

BOARD OF DIRECTORS
April 11 & 12, 2011

The Board convened on Monday April 11, 2011 at 8:00 a.m. All Directors were present, as were the Executive Secretary, the Chief Operating Officer, and the Assistant Executive Secretary. Copies of the February 2011 minutes were made available to all Directors. The Board reviewed the minutes of the February 11, 2011 meeting. Upon a motion by Mr. Arnold, seconded by Ms. Scully, the February 2011 Board minutes were unanimously adopted.

There was an EXECUTIVE SESSION to discuss personnel matters. Upon return to regular session, it was reported that the following Executive officers were elected:

Dennis B. Sprung	President and Chief Executive Officer
John J. Lyons	Chief Operating Officer
James T. Stevens	Chief Financial Officer
James P. Crowley	Executive Secretary

CHAIRMAN'S REPORT

Mr. Menaker reported on the Board Committee and the Delegate Committee liaison appointments.

BOARD COMMITTEES**Appeals**

Dr. William R. Newman, Chair
Lee Arnold
Patricia C. Scully

Audit

Dr. Robert D. Smith, Chair
Steven D. Gladstone
Alan Kalter

Pension

Dr. J. Charles Garvin, Chair
Robert A. Amen
Carl C. Ashby III
Dr. Carmen L. Battaglia

Compensation

Ronald H. Menaker, Chair
Dr. Thomas M. Davies, Vice Chair
Alan Kalter

BOARD DELEGATE COMMITTEE LIAISONS**Coordinating**

Dr. Thomas M. Davies
Dennis B. Sprung

Delegate Advocacy and Advancement

Dr. J. Charles Garvin
Steven D. Gladstone

All-Breed Clubs

Dr. Robert D. Smith
Dr. Carmen L. Battaglia

Bylaws

Alan Kalter
Robert A. Amen

Canine Health

Dr. William R. Newman
Lee Arnold

Dog Show Rules

Walter F. Goodman
Carl Ashby

Field Trial and Hunting Tests Events

Lee Arnold
Dr. Robert Smith

Herding, Earthdog, and Coursing Events

Patricia C. Scully
Carl C. Ashby III

Obedience, Tracking, and Agility

Robert A. Amen
Patricia C. Scully

Parent Clubs

Alan Kalter
Steven Gladstone

*The AKC Board Chairman and Vice Chairman are ex-officio members
of all Board Committees.*

PRESIDENT'S REPORT

Board Action Items

Mr. Sprung gave a status report on previous action items assigned to the Staff.

Events and Entries Update

Mr. Sprung reported that for the months of January and February 2011 aggregate Entries were up by 5.29% and Events were up by 3.87% compared to the first two months of the previous year.

There was an EXECUTIVE SESSION to discuss a sensitive business matter.

LEGAL REPORT

Margaret Poindexter, General Counsel, participated in this portion of the meeting. She presented a status report on pending litigation and other activities during the months of February and March 2011.

PRESENTATION ON LEGAL DUTIES OF DIRECTORS OF NOT-FOR-PROFIT CORPORATIONS

Victoria B. Bjorklund and David A. Shevlin of Simpson Thacher and Bartlett LLP, gave a presentation on the legal duties of all Directors of Not-for-Profit Corporations. An outline of the presentation is Attachment A. While many of the principles are applicable in all states and will be helpful to clubs, the presentation did focus on New York State Not-for-Profit Law.

FINANCIAL REPORT

Jim Stevens, Chief Financial Officer, participated in this portion of the meeting. Total revenues in 2011's first quarter of \$14 million, were 6% lower than the prior year. Total operating expenses of \$14.8 million during this period were 1% higher than 2010. This resulted in an operating deficit of \$748,000 for the quarter vs. an operating surplus of \$200,000 during the first quarter of last year.

Our investments generated a gain of \$2.1 million in 2011's first quarter vs. a gain of \$1.6 million last year.

CONSENT AGENDA**Delegates**

Following discussion, there was a motion by Mr. Ashby, seconded by Dr. Garvin, and it was VOTED (unanimously) to approve the following Consent Agenda Items.

The following Delegates were approved:

Sara Karl, Colorado Springs, CO
to represent Bernese Mountain Dog Club of America

Gary Koeppel, North Canaan, CT
to represent Parson Russell Terrier Association of America

Daniele Ledoux-Starzyk, Henderson, NV
to represent Silver State Kennel Club

Jenny Merritt, Bothell, WA
to represent Staffordshire Bull Terrier Club of America

Martha Nazak, Mineral, VA
to represent Old Dominion Kennel Club of Northern Virginia

Caulder Ripley, Waterbury, VT
to represent Green Mountain Kennel Club

Barbara Shives, Blythwood, SC
to represent Columbia Kennel Club

Heather K. Smith, Deerfield, WI
to represent Scottish Deerhound Club of America

Anthony Vasquez, Claremont, CA
to represent San Gabriel Valley Kennel Club

Carol Williams, Brush Prairie, WA
to represent American Cavalier King Charles Spaniel Club

The following resolutions were adopted:

Dr. Patricia H. Haines Resolution

AT A MEETING OF THE BOARD OF DIRECTORS
OF
THE AMERICAN KENNEL CLUB
Held on April Thirteenth, two thousand and eleven,
the following Resolution was unanimously adopted:
WHEREAS,

Dr. Patricia H. Haines

was elected a Director of The American Kennel Club March fourteenth, nineteen hundred and ninety-five, serving until March ninth, nineteen hundred and ninety-nine; and,

