committee has matching educational promotional funding available (up to \$500) for promotional activities that meet the MDP criteria. It was also requested that the promotional booths be set up on the third floor for the May Board meeting so that the Board members can see what AHA has to offer the members. It was agreed that the Board members would all go to dinner on the Friday night of the May Board meeting.

ORGANIZATIONAL EFFICIENCY TASK FORCE

Lance Walters, President, announced that Nancy Harvey and Hamp Johnston have been elected to the Organizational Efficiency Task Force.

There being no further business, the meeting was adjourned at 3:50 p.m.

Jan Decker, AHA Secretary

Approved: _____

Date

Initials

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EXHIBIT I

CODE OF ETHICS, CONFIDENTIALITY AND CONFLICT OF INTEREST POLICY

Introduction

As the officers, directors and employees of the Arabian Horse Association (AHA), and because we operate in the public spotlight, we are expected to conduct our affairs on a basis consistent with the great trust that has been placed in us. This requires our behavior to conform to the highest ethical principles. For these reasons, the AHA requires its officers, directors and staff to conduct business with integrity, to maintain a standard of ethical conduct consistent with the mission statement of the AHA. Furthermore, because the appearance of impropriety can be just as damaging as actual impropriety, conduct, which appears to be improper, is also unacceptable. (See definitions below.) Accordingly, officers, directors and staff are required to comply with the AHA Code of Ethics when representing or participating in AHA activities. (See AHA Chapter 3, Code of Ethics and Sportsmanship.)

Additionally, officers, directors and staff should at all times:

- 1. Conduct all dealings with honesty and fairness.*
- 2. Respect the rights of all employees to fair treatment and equal opportunity, free from discrimination or harassment of any type.*
- 3. Know, understand and comply with the laws, regulations, and codes of conduct governing the conduct of AHA competitions and business.*
- 4. Ensure that all transactions are handled honestly and recorded accurately.*
- 5. Protect information that belongs to AHA, or donors, sponsors, suppliers and fellow workers.*
- 6. Avoid conflicts of interest, both real and perceived.*
- 7. Never use AHA assets or information for personal gain.*
- 8. Recognize that even the appearance of misconduct or impropriety can be very damaging to the reputation of the AHA and act accordingly.*

CONFIDENTIALITY

Officers, Directors and Committee Members shall comply with Rule 501.15 which states, "When designated confidential, any information or material given or distributed to the officers, directors and/or committee members (as defined in Chapter 5.) of AHA shall be kept confidential and not further passed on or disseminated." When any written or oral communication contains the statement "Confidential" in the heading or beginning of the communication, all the information contained in such communication is "designated confidential" in accordance with AHA Rule 501.15.

Conflicts of Interest

These principles provide a framework of integrity for interactions with or on behalf of AHA. However, given the unique makeup of the AHA family, more in depth questions may arise regarding conflicts of interest. For this reason, the following guidance is provided:

- AHA defines a conflict of interest as any personal or financial (both direct and indirect) relationship including relationships of family members (see definition below) that could influence or be perceived to influence your objectivity when representing or conducting business for, or on behalf of AHA.*
- AHA defines "family" for the purpose of this policy only as follows: spouse, parent, child or spouse of a child, brother, sister, spouse of a brother or sister, a cohabiting companion, or any other individual with a significant familial or familial-like relationship.*
- AHA defines a substantial appearance of a conflict of interest as whenever others may reasonably infer from the circumstances that a conflict exists. Because the appearance of impropriety can be just as damaging as actual impropriety, conduct that appears to be improper must be disclosed so that the appropriate AHA entity may determine whether such substantial appearance of a conflict is deemed to be a prohibited conflict of interest. For*

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these reasons, an individual must recuse himself/herself from participating in the AHA activity giving rise to the substantial appearance of a conflict of interest unless and until it is determined by the appropriate AHA entity that no conflict exists.

- *Following appointment or election, each AHA Board member, Budget and Finance Committee member, Ethical Practice Review Board member, Internal Audit Committee member, Legal Review Committee, Market Development and Promotion Committee member, Probable Cause Panel member, or any AHA Commission member, must fulfill his/her obligation to disclose any conflict by submitting the appropriate form attached (A and B) to the Executive Vice President.*

Inappropriate hospitality or gift giving between individuals can also create a conflict of interest.

- *AHA defines inappropriate hospitality as the offering or receiving of accommodations, tours, event tickets, entertainment, meals or other similar personal benefits except as specifically provided for by applicable policies.*

Similarly, AHA prohibits the receipt or giving of personal gifts except for items of nominal value such as coffee mugs, hats, pins, etc. unless specifically provided for by applicable policies.

Questions regarding the application of AHA's hospitality and gift policies must be addressed to the Executive Vice President.

Enforcement

Any person who violates or condones the violation of the Code of Ethics or this agreement is subject to disciplinary measures, which may include termination of membership, employment, and expulsion from the board or committee. The Executive Vice President shall review all violations of the Code of Ethics and, if appropriate, (a) as to officers, directors and committee members, refer the matter to the Probable Cause Panel for determination if the matter should be forwarded to the Ethical Practice Review Board for any disciplinary action that should be taken, or (b) as to staff, sanction the individual in accordance with AHA's standard employment practices.

This code serves as a framework for ethical conduct but does not cover every situation. If you are unclear about the requirements of this code, please consult your supervisor or contact the Executive Vice President at AHA as follows:

*Arabian Horse Association
10805 East Bethany Drive
Aurora, Colorado 80014
Telephone: (303) 696-4500
Fax: (303) 696-4599*

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EXHIBIT A

ARABIAN HORSE ASSOCIATION

DISCLOSURE AND AFFIRMATION STATEMENT

PLEASE RETURN THIS DISCLOSURE AND AFFIRMATION STATEMENT TO THE ARABIAN HORSE ASSOCIATION, ATTENTION EXECUTIVE VICE PRESIDENT, NO LATER THAN _____.

