

**THE AMERICAN DRIVING SOCIETY, INC.
BOARD OF DIRECTORS' MEETING
JANUARY 14, 2012 CINCINNATI, OHIO**

President Freiburger called the meeting of The American Driving Society, Inc. Board of Directors to order at 8:00Am ET.

Roll Call

Secretary Ann Davis took the roll call:

Present: John Freiburger, Mary Jo Stockman, Bill Lawson, Ann Davis, Dave Sadler, Myrna Rhinehart, Elaine Kendig, Marcie Quist, Claire Reid, Dana Bright, Maureen Harkcom, Jeff Morse, Simon Rosenman, Amanda Horton, Dianne Koopman, Jennifer Matheson, Merridy Hance, Mike Arnold, Mary Winter, and Audrey Bostwick. Also present were Honorary Board of Directors members Natasha Grigg and Kelly Valdes

Absent: Margaret Grillet, Gina Handy, Peter Lofgren, Veronica Campbell, Francine Arrington, Ruthie Graves, Gerry Pearson, Boots Wright (excused), Tracey Morgan, Larry Denny, Alicia Pierce (excused), and Jim Keathley

The Secretary announced that there were 20 members present out of the 32 Board of Directors members, meeting the required one-third for a quorum.

Agenda Review

The President asked if there were any changes to the printed agenda. There were none.

Approval of the minutes

Minutes from the December 7, 2011 (Webinar Meeting) were available to the Board of Directors members. ***President Freiburger asked three times if there were any comments, questions, or changes. Hearing none, the minutes were approved with unanimous consent.***

Executive Director's Report

A complete report from the Executive Director Susie Koos Acker is attached. Highlights include: a membership report, 2012 Rulebook now on website and available in hard copy (sales of hard copies now at break-even), discussion of possible education webinars in 2012, office repairs, ADS new communications (Organizers Newsletter and News Bit), google blogs, and the 2012 Annual Members Meeting.

The meeting was opened to questions:

The subject of the ADS Forum on the website and whether there is a spam filter as there appears that the site is being used for unwanted advertising. ***Elaine Kendig moved that the ADS discontinue the ADS Forum, with a second by Bill Lawson. The President asked if there were any objections. Hearing none, the motion passed with unanimous consent***

The subject of posting on the ADS website the date and time of all meetings, including standing committees, was discussed. ***Mike Arnold moved that the date and time of all ADS meetings be posted at least seven days prior to the meeting date, with a second by Mary Jo Stockman. After a discussion, the question was called. The vote was taken: yes-19; and no-1 (Dave***

Sadler). *The motion passed.*

Treasurer's Report

Treasurer Bill Lawson distributed written copies of his report along with these documents: Balance Sheet as of December 31, 2011; Profit & Loss January through December 2011; Profit & Loss Budget vs. Actual January through December 2011; and a summary of adjustment to the December income statement (a copy of the report and the four documents are attached). Highlights were discussed, including these subjects: membership income; Plummer Estate not included; availability of cash to cover expenses; long term obligations including life memberships; and 2011 audit had not been budgeted.

Vice President's Report

Vice President Mary Jo Stockman updated the members on her activities in registering the ADS fundraising programs with states where historically funds are raised. A discussion following her comments included: will we need an audit each year in the future (the Vice President said yes); the annual state registration to continue fundraising; the ADS can now be aggressive in future fundraising; and penalties to be paid for past fundraising without state registration

NEW BUSINESS

Appointment of a replace for Mid Atlantic Regional Director

It was reported that Margaret Grillet has resigned from her position as Mid Atlantic Regional Director, and the ADS needs to appoint a new director effective December 31, 2011. *Elaine Kendig moved that Jessica (Snyder) Axelsson be appointed to this position, with a second by Dana Bright. After discussion, President Freiburger asked if there was objection. Hearing none, the motion passed with unanimous consent.*

Appointment of two Regional Directors for the Nomination Committee

Mary Winters moved that Myrna Rhinehart be appointed with a second by Mary Jo Stockman. President Freiburger asked if there was objection. Hearing none, the motion passed with unanimous consent.
Ann Davis moved that Ruth Graves be appointed, with a second by Simon Rosenman. President Frieburger asked if there was objection. Hearing none, the motion passed with unanimous consent.