WHEREAS, she served as a member of the Board Events Committee from April, nineteen hundred and ninety-five, until April, nineteen hundred and ninety-seven; and the Board Events and Clubs Committee from April, nineteen hundred and ninety-seven, until March nineteen hundred and ninety-nine; and,

WHEREAS, she served as a member of the Board Committee for the Future from April nineteen hundred and ninety-five, until April, nineteen hundred and ninety-seven; and,

WHEREAS, she served as a member of the Board Discipline review Committee from August, nineteen hundred and ninety-five and as Chair of that committee from May, nineteen hundred and ninety-six, until March, nineteen hundred and ninety-nine; and

WHEREAS, she served as a member of Board-appointed committees for Junior Showmanship, Breeders Education, the Future Direction of Show Events, and a review of the AKC Constitution and Bylaws; and,

WHEREAS, she served as a Board Liaison to the Delegate Canine Health Committee from August, nineteen hundred and ninety-seven, until March, nineteen hundred and ninety-nine;

WHEREAS, she was re-elected as a Board member on March eleventh two thousand and three, serving until March eighth, two thousand and eleven; and,

WHEREAS, after her re-election, she at different times served on the Board Breeders, Business Operations and Planning, and Audit Committees, and as Board liaison to the Delegate Parent Clubs, Canine Health, Bylaws, and Field Trial and Hunting Test Club Committees; and,

WHEREAS, her acknowledged expertise in matters pertaining to canine health, breeding and Junior Showmanship proved to be an invaluable asset to the Board of Directors as it addressed issues in these areas and moved to position itself to maintain and expand its leadership role in promoting and protecting the Sport of Purebred Dogs; and,

WHEREAS, we are ever mindful of the great contributions she has made and continues to make to The American Kennel Club and the Sport of Purebred Dogs; and,

WHEREAS, we will ever cherish our association with this distinguished sportswoman, veterinarian, and friend,

NOW THEREFORE, be it

RESOLVED, that the Directors of The American Kennel Club extend their most sincere best wishes for the years ahead and their deep appreciation for her dedicated service to The American Kennel Club.

Kenneth A. Marden Resolution

AT A MEETING OF THE BOARD OF DIRECTORS
OF

THE AMERICAN KENNEL CLUB

Held on April Thirteenth, two thousand and eleven,
the following Resolution was unanimously adopted:

WHEREAS,

Kenneth A. Marden

first joined the Delegate body as the representative of the German Shorthaired Pointer Club of America on September tenth, nineteen hundred and seventy-four, and was elected to The American Kennel Club Board of Directors on March eleventh, nineteen hundred and eighty-six, and,

WHEREAS, he was elected President of The American Kennel Club on May twelfth nineteen hundred and eighty seven, serving until March thirteenth, nineteen hundred and ninety; and,

WHEREAS, his presidency was marked by great strides in the areas of communications, legislation, and Performance activities; and,

WHEREAS, his extensive experience in the Performance Events area was invaluable in the establishment of a Performance division, and the development of programs for Herding, Lure Coursing, Agility, and Earthdog Events, as well as the expansion of The American Kennel Club's Canine Good Citizen Program; and,

WHEREAS, he continued to serve on The American Kennel Club Board of Directors until March fourteenth, two thousand and six, as a member of numerous Board Committees, including Pension, Events, and Clubs, Public Relations and Public Affairs, and Appeals, and as American Kennel Club Treasurer from March ninth, nineteen hundred and ninety-nine, until January first, two thousand and one; and,

Whereas, he was re-elected to the Board on March thirteenth, two thousand and seven, serving until March eight two thousand and eleven; and,

WHEREAS, during this four-year period he chaired the Board Pension Committee, served on the Compensation Committee, and as Board liaison to the Delegate Field Trial and Hunting Test Events Committee, and the Delegate Herding, Earthdog and Coursing Events Committee; and,

WHEREAS, his acknowledged expertise and devotion to matters pertaining to Performance Events, Legislation, and Public Relations, as well as his sincere concern for the preservation of the Sport and for the welfare of The American Kennel Club and its employees, have proved to be invaluable assets to the Board of Directors as it addressed issues in these areas; and,

WHEREAS, we are ever mindful of the great contributions he has made over the last three decades and continues to make The American Kennel Club and the Sport of Purebred Dogs; and,

WHEREAS, we will ever cherish our association with this distinguished sportsman, businessman, true gentleman, and friend;

NOW THEREFORE, be it

RESOLVED, that the Directors of The American Kennel Club extend their most sincere best wishes for the years ahead and their deep appreciation for his dedicated service to The American Kennel Club.

Patti L. Strand Resolution

AT A MEETING OF THE BOARD OF DIRECTORS
OF
THE AMERICAN KENNEL CLUB
Held on April Thirteenth, two thousand and eleven,
the following Resolution was unanimously adopted:
WHEREAS,

Patti L. Strand

was elected a Director of The American Kennel Club March fourteenth, nineteen hundred and ninety-five, serving until March eighth, two thousand and eleven; and,

WHEREAS, she served on numerous Board Committees, including: Customer Relations and Public Education in nineteen hundred and ninety-five; Judges Review in nineteen hundred and ninety-six; Public Affairs (later Public Relations) from nineteen hundred and ninety-seven until two thousand and seven; Events and Clubs from nineteen hundred and ninety-six until two thousand and five; and Breeders from two-thousand and three until two thousand and eleven; and,

WHEREAS, she chaired the Public Relations Committee, and from nineteen hundred and ninety-nine until two thousand and eleven was the Board liaison to the Delegate All-Breed Clubs Committee; and,

WHEREAS, in April, nineteen hundred and ninety-six, she proposed the policy concerning deficiencies in the care and conditioning of dogs which was adopted by the Board, and served to help differentiate the American Kennel Club's registry from all others in the United States, and,