Disclosure

I have read carefully and fully understand the attached Code of Ethics, Confidentiality and Conflict of Interest Policy of the Arabian Horse Association (AHA).

I am aware that if, because of any relationships, positions, or circumstances, concerning me within the last 12 months, I may have or appear to have a potential conflict of interest, I am required to list such relationships, positions, or circumstances on the annexed Exhibit B, and return the appropriate completed Exhibit with this Disclosure and Affirmation Statement.

I understand that if I have any questions in my mind whether I may have a potential conflict of interest, I should disclose that interest to AHA on the annexed Exhibit B. Any questions concerning AHA's Code of Ethics, Confidentiality and Conflict of Interest Policy shall be referred to the Executive Vice President or the President of AHA, in the case the question is one from the Executive Vice President.

Affirmation

I hereby affirm that I have received a copy of the Code of Ethics, Confidentiality and Conflict of Interest Policy of the AHA that is in effect as of the date hereof (the "Policy"), that I have read and understand the Policy, and that I agree to comply with the Policy. I further understand the duty to list all individuals, businesses and/or other entities that create or represent a potential conflict of interest on Exhibit B and to update and amend Exhibit B promptly should any amendment be necessary.

Signature

Print Name

Date

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EXHIBIT B

ARABIAN HORSE ASSOCIATION

**CONFLICT OF INTEREST DISCLOSURE STATEMENT
For all but Selection Matters**

This statement must be filled out by every AHA Board member, Budget and Finance Committee member, Ethical Practice Review Board member, Internal Audit Committee member, Legal Review Committee, Market Development and Promotion Committee member, Probable Cause Panel member, or any AHA Commission member. This Disclosure Statement shall be submitted annually and updated as often as necessary to AHA. Providing the information requested herein is prerequisite to participation by directors, staff and committee members. Refusal to provide the requested information or providing incomplete or inaccurate information may result in removal from board, committee membership or employment.

1. *If you or any member of your immediate family are an officer, partner, director, trustee, owner or employee of any person or any entity which does business with AHA, please list the name and address of the entity(ies), the nature of your relationship with said person or entity(ies) and describe the dealings. If none, please state "none".*

2. *If you or any member of your immediate family holds an ownership interest in a closely-held company or other business entity, or at least a 5% ownership interest in any public company which does business with AHA, please list the name and address of the entity(ies), the nature of your relationship with said person or entity(ies) and describe the dealings. If none, please state "none".*

3. *If you have any reason to believe that any of the persons or entities with which you or immediate members of your family are affiliated may have business dealings with AHA in the future, please list those entities and the nature of such dealings. If none, please state "none".*

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4. *Are you an employee or employer of another AHA officer or director or do you have any other business dealings or financial dealings with another AHA director or any company or concern that director is involved in?*

_____ *Yes* _____ *No*

If you have answered yes to the above, please provide the details as follows.

If you or any member of your immediate family are an officer, partner, trustee, owner or part or full-time employee (contractual or otherwise) of an officer or director of AHA or the entity, owned or in which said officer or director has at least a 5% ownership interest, please list the name and address of the officer or director, the nature of your relationship with said officer or director and describe the dealings. If none, please state "none".

5. *If there is any relationship or matter not disclosed above which might be perceived to compromise your obligations to AHA under its Conflict of Interest Policy or which may raise questions of a conflict between your duty and loyalty to AHA, your loyalty to any other entity and/or your economic self-interest, please indicate here what that relationship or matter is. If none, please state "none".*

Signature

Print Name

Date

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EXHIBIT II

OPEN COMPETITION AWARD

1. *Purpose. This award is to recognize the Arabian, Half-Arabian or Anglo-Arabian Horse(s) for outstanding achievement in representing the Arabian Horse community in areas of Open Competition such as but **NOT LIMITED** to: Open Reining, Competitive Trail, Competitive Endurance, Combined Driving, Hunter, Eventing, Jumping, Carriage Pleasure Driving, Working Western, and Dressage.*
2. *This award is to recognize those horse(s) that have received acknowledgement at the higher levels of competition such as but **not limited** to regional championships, national competitions and international competitions open to all breeds and/or shown progressive and consistent accomplishment within the discipline.*
3. *To be considered for this award the Arabian, Half-Arabian or Anglo-Arabian Horse(s) must have acknowledged and promoted the fact that they are a representative of the Arabian breed in some form; publications, demonstrations, or other public forums.*
4. *Deceased horses are not eligible to be nominated and/or receive this award.*
5. *Persons who wish to have their horse considered for this award or persons who know of an outstanding horse to be considered for this award must prepare a letter of particulars along with the recommendation letters from a minimum of three (3) AHA members, including their AHA member numbers and submit it to the AHA office by September 1st. All applications will be reviewed by the Awards Committee at each Annual Convention. The Committee will select the recipient(s) at that time. As this is a special significant recognition award there may be years when there are no recipients or years when there are multiple recipients.*
6. *A suitable trophy will be presented to each recipient. The owner of the horse selected has the option to purchase a duplicate award if the rider/driver/handler is different. Maximum effort will be made to publicize the award recipients through all appropriate horse related periodicals or other forms of communication such as the AHA website.*
7. *The cost of the trophy will be covered by sponsorships from various individuals and regional supporters and will be the responsibility of the Awards Committee. If this monetary support is not provided in any given year, this award will not be presented.*
8. *Should nominations be made in a year when financial support is not provided, those nominations will be carried over to the next year that the financial support is available.*