

Greetings to all members,

As the current President of the North American Shagya-Arabian Society (NASS), I would like to take this opportunity to update all members with regards to the events that have taken place over the past couple of months.

### **My Motivations**

I am the third President for the North American Shagya-Arabian Society within the past year. After our most recent past President, Denis Atam, resigned I was asked to consider running for the office of President, of the North American Shagya-Arabian Society. Knowing the significant problems that existed within the Society I refused to consider running for such a position, knowing the tremendous internal problems that were deeply entrenched within it.

As events continued to progress, I saw that there were many members of the Society who were becoming increasingly disenfranchised with the organization, were fractionating and talking about dissolving both existing organizations. I, too, was an open supporter of this concept. But as time went by, I found that there were a significant number of members who displayed energy, enthusiasm and a selfless nature, combined with a sincere wish to resurrect the failing Society, and to make it better.

I was then asked, for a second time to consider running for the office of the President for the Society. Armed with the knowledge that there was a majority of energetic, enthusiastic, selfless and dedicated members who were willing to help resurrect and make this organization “whole”, I reconsidered and issued a statement to the Board of Directors. In my statement I emphasized that “I am not one to shirk or shrink from any duty, and I certainly am not one to transgress or ‘look the other way’ when it comes to violation of any statute, policy or guideline. That is not, and never will be my history.”

I was then elected by the Board of Directors as the new President of the North American Shagya-Arabian Society, as of November 6, 2006.

### **November 15, 2006**

My first BOD meeting as President. We had all of our Board of Directors present during that meeting as well as 24 additional members. During that meeting I made it clear that “My goal is to help this organization become democratic and transparent. The primary focus of any organization is to serve its members, and the more members who become involved, the stronger the organization will be. I encourage each of you to become involved, give your ideas and your concerns to your regional directors, or to me directly. I have always maintained an “open door” policy and am always approachable. To accomplish these forward movements I am going to be appointing close to ten (10) new committees, because there is much work for all of us to do. To the membership who are listening in on this meeting, please contact your Regional Director if you have a particular talent or area of expertise, and would be interested in giving of your time, to serve on one of the committees to make this organization better. While we have many

old issues to settle, we also have many new avenues to pursue. Together we can accomplish these items. Our common goal, purpose and focus is the promotion of our Shagya horses.”

During the “Report of Officers” we learned that the Vice President, Gwyn Davis, was elected by the Board to her office two years ago and is serving a three year term in that office. Board Member, Libby Bickford, stated she was elected to office in 1995 and had been elected by the Board every three years, since that time. Ms. Bickford also asked to step down from her position. The four (4) Regional Directors – were all newly elected by the membership and was announced at the Fall 2006 NASS meeting. The Regional Directors are as follows : Hallie Goetz (NE), Terry Hey (MW), Lori Baker (NW) and Shelley Housh (SW). Their terms are three years.

During that meeting we created a “501 Committee”, which was seen as the primary priority to help correctly classify the organization, according to IRS guidelines. Many volunteers stepped forward and committed themselves to the process of restructuring the North American Shagya-Arabian Society. Vince McCarty volunteered to be the Chairperson for that committee and Dan Shaw and Arlene Michaud were members of that committee. They were tasked with researching the IRS codes, and contacting and interviewing other Registries throughout the United States so that we could more correctly classify our own Registry. Additionally, the merger with ASAV could not be completed without first correcting our IRS status.

Next, we formed a Committee to update our By Laws, because they hadn’t been evaluated in nearly twenty years. Hallie Goetz volunteered to be the Chairperson of that committee along with Marty Power and Vince McCarty. That committee was to completely review and update our By Laws and to create duty statements for the offices for each person holding office, and to include a “checks and balances” portion into each part so that past issues would not reoccur in the future.

With regards to the Breeding Committee, we added two persons to the committee, Hallie Goetz and Linda Rudolphi, both of whom have worked selflessly, for the good of the Registry. According to NASS bylaws, I named Hallie Goetz as the Spokesperson, and together we worked on updating our “Rules and Regulations”, codifying each aspect of the Breeding Committees duties – so that this can be posted for all members to have. There were a number of accusations regarding registration of horses, which were answered quickly and most of which have since been resolved.

I also submitted, for consideration to the Society Board of Directors, that we separate the Secretary and Treasurers positions, so that no one person would be overloaded. This passed overwhelmingly and Arlene Michaud was voted in as the new Treasurer and Nancy Skakel was voted in as the new Secretary.