WHEREAS, she served on the Special Board DNA Advisory Committee from December, two thousand through September two thousand and two; and,

WHEREAS, she chaired the Special High Volume Breeder's Committee, which was organized in August, two thousand one, making its final report in November, two thousand and two; and,

WHEREAS, her knowledge, experience, and expertise in matters pertaining to legislation, public education and in communicating with the public have proved to be an invaluable asset to the Board of Directors as it addressed issues in these difficult and sensitive areas, helping The American Kennel Club to stay relevant and to maintain its leadership role in all matters pertaining to purebred dogs; and,

WHEREAS, we are ever mindful of the great contributions she has made and continues to make to The American Kennel Club and the Sport of Purebred Dogs; and,

WHEREAS, we will ever cherish our association with this distinguished sportswoman, public advocate for the sport, and friend,

NOW THEREFORE, be it

RESOLVED, that the Directors of The American Kennel Club extend their most sincere best wishes for the years ahead and their deep appreciation for her dedicated service to The American Kennel Club.

Parent Club Approval for The Spanish Water Dog

The Board approved the Spanish Water Dog Club, Inc. to be the Parent Club for that breed.

Cirneco dell'Etna

The Board approved a request from the Cirneco dell'Etna Club of America to advance the Cirneco dell'Etna to the Miscellaneous Class effective January 1, 2012.

Parent Club Approval for The Coton de Tulear

The Board considered the approving of a Parent Club for the Coton de Tulear. The breed has been in the Foundation Stock Service since 1996, and AKC staff is aware of at least four national breed clubs, two of which are opposed to any connection with AKC. Following discussion, there was a motion by Dr. Newman, seconded by Dr. Davies, and it was VOTED (unanimously) to designate the United States of America Coton de Tulear Club as the AKC Parent Club for the breed.

EXECUTIVE SECRETARY'S REPORT

David Roberts, and Mari-Beth O'Neill, AKC Staff, participated in this portion of the meeting via video conference.

Article VI, Section 5 of AKC Bylaws

Following discussion, it was the consensus that rather than creating a new section, it would be preferable to simply expand upon the provisions already in the Bylaws. Currently, any individual found to have stolen, embezzled or misappropriated funds from an AKC club, is barred from becoming a Delegate for ten years. It was suggested that the same apply to anyone who steals, embezzles or misappropriated funds from AKC, any AKC subsidiary, or affiliated organization.

The following amendment (changes underlined) will be considered for a vote in May.

Article VI

Section 5,

No person may become or remain a Delegate if convicted of a misdemeanor or felony involving the theft, embezzlement, or misappropriation of funds or property from The American Kennel Club, any AKC subsidiary, or affiliated organization, or an AKC-sanctioned, licensed, or member club in a civil court action within the previous ten (10) years. The same would apply to a person found liable for the theft, embezzlement, or misappropriation of funds or property from The American Kennel Club, any AKC subsidiary, or affiliated organization, or an AKC-sanctioned, licensed, or member club in a civil court action within the previous ten years.

A conviction or admission of guilt or finding of a liability in a court of competent jurisdiction involving theft, embezzlement or misappropriation of funds or property from The American Kennel Club, any AKC

subsidiary, or affiliated organization, or an AKC-sanctioned, licensed, or member club within the last ten years, shall be deemed conclusive proof and shall be grounds for the disapproval of a Delegate candidate or the removal of a seated Delegate.

Delegate Removal

ARTICLE VI, SECTION 7, of the AKC Bylaws, provides for an appeal to the Delegate body when the Board disapproved a Delegate application. This same appeal, while not stipulated in the Bylaws, has been also applied to a Delegate the Board wishes to remove. It was recommended that the Bylaw be brought in line with practice. The following amendment (changes underlined) will be considered for a vote in May.

SECTION 7. Candidates disapproved or Delegates removed by the Board of Directors shall be notified in writing of said disapproval or removal. The candidate's sponsoring Club or Delegate's Club may, within thirty days of notice of disapproval or removal appeal the disapproval or Delegates removal in writing to the Executive Secretary of the AKC, stating the reasons why the candidate is eligible under **Section 5** of this article. Such appeal shall be presented to the Delegates at their next regular meeting. An affirmative vote of two-thirds of the Delegates present and voting that the candidate is eligible (under **Section 5** of this article) shall be required to seat or to retain the seat of a disapproved candidate or removed Delegate.

Parent Club Approval for Miscellaneous Class Breeds

The Board reviewed the clubs recommended to serve as the Parent Club for the Boerboel, Pumi, Sloughi and the Wirehaired Vizsla. This will be discussed further at the May meeting.

Russell Terrier

The Board reviewed a request from the American Russell Terrier Club (ARTC). The ARTC is seeking acceptance into the AKC Stud Book and approval for the breed to compete in the Terrier Group. This will be discussed further in May.

MARKETING AND COMMUNICATIONS

Lisa Gonzalez, David Roberts, Mark Dunn, and Michelle Baker, AKC staff, participated via video conference. Also present via video conference were Barbara Ohmann and Penny Leigh, staff. There was an update on the various initiatives and programs instituted to reduce the rate of decline in registrations. There was also an update on the Canine Partners program.

COMPLIANCE

Margaret Poindexter, AKC staff, participated in this portion of the meeting, and Jack Norton, AKC Staff, participated via video conference.