Nominating Committee Chair Natashas Grigg clarified the appointment of Amanda Horton to the Committee.

Change of agenda order

Maureen Harkcom moved that the Board take up item #13 at this point, with a second by Dana Bright. President Freiburger asked if there was objection. Hearing none the Board took up, out of order, the Location/date for the 2012 Member's Meeting.

In discussing a date for 2012, the Executive Director also mentioned that this same last weekend in September had been penciled in, as a draft, for the 2013 annual Membership meeting. *Marcie Quist moved that the Annual Meeting be held on September 28-29, 2013 and that no other ADS event be recognized on those dates. Dave Sadler seconded the motion.* Discussion included the challenge of having the 2014 Rule Book ready for Board

action; the problem of events possibly requesting this weekend; the benefits and problems with having the members meeting in November or early December; and the benefits of having a consistent date. ***A vote was then taken with these results: yes-14; and no-5 (Jeff Morse, Simon Rosenman, Dianne Koopman, Jennifer Matheson, and Mary Winter). The motion passed.***

Myrna Rhinehart moved that the 2012 Member's Meeting be held September 29-30, 2012 in the Madison Wisconsin area. Mary Jo Stockman seconded the motion. The motion was voted upon with these results: yes-13; and no-5 (Dianne Koopman, Dave Sadler, Simon Rosenman, Marcie Quist, and Claire Reid). The motion passed.

2012 Budget

Treasurer Lawson redistributed the hard copy of the 2012 Budget proposal that had been discussed at the December 7, 2011 GoToMeeting Board of Directors meeting. ***Using this document, the Treasurer moved to approve the 2012 budget as published with the following changes: delete revenue from line item "Friends of ADS"; change the Line item "ADS Fund Grant For Operations" from \$9000 to \$11,000; and correct typo in the published copy in the category of advertising income (Whip-29,000; Wheelhorse-50; Omnibus-13,000; Buyers Guide-9500; Web Site-1000; and classified-250), the total remaining unchanged at \$52,800. The motion was seconded by Amanda Horton.***

Jennifer Matheson moved an amendment to the motion: Each AD- recognized competition will be assessed a five (\$5) dollar fee per competitor in ADS classes. Amanda Horton seconded the amendment. After discussion, a vote was taken with these results: yes-12; no-6 (Bill Lawson, Dianne Koopman, Mary Jo Stockman, Marcie Quist, Claire Reid, and Ann Davis); and abstain-1 (Mike Arnold). The amendment passed.

Mary Jo Stockman moved a second amendment, that the above amendment be implemented in 2013. Amanda Horton seconded the motion.

Claire Reid moved to amend the above second motion to read: Fees will be charged to all shows not yet printed in the Omnibus as of this date or recognized by the ADS. Bill Lawson seconded the motion. After discussion, a vote was taken with these results: yes-11; and no-8 (Dianne Koopman, Dave Sadler, Maureen Harkcom, Merridy Hance, Simon Rosenman, Amanda Horton, Mary Jo Stockman, and Marcie Quist). The amendment to the amendment passed.

President Freiburger then pointed out that the second amendment moved by Mary Jo Stockman and seconded by Amanda Horton now has the same language as the amendment to the amendment just passed with the substitution of implementation date from 2013 to 2012 events not yet in the 2012 Omnibus or recognized by the ADS. ***There were no objections to accepting the revised second amendment language because of the vote.***

President Freiburger then returned the focus of the meeting to the original motion on the 2012 budget (which was moved by Bill Lawson and seconded by Amanda Horton).

Jennifer Matheson moved an amendment to the original motion to change the amount of the line item "ADS Fund Grant for Operations" from \$11,000 to \$20,000 to insure a

break-even budget. Mary Jo Stockman seconded the motion. President Freiburger asked if there was objection. Hearing none, the amendment passed by unanimous consent.

The 2012 budget, with the amendments, now reads:

A motion to approve the 2012 budget as published with the following changes: delete revenue from line item "Friends of ADS"; change the Line item "ADS Fund Grant For Operations" from \$9000 to \$20,000; and correct typo in the published copy in the category of advertising income (Whip-29,000; Wheelhorse-50; Omnibus-13,000; Buyers Guide-9500; Web Site-1000; and classified-250), the total remaining unchanged at \$52,800.