We tasked Eric Nelson with obtaining quotes for Liability Insurance for the Board of Directors, known as Directors & Officers Insurance, since none had been sought in the past.

Next, I appointed a Website Committee, naming Jamie Buck as the Chairperson for that Committee, and Dan Shaw volunteered to assist her with bringing back the “old” website, and to put together a new website that would allow us tremendous opportunity for growth and expansion.

Adriana Kotersitz volunteered to administer the 2007 Stallion Auction Committee, to be assisted by Hallie Goetz.

We then formed a Marketing Committee, which Vince McCarty volunteered to Chair.

A proposal was presented to the Board of Directors regarding the reversal of the high cost of the “Lifetime Membership”. The new cost, as voted on by the Board of Directors, was reduced to \$500, from the previous \$800.

Since Denis Atam had made allegations of possible “donation” problems and/or possible IRS violations, possibly dating to 1994, I asked Eric Nelson and Linda Rudolphi to conduct a complete audit of the Treasurer’s Books so that we knew exactly where we stood, and to address any monetary wrongdoings, as necessary.

The Board of Directors then unanimously appointed an Advisory Council, that would assist me in conducting inquiries into issues or allegations. They would also serve to conduct preliminary steps into setting up future committees. Eric Nelson was appointed as the Chairman for the committee, with Linda Rudolphi serving as a member.

I also established a “Learner Judge Committee” – and Kathy Richkind was appointed as the Chair for this committee.

Future Committees would address Grievance Procedures and Computerization of our Registry. Linda Rudolphi volunteered to inquire into the best of databases for our use. She was also directed to work with the Website committee, to help set up a “read only” searchable database for the new website. These notes are posted on the website under the “Membership” button.

All of these committees were created by me, your President, and were done so according to NASS bylaws.

### **November 30, 2006**

We held a NASS Board of Directors meeting which included all of the Committee Chairpersons, conference call. Only three of the Board of Directors were present at this meeting. We had reports from the newly expanded Advisory Committee (from Eric Nelson, Linda Rudolphi, Hallie Goetz and Nancy Skakel), from the 501 Committee (from Vince McCarty, Dan Shaw and Arlene Michaud), from the By Laws Committee (from Hallie Goetz), from the Learner Judge Committee (from Kathy Richkind), from the Website Committee (by Jamie Buck and Dan Shaw), from the Marketing Committee

(from Vince McCarty, Lori Baker and Nancy Skakel) and from Eric Nelson regarding the Liability Insurance for the Board of Directors. Regarding the establishment of the new 501 (c)(5) Corporation Hallie Goetz proposed that we form the new corporation and Gwyn Davis seconded the motion. We had “aye” votes from all three Board of Directors who were present – which included Hallie Goetz, Gwyn Davis and Lori Baker. Since a quorum of the BOD was not present at the meeting, we agreed to follow up with the vote via email communication. The following day, two “aye” votes were received from both Shelley Housh and Terry Hey. Having more than the quorum needed, the 501 committee had the authorization necessary to move forward with the establishment of the new 501(c)(5) Corporation. These notes are posted on the website under the “Membership” button.

On December 2, 2006 I wrote a letter to the ISG Board of Directors, explaining our 501 status problems, and that the NASS Board of Directors had given a quorum vote in favor of the creation of a new 501(c)(5) corporation to house the Registry and Membership for the Shagya horses and owners. But because we have had to draw a new IRS number, we could not keep the same name and would have to select a new one. This was a two and a half page update letter, and you can find it posted under the “President’s Corner” of our website.

### **December 13, 2006**

My official second Board of Directors’ meeting was held, via conference call. I explained that during our first BOD meeting I felt it necessary to invoke my Presidential powers to designate (6) new committees – 1) 501 – 2) By Laws – 3) Marketing – 4) Advisory Council – 5) Learner Judge – and, 6) Website.

I further explained that during these past (4) weeks I had personally participated in each of the (21) different committee conference call meetings, as well as working with each of the committees to update their rules and guidelines, so that every rule, guideline and procedure was written down and codified. I explained to all members that on November 30, 2006, the BOD and the Committee Chairpersons met via conference call to discuss the 501 issue - to take a vote regarding starting up the new, and appropriate 501(c)5 corporation - AND to update the BOD regarding the work of the committees that had been done to that point. We did not have a quorum on the night of that call, with only three BOD members able to be present. All three did vote “yes” to start up the new 501(c)5 corporation. The other two “yes” votes came via email, the following day. With a quorum being reached, the decision was made to move forward with regards to forming the new Corporation, one that would be legal in tax status, and would also legally suit the needs of a Registry and Membership organization.