Discipline Guidelines – Mistreatment in Connection with an Event

There was a review of the *Discipline Guidelines* regarding the current violation, "mistreatment of dogs in connection with an event". Following a motion by Dr. Garvin, seconded by Mr. Goodman, it was VOTED (unanimously) to maintain the range of penalties set forth in the current *Discipline Guidelines* for what is currently termed "mistreatment in connection with an event", and to change the name of the specific violation to "improper treatment in connection with an event." Additionally, the Board VOTED that "improper treatment" be defined as "inappropriate treatment or handling of an animal not likely to cause serious injury, e.g. excessive or harsh discipline/training."

Discipline Guidelines – Physical Abuse

The staff presented a review of the penalties imposed in the *Discipline Guidelines* for the violation of “physical abuse at or in conjunction with an event by an individual”, which pursuant to the guidelines, is defined as “improper treatment which could cause serious injury to animals.” Staff recommends a new range of penalties for this violation. This will be discussed further at the May meeting.

Cruelty Convictions Policy

Based on a request from the Board, Staff presented a review of its Cruelty Convictions policy to determine whether the policy appropriately addressed all circumstances of conduct prejudicial to the sport of purebred dogs within the context of cruelty or inhumane treatment of dogs. The Board considered Staff’s recommended revisions to enhance and strengthen the policy and to facilitate its implementations. This will be discussed further at the May meeting.

The following AKC Management actions were reported:

(Final Board Disciplinary actions are reported on the Secretary’s Page.)

During the month of February the DNA program resulted in the correction of 175 litter registrations, affecting 354 registered dogs. Additionally, the registrations of 82 litters, including 166 registered dogs, were converted to conditional registration and 1 litter was canceled as a result of impure breeding affecting 3 registered dogs.

PERFORMANCE EVENTS

Doug Ljungren, and Lisa Carroll, AKC staff, participated in this portion of the meeting via video conference.

Parent Club Performance Event – Drafting/Carting Tests

The Board reviewed a request from six Parent Clubs with drafting/carting tests. They are requesting that titles earned in these events be acknowledged by AKC.

Theses clubs are:

1. Bernese Mountain Dog Club of America
2. Greater Swiss Mountain Dog Club of America
3. Mastiff Club of America
4. American Bouvier des Flandres Club
5. American Rottweiler Club
6. Saint Bernard Club of America

As there was no objection to this request, Staff will implement the requested action. AKC will accept drafting tests, administered by the six breeds noted, as Parent Club performance events in which AKC recorded titles can be earned. AKC will acknowledge the following eleven titles: The following titles will be recorded for the Bernese Mountain Dog Club of America, the Greater Swiss Mountain Dog Club of America, the Mastiff Club of America, the American Bouvier des Flandres Club and the Saint Bernard Club of America:

NDD	Novice Draft Dog	Individual Dog On Leash
DD	Draft Dog	Individual Dog Off Leash
NBDD	Novice Brace Draft Dog	Brace of Dogs On Leash
BDD	Brace Draft Dog	Brace of Dogs Off Leash
TDD	Team Draft Dog	Team of Dogs (possibly more than 2 dogs) Off Leash

The following titles will be recorded for the American Rottweiler Club:

CS	Carting Started	Individual Dog On Leash
CI	Carting Intermediate	Individual Dog Off Leash
CX	Carting Excellent	Individual Dog – Handler sits in cart
CST	Carting Started Team	Two or More Dogs On Leash
CIT	Carting Intermediate Team	Two or More Dogs Off Leash
CXT	Carting Excellent Team	Two or More Dogs – Handler sits in cart

As has been the case with all previously approved Parent Club performance events, AKC will record titles earned back as far as January 1, 2000.

COMPANION EVENTS

Curt Curtis, Pamela Manaton, and Carrie De Young AKC Staff, participated in this portion of the meeting via video conference.

Revisions to Obedience and Tracking Training Regulations

Staff presented a proposed revision to the Chapter 1, Section 14 of the *Obedience Regulations* and Chapter 1, Section 10 of the *Tracking Regulations*, to clarify that showing under a judge is not allowed when a former student/teacher relationship exists, and to reduce the time between training under a judge and exhibiting to that same judge from thirty days prior to the event to the time between the closing date and the event. The Board did not believe that an amendment to the regulations was needed. It was recommended that the onus should be on the judge, rather than the exhibitor and that this should be reflected in any judges' guidelines. This will be discussed further at the May meeting.

Event Recording Fees

Staff presented a proposal to adjust the recording fees for Agility, Rally and Coonhound entries to bring them inline with all other Conformation, Companion and Performance Events' entries. Following a motion by Dr. Smith, seconded by Ms. Scully, it was VOTED (affirmative: Dr. Smith, Ms. Scully, Mr. Menaker, Mr. Amen, Dr. Battaglia, Mr. Goodman, Dr. Newman; Dr. Davies, Mr. Ashby, Mr. Kalter, Mr. Arnold; opposed: Mr. Gladstone, Dr. Garvin) to consider the matter at this meeting, waiving the usual prior notice requirement.

Following a motion by Dr. Smith, seconded by Ms. Scully, it was VOTED (affirmative: Dr. Smith, Ms. Scully, Mr. Menaker, Mr. Amen, Dr. Battaglia, Mr. Goodman, Dr. Newman, Dr. Davies, Mr. Ashby, Mr. Kalter, Mr. Arnold, Mr. Gladstone; opposed: Dr. Garvin) to make the recording fee for the first entry in Agility, Rally, and Coonhound Events \$3.50, effective September 1, 2011.

This increase makes all fees consistent with all other AKC Events.

AKC Canine Partners Program Club Participation Report

Staff provided a club participation report on the AKC Canine Partners Program, which welcomes enrolled mixed-breed dogs to compete in the AKC Companion Event sports of Obedience, Rally and Agility. For the first nine months of the program, almost 70% of eligible events opened their entries to All American Dogs.