Additionally, to create a new fee for ADS competitions. Each ADS recognized competition will be assessed a \$5.00 fee per competitor in ADS classes. Organizers will be required to collect and remit the appropriate fee to the ADS within the 10 day required time frame for all show documents.

Fees will be charged to all shows not yet printed in the Omnibus or recognized as of this date 1/14/2012.

A vote was then taken with these results: yes-12; and no-7 (Mary Jo Stockman, Dave Sadler, Marcie Quist, Maureen Harkcom, Dianne Koopman, Merridy Hance, and Mary Winter). The motion passed.

Committee reports and discussion

These Standing Committee reports on 2011 results and 2012 goals had been distributed prior to the meeting: Governance & Bylaws Committee; Marketing Committee; Event Standards Committee; Education Committee; Dressage Committee; Development Committee; LOC Committee; Pleasure Driving Committee; Rules Committee (see attachments). Each of the reports was shown on a screen, and chairs took comments and answered questions. Marcie Quist, Chair of the Combined Driving Committee, gave a verbal report, also addressing comments and questions.

Endowment Fund

Two documents on the new Endowment Fund had been distributed to the Board of Directors prior to the meeting: Investment Council of The American Driving Society, Inc. (version 1/8/2012); and ADS Fund Notes on an Investment Council Motion. The Chair stated that the documents are the results of months of work done by the Development, Finance, and the Executive Committee with council provided by the Governance Committee. She further stated that at this meeting it is necessary that there be a motion to approve the Investment Council of the American Driving Society.

President Freiburger addressed the members regarding the Endowment Fund documents stating that policy decisions needed to be made, including the setup of the five-person council. He also stated that in the future there may have to be some small changes to the documents based upon further consideration of New York law but this should not hold up passing a motion to approve the document as now drafted.

Jennifer Matheson moved that the Board of Directors approve Investment Council of the American Driving Society. Merridy Hance seconded the motion. President Freiburger asked

if there were any objections. Hearing none, the motion was passed with unanimous consent except for an abstention by Mary Jo Stockman.

President Freiburger stated that we now need approval of the Corporate Resolution for Corporate Account as printed on a document distributed which must be signed with MorganStanleySmithBarney to create an account for the funds (see attachments for this document as well as an account application document). ***Myrna Rhinehart moved approval off the Corporate Resolution as just specified. Amanda Horton seconded the motion. Freiburger asked three times if there was any objection to the resolution as printed on the account for the ADS and officers to set up the Securities Account with MorganStanleySmithBarney. Hearing none, a motion to approve the transaction was approved.***

Claire Reid moved that Bill Lawson, current Chair of the Budget & Finance Committee, be appointed to a two-year term on the five person investment council. Amanda Horton seconded the motion. In the discussion, Claire Reid, as Chair of the Development Committee, explained that the ADS President and the Chair of the Development Committee are automatically members of the Investment Council. This appointment would be the third member for a two-year term. ***President Freiburger asked three times if there was any objection to the motion to appoint Bill Lawson. Hearing none, the motion passed with unanimous consent.***

Other new business

President Freiburger asked three times if there was any other new business. There was none.

Myrna Rhinehart moved that the ADS Board of Directors meeting be adjourned. Elaine Kendig seconded the motion. Hearing no objection, the meeting was adjourned at 12:10PM ET with unanimous consent

Submitted by Ann Davis, ADS Secretary

Date: January 21, 2012

ATTACHMENTS:

Executive Director's Report

Treasurer's Report to the Membership

2011 Financial Document summaries

Proposed ADS Budget for 2012

Governance & Bylaws Committee Report

Marketing Committee Report

Event Standards Committee Report

Education Committee Report

Dressage Committee Report

Development Committee Report

Licensed Officials Committee Report

Pleasure Driving Committee Report

Rules Committee Report

Investment Council of The American Driving Society, Inc. (version 1/8/2012)

**ADS Fund-Notes on an Investment Council Motion
Corporate Resolutions for Corporate Account - MorganStanleySmithBarney
Account Application – Morgan StanleySmithBarney**