CONFORMATION

Robin Stansell, Mari-Beth O'Neill, Bobby Birdsong, and Bri Tesarz, AKC Staff, participated in this portion of the meeting via video conference.

Proposed Dog Show Rule Changes To Create A Reserve Best in Show Award

In January, the Board approved amendments which would have created a Reserve Best in Show Placement. It was to have been read in March for a vote in June 2011. However, the Board agreed to postpone the read until June, with a vote in September, so that the Dog Show Rules Committee could review the required Dog Show Rule changes. Following a motion by Dr.

Smith, seconded by Ms. Scully, it was VOTED (affirmative: Mr. Menaker, Dr. Battaglia, Mr. Kalter, Dr. Smith, Dr. Newman, Mr. Arnold, Mr. Ashby, Mr. Gladstone, Mr. Amen, Ms. Scully, Mr. Goodman, Dr. Davies; opposed. Dr. Garvin) to approve the following rules, changes (underlined) in order to add a provision for Reserve Best in Show:

CHAPTER 3, SECTION 17. A club giving group classes must also give a Best in Show, the winner to be entitled "Best Dog in Show". No entry fee shall be charged but the group winners must compete. A club of association giving group classes must also give a Reserve Best in Show, the winner to be chosen by the Best in Show judge from among those group class winners remaining in the ring, the winner to be entitled "Reserve Best in Show." No entry fee shall be charged but the remaining group winners must compete.

CHAPTER 4, SECTION 1. After a club or association has been granted permission by The American Kennel Club to hold a show, it must send for approval by and in time to reach The American Kennel Club at least EIGHTEEN weeks before the closing date for entries of the show, a list of the names and addresses of the judges whom it has selected to judge its show, giving in each instance the particular breed or breeds of dogs and group class if any, which it is desired that each judge shall pass upon, and the name and address of the judge selected to pass upon Best in Show and Reserve Best in Show. No judge's name shall be submitted to pass upon any assignment unless the judge has agreed in writing to accept that assignment.

The show-giving club must not advertise or publish the name or names of any of the judges which it has selected until the complete list has been approved by The American Kennel Club.

CHAPTER 5, SECTION 1. All clubs or associations holding dog shows under the rules of The American Kennel Club, except sanctioned matches, shall use the following colors for their prize ribbons or rosettes, in the regular classes of The American Kennel Club and the regular group classes:

First prize—Blue.

Second prize—Red.

Third prize—Yellow.

Fourth prize—White.

Winners—Purple.

Reserve Winners—Purple and White.

Best of Winners—Blue and White.

Special prize—Dark Green.

Best of Breed and Best of Variety of Breed—Purple and Gold.

Best of Opposite Sex to Best of Breed and Best of Opposite Sex to Best of Variety of Breed—Red and White.

Select—Light Blue and White

Best in Show – Red, white, and blue is the traditional color combination but any color or combination of colors is permitted.

Reserve Best in Show – any unassigned color or combination of colors.

and shall use the following colors for their prize ribbons in all additional classes:

First prize—Rose.

Second prize—Brown.

Third prize—Light Green.

Fourth prize—Gray.

CHAPTER 5, SECTION 7. Prizes may be offered for outright award at a show for the following placings:

First, Second, Third, Fourth in the Puppy, Twelve-to-Eighteen Month, Novice, Amateur Owner Handler, Bred-by-Exhibitor, American-bred or Open Classes, or in any division of these designated in the Classification.

First, Second, Third, Fourth in any additional class which the show-giving club may offer in accord with the provisions of Chapter 3, Section 13, and in the Miscellaneous Class (at all-breed shows only).

Winners, Reserve Winners, Best of Winners, Select, Best of Breed or Variety, Best of Opposite Sex to Best of Breed or Variety.

At all-breed shows only: First, Second, Third, Fourth in a Group Class and for Best in Show, Reserve Best in Show, Best Brace in Show and Best Team in Show.

CHAPTER 6, SECTION 2A. A show-giving club may, at its option, use a condensed form of premium list which shall be identical with the content and format of a regular premium list, and comply with all the pertinent rules except that the listing of breed prizes and trophies offered is omitted as well as the listing of all prizes and trophies offered for an obedience trial if held by the show-giving club with its show. Such prizes and trophies as are offered for Best in Show, Reserve Best in Show, and group placements are to be included in a condensed premium list as well as any schedule of class cash prizes that a club proposes to offer.

The conditions of all prizes and trophies offered must conform to the provisions of Chapter 5 of these rules and Chapter 1, Sections 19, 20, 21 and 30 of the Obedience Regulations. A club using a condensed form of premium list is obligated to prepare lists of the breed and obedience prizes and trophies for distribution to prospective entrants and exhibitors on request. Such lists can be printed, multilithed, multigraphed, mimeographed or typed (and photostated) on paper of any suitable size with both sides of the paper being used if the club wishes. In each condensed form of premium list there must be the notation: "A list of breed and obedience prizes and trophies offered can be obtained by writing to (name and address of club secretary and/or superintendent and address)."

CHAPTER 7, SECTION 13.. The maximum number of conformation entries assigned in the breed judging to any judge, in one day, shall never exceed 175 except that a judge of a specialty show may be assigned a maximum of 200 entries. If the specialty is held as part of an all-breed show, the increased limit will only apply if the judge is not assigned any other breed, a Group or Best in Show and Reserve Best in Show.

If a show-giving club so elects, it may place a limit of its own choosing lower than any of the limits provided for in the rule notifying The American Kennel Club of its intention at the time the judging panel is submitted for approval. This limit will then govern the need for additional judges if, when the entries for the show have

closed, any judge on the panel has drawn more dogs than the limit set by the club.

When the entries have closed, if the entry under any judge exceeds the above limits, the Event Committee must select some other judge or judges to whom sufficient breeds can be assigned, to bring the total assignment of every judge within and as close as possible to the limit without removing provisional breeds listed in the judge's contract without the judge's agreement. The removal of any breeds is to be discussed with the assigned judge. If a judge is assigned four or fewer breeds, the assignment shall be reduced first by reassigning to other judge sufficient classes from one breed to eliminate the overload, with any non-regular classes in that breed being the first removed. The same procedure shall then be followed for as many breeds as necessary until the overload is eliminated. This will apply whether or not the breed in question involves varieties.

Notice must be sent to the owner of each dog affected by such a change in judges at least five days before the opening of the show, and the owner has the right to withdraw his entry and have his entry fee refunded provided notification of his withdrawal is received no later than one half-hour prior to the start of any regular conformation judging at the show, by the Superintendent or Show Secretary named in the premium list to receive entries.

CHAPTER 7, SECTION 19. Only one judge shall officiate in each Group Class and only one judge shall select the Best in Show and Reserve Best in Show.

The Board of Directors suggests that whenever possible the Best in Show and Reserve Best in Show be determined by one who has not already judged any breed or group class of said show. Except in hardship cases, when an exception may be approved for a specific show, a judge will not be approved to judge a breed and, at the same show, the Variety Group of which the breed is a part and Best in Show and Reserve Best in Show.

Tibetan Mastiff Breed Standard

The Board considered a request from the American Tibetan Mastiff Association to ballot its membership on proposed revisions to the breed standard in accordance with the club's Constitution and Bylaws.

The Board was concerned with reports that the board of the American Tibetan Mastiff Association had refused to provide a list of members, even just the names, to club members requesting it. Following a motion by Mr. Gladstone, seconded by Dr. Smith, it was VOTED (unanimously) to withhold approval to the club to ballot its membership on the standard revision, unless and until all club members requesting it are provided with a club membership list.

Pomeranian Breed Standard

The Board reviewed the results submitted by the American Pomeranian Club from the second ballot for the proposed breed standard revisions. The changes approved by the club's membership will be published in the *AKC GAZETTE* and brought back for a VOTE at the July Board meeting.

Rules Applying to Dog Shows

The Dog Show Rules committee has reviewed the *Rules Applying to Dog Shows* in order to update or remove sections that are no longer applicable. They suggest the following changes:

- A change to Chapter 1, Section 5 removes references to "closing date" being used to determine eligibility for the Novice Class.

- Delete Chapter 1, Section 8 and Chapter 2, Section 11 that permit American Bred Specialty Shows.
- Delete Chapter 3, Section 12 which is addressed by the Match Regulations.
- Renumber Chapters 1, 2, and 3 as required by these deleted sections.

This will be discussed further at the May meeting.

Rules Applying to Dog Shows – Chapter 3, Sections 16-21 and Chapter 6, Section 3

The Dog Show Rules Committee has submitted a proposal to remove reference to a specific number of Groups from the *Rules Applying to Dog Shows* as the Board Committee is considering realignment of the Groups and the future number of Groups is undetermined. As this proposal did not cover all necessary sections of the rules, and as the Board did see other problems with the proposal, it was referred back to the committee.

Meeting adjourned on Monday April 11, 2011 at 5:20 pm

Meeting reconvened on Tuesday April 12, 2011 at 9:00 am. All Directors were present, as were the Chief Operating Officer, the Executive Secretary, and the Assistant Executive Secretary.

New Conformation Events

The Board continued its discussion on the number of conformation events. Robin Stansell, Charles Kneifel and Bobby Birdsong participated via video conference. Staff were directed to compile additional statistical data as well as to provide all of the rules and policies governing show territory and conflicts for Board review. Discussion on this subject will continue at the May meeting.

Champion of Record

Staff reported that without objection the following housekeeping changes will be made to the *Rules Applying to Dog Shows* for the sake of consistency:

Change from 'Champion of Record' to 'Champion' in order to be consistent throughout the *Rules Applying to Dog Shows*:

- Chapter 3, Section 8 – Bred-By Exhibitor class requirements
- Chapter 16, Section 7 – Grand Champion of Record requirements

Chapter 3, Section 14 and Chapter 16, Section 4, 5 & 6 will not be changed as the full name is applicable in these sections.

There was not objection to these changes.

CLUBS

Delegates for Publication

Ranae Hanson, LeRoy, NY
to represent Tanawanda Valley Kennel Club
currently represented by William Hossler

Jenni Toebben, Omaha, NE
to represent Nebraska Kennel Club
currently represented by Marvin Crawford

JUDGING OPERATIONS

Darrell Hayes, and John Wade, AKC Staff, participated in this portion of the meeting via video conference.

Rules, Policies and Guidelines for Conformation Dog Show Judges

Following a motion by Dr. Battaglia, seconded by Ms. Scully, it was VOTED (unanimously) to adopt the following policies:

Section A: Before Entering the Ring

Cell Phone and Electronic Devices:

Judges may use electronic devices including cell phones to review written breed standards while at their judges' table. Such electronic devices when not in use must remain on the judge's table or in its vicinity in a bag or briefcase. Judge should not walk away from the table with an electronic device in hand while judging. Neither the judge, ring steward nor an exhibitor may initiate or receive any phone calls and/or text messages while in the ring.

Section B. Judging the Dogs

[R] You Are in Charge As the judge, you have full authority over all persons in the ring. See Chapter 7, Sections 15 and 16, of the **Rules** for a review of the judge's authority.

With this authority comes the responsibility to be thoughtful and considerate as you judge each dog entered according to all AKC Rules, Policies and Guidelines. Be as systematic in your ring procedure from dog to dog and class to class **as conditions permit**, but do take the time to encourage apparent novices.

Individual Examination of Dogs Judges are expected to examine and gait every dog in the same objective, breed-specific manner even if a poor specimen may clearly be out of the ribbons. This includes breeds that according to their breed standard traditionally have been cropped and/or docked and dogs entered which may have deviations from the breed standard. Approach dogs calmly. Examine each with a gentle but sure touch and no sudden, surprising moves.

There was an EXECUTIVE SESSION to discuss a disciplinary matter.

It was VOTED to adjourn Tuesday, April 12, 2011 at 12:30 p.m.

Adjourned

Attest:

James P. Crowley, Executive Secretary

Attachment A

SIMPSON
THACHER

**Not-for-Profit Board Service:
Legal Duties of Directors of Not-
for-Profit Corporations**

By
Victoria B. Bjorklund
David A. Shevlin

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*April 11,
2011*

SIMPSON THACHER & BARTLETT LLP

SIMPSON THACHER	What are the responsibilities of directors of not-for-profit corporations?
	<ul style="list-style-type: none">▪ Overall responsibility to manage and preserve the corporation's assets.▪ Directors do not carry out day-to-day tasks. Those are carried out by officers, employees and agents selected/appointed by the Board. Directors supervise/monitor/advise/evaluate.<ul style="list-style-type: none">○ Understand governance procedures.○ Review/approve broad, organizational matters:<ul style="list-style-type: none">• purpose/mission,• budgets,• capital expenditures,• real estate transactions,• disposition of more than 50% of the corporation's assets, and• delegation of investment management.○ Supervise compensation.

SIMPSON THACHER	<p>What are the legal duties of directors of not-for-profit corporations?</p>
	<ul style="list-style-type: none">▪ Under well-established principles of not-for-profit corporation law, a board member must meet certain standards of conduct and attention in carrying out his or her responsibilities to the corporation:<ul style="list-style-type: none">○ The Duty of Care;○ The Duty of Loyalty; and○ The Duty of Obedience.▪ Breach of a duty can result in removal as a director and/or liability.

<p>Legal Duties of Directors of Not- for-Profit Corporations <i>April 11, 2011</i></p>	<h2>Duty of Care</h2>
	<ul style="list-style-type: none">▪ The duty of care imposes a standard of conduct on directors as they oversee the activities of a not-for-profit corporation.<ul style="list-style-type: none">○ In New York, the duty of care standard that applies to not-for-profit directors under Section 717 of the Not-for-Profit Corporation Law (the "N-PCL") is similar to the standard that applies to directors of business corporations.▪ "Ordinary Director" Standard in N-PCL Section 717:<ul style="list-style-type: none">○ Act in good faith; and○ With the degree of diligence, care and skill that an ordinarily prudent person in a like position would exercise in similar circumstances.▪ Delegation by Directors.<ul style="list-style-type: none">○ Directors may delegate functions, such as management of financial assets, to others.○ The delegation must be in good faith and in compliance with the duty of care.○ The board should require delegees to report periodically on their outcomes, against which the board may ask questions.○ Directors may delegate authority to: officers or employees of the corporation; counsel, accountants or other outside experts for matters within those persons' professional or expert competence; or a committee of directors, so long as the matter is within the committee's designated authority.

<p>Legal Duties of Directors of Not- for-Profit Corporations <i>April 11, 2011</i></p>	<p>Duty of Care (cont.)</p>
	<ul style="list-style-type: none">▪ Example of violation of the duty of care:<ul style="list-style-type: none">○ In a 1997 proceeding, <i>The Committee to Save Adelphi v. Diamandopoulos</i>, the New York Board of Regents removed 18 of the 19 trustees of Adelphi University for neglect of the duty of care.○ In addition, the New York Attorney General filed suit against the trustees to recover misspent funds, which resulted in a settlement payment of \$1.23 million from the trustees to Adelphi University, along with the trustees' assumption of \$400,000 in legal bills.

<p>Legal Duties of Directors of Not- for-Profit Corporations April 11, 2011</p>	<h2>Duty of Loyalty</h2>
	<ul style="list-style-type: none">▪ The duty of loyalty requires directors and officers to exercise their powers in <u>good faith</u> and in the <u>best interests of the corporation</u>.<ul style="list-style-type: none">○ Directors and officers must have an undivided allegiance to the corporation and its mission when using the power of their position or information they possess concerning the corporation or its assets.○ ALI's Tentative Draft No. 1 of the Principles of the Law of Nonprofit Organizations identifies several potential conflicts of interest, which include: (i) compensation or other financial conflict of interest, (ii) use of the corporation's property or confidential information; (iii) a material benefit arising out of a position with the corporation; (iv) action by or on behalf of an adverse party, (v) competition with the corporation; and (vi) the taking of a business opportunity. (See Section 310(b) of Tentative Draft No. 1 of the Principles of the Law of Nonprofit Organizations, March 19, 2007).▪ As indicated above, the duty of loyalty includes a duty to maintain confidential information provided to directors and not to use that information for the benefit of any person or entity other than the corporation. <p>What Does This Mean for a Director or Officer?</p> <ul style="list-style-type: none">○ Be conscious of potential conflicts of interest.○ Follow the corporation's conflict-of-interest policy.○ Respect confidentiality of board information.

	<h2 style="text-align: center;">Duty of Loyalty (cont.)</h2>
	<ul style="list-style-type: none"> ▪ Examples of violations of the duty of loyalty: <ul style="list-style-type: none"> ○ In <i>The Committee to Save Adelphi v. Diamandopoulos</i>, Adelphi University purchased insurance through a firm owned by a trustee who did not disclose to the board of trustees that her firm was being compensated. The New York Board of Regents found that the trustee violated the duty of loyalty by putting her personal interests above the interests of the University. This trustee was among those removed from the University's board of trustees by the Board of Regents. ○ In <i>American Baptist Churches of Metropolitan New York v. Galloway</i>, an officer of a not-for-profit hospital assisted in locating a site for a new facility. However, before the hospital could act, the officer incorporated a new not-for-profit corporation and arranged for the new corporation to purchase the property. The officer was found to have violated his duty of loyalty by seizing a corporate opportunity from the hospital. ○ In <i>Martha Graham School & Dance Foundation, Inc. v. Martha Graham Center of Contemporary Dance, Inc.</i>, the court found that a board member of two related nonprofit corporations had "profited improperly" at the nonprofits' expense and did not act "with an eye single to the interests" of the nonprofits by allowing his "personal interests to become his primary focus" and by misleading other board members regarding copyright ownership in certain Graham dances, sets and costumes. Among other things, the board member was removed by his fellow trustees.

<p>Legal Duties of Directors of Not- for-Profit Corporations <i>April 11, 2011</i></p>	<h2>Duty of Obedience</h2>
	<p>Directors must ensure that the corporation complies with applicable laws and regulations and with the corporation's governing documents and policies, including being faithful to the corporation's mission and carrying out its purposes.</p>

<p>Legal Duties of Directors of Not- for-Profit Corporations <i>April 11, 2011</i></p>	<h2>What standards apply to the removal of directors from the Board?</h2>
	<ul style="list-style-type: none">▪ The directors of The American Kennel Club, Inc. ("AKC") are elected by the AKC Delegates, who exercise the voting power of the AKC member organizations.▪ AKC's Bylaws describe procedures for the limited continuance of a director who has been removed as a Delegate.▪ The Bylaws are otherwise silent on removal of directors.▪ Therefore, the standard of removal is supplied by Section 706 of the N-PCL:<ul style="list-style-type: none">○ A director may be removed for cause by vote of the Delegates (since AKC's member organizations act through the Delegates), or○ A director may be removed for cause by vote of the directors, provided there is a quorum of not less than a majority present at the meeting of directors at which such action is taken.▪ In addition, an action to procure a judgment removing a director for cause may be brought by the New York Attorney General or by ten percent of an organization's members.

<p>Legal Duties of Directors of Not- for-Profit Corporations <i>April 11, 2011</i></p>	<h2>Cause</h2>
	<ul style="list-style-type: none">▪ "Cause" is a factual analysis. New York courts have not employed a set standard to define cause, instead evaluating the grounds for removal of a director on a case-by-case basis. New York cases approving removal of directors from not-for-profit boards for cause include (i) removal of a director who involved the corporation in frivolous lawsuits for the purpose of harassing the corporation and its members and (ii) removal of directors who had commenced personal injury actions against the corporation and used their positions to search the corporation's records for confidential information for their own use.▪ These cases suggest a broad spectrum for adequate "cause" upon which a director may be removed, extending from interference with corporate activities to breach of fiduciary duties.▪ A director may be removed by the board from a board committee with or without cause.

<p>Legal Duties of Directors of Not- for-Profit Corporations April 11, 2011</p>	<h2>For More Information See:</h2>
	<ul style="list-style-type: none"> ▪ Principles for Good Governance and Ethical Practice, A Guide for Charities and Foundations, available at: http://www.independentsector.org/uploads/Accountability_Documents/Principles_for_Good_Governance_and_Ethical_Practice.pdf ▪ Nonprofit Board Best Practices, available at: http://www.foley.com/files/tbl_s31Publications/FileUpload137/4014/NonprofitBoardBestPractices.pdf ▪ The BoardSource website, available at: http://www.boardsource.org ▪ Ten Basic Responsibilities of Nonprofit Boards, available at: http://www.boardsource.org ▪ Stay Exempt, Tax Basics for Exempt Organizations, available at: http://www.stayexempt.org ▪ Governance of Charitable Organizations and Related Topics, available at: http://www.irs.gov/charities/article/0,,id=178221,00.html ▪ The Better Business Bureau website, available at: http://www.bbb.org/us/charity/ ▪ The New York State Attorney General's Charities Bureau website, available at: http://www.charitiesnys.com/home.html ▪ Right From The Start: Responsibilities of Directors of Not-for-Profit Corporations, The New York State Office of the Attorney General, available at: http://www.charitiesnys.com/pdfs/Right%20From%20the%20Start%20Final.pdf ▪ Instructions, IRS Form 990, available at: http://www.irs.gov/pub/irs-pdf/i990.pdf ▪ Form 1023, Purpose of Conflict of Interest Policy, available at: http://www.irs.gov/charities/article/0,,id=139515,00.html ▪ New York Nonprofit Law and Practice, by Victoria B. Bjorklund, James J. Fishman, and Daniel L. Kurtz, available at: http://www.lexis.com/research/xlink?source=2ndary%3BNYNLPT&search=2ndary%3BNYNLPT&autosubmit=no ▪ Ten Basic Responsibilities of Nonprofit Boards, by Richard Ingram ▪ Board Liability, Guide for Nonprofit Directors, by Daniel L. Kurtz ▪ Nonprofit Governance and Management, Victor Futter, Editor-in-Chief ▪ Guidebook for Directors of Nonprofit Corporations, George W. Overton, Editor

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