Additionally I told the membership that I have been keeping the ISG Board of Directors updated with regards to our changes, and the pending formation of the new corporation. So that I could keep the membership apprised, I advised that I also posted that letter to the website, under the “Presidents Corner” button, for all members to view. I added that

ISG is current with our updates via email (sent 12/11/06) along with the meeting agenda for the 12-13-06 meeting.

I also stressed that it was also my solemn wish to foster a stronger working relationship with the ISG BOD and I that looked forward to working more closely with both ISG and other International Shagya organizations in the future.

Additionally, I told the membership that I have been speaking, informally, with Killian Dill, who is the Acting President of the AMERICAN SHAGYA ARABIAN VERBAND regarding a “merger.”

Absent from the meeting were the voting Board of Director members Gwyn Davis – VP, Libby Bickford, Shelly Housh– SW RD, and Terry Hey – MW RD.

We had a report of each of the following committees, as follows: (quorum not present

- 1) 501 – Vince McCarty (Chair):
  - ready to move forward
  - much research has been done on 501 designations
  - 501(c)3 is funded by gifts and is for charitable and educational purposes only
  - 501(c)5 is for Agricultural improvement associations
  - have consulted Mr. Kenton, a Kentucky based equine law attorney regarding 501 incorporation
  - PowerPoint presentation of findings will be posted to the web site
- 2) By Laws – Hallie Goetz (Chair):
  - guidelines not yet finalized
  - have had 3 or 4 working conference calls
  - have reviewed bylaws of other breed organizations
  - recommend keeping Rules and Guidelines separate from bylaws
  - waiting for BOD to vote on creation of new 501(c)5
  - working up outline for bylaws and text for clauses
  - voting and other procedures being written
  - working toward clearly written and codified language
  - will be posted to web site for membership review and feedback
  - must have finalized bylaws for attorney to submit with 501(c)5 application
  - President: 501(c)5 is the priority. Seven committees are comprised of 18 hardworking members, some serving on more than one committee. We invite members to get involved and volunteer.
- 3) Marketing – Vince McCarty (Chair):
  - several more members have joined this committee
  - dual purpose of promotion/education and fund raising
  - articles being written for submission to various popular magazines
  - media kit which can be personalized being developed
  - 12 or 18 month calendar planned. Members may sponsor a month
  - online store planned with no inventory custom products offered on web site
  - Canadian source for products with our logo being contacted
  - Press release announcing new corporation being written

- proposal for cooperative advertising where corp. will buy large ad so members can participate at reduced rates
  - Questionnaire will go out in next newsletter for membership response
  - request for more membership input
- 4) Breeding Committee – Hallie Goetz (Chair):
- guidelines not yet finalized
  - Hallie Goetz and Linda Rudolphi added to committee
  - multiple conference meetings, often 2 hours per night
  - Handbook being updated with clear language
  - registration process and definition of SHARONA being worked on
  - Adele Furby sent approved stallions information to Ingrid Zeunert for publication in ISG stud book
  - Adele Furby and Carol Neubauer presented draft of NASS studbook to ISG president and Bruno Furrer. Anticipate publication in 2007
- 5) Advisory Council – Eric Nelson (Chair):
- Linda Rudolphi looking into computerization of Registry data base (not available for report)
  - talking with insurance company for general liability quote
  - need last 3 years of bank statements, which will be located during audit, for insurance quote
  - anticipate 2 week turn around from submission of information to receiving insurance quote
  - may be able to offer members low cost event coverage for sanctioned events
  - at a minimum, Inspections should be covered
  - policy options very flexible depending on our needs
- 6) Learner Judge – Kathy Richkind (Chair) – Adele Furby reporting:
- two working conference calls completed
  - recommend changing title of this committee to “Education and Judge Development Committee”
  - concerned with education of general membership, judge development, and continuing education for judges
  - falls under both 501(c)3 and 501(c)5 designations
  - may need to divide responsibilities to comply with IRS designations
  - 501(c)5 may be able to donate to 501(c)3
  - proposal for lending library and other ideas to promote education
  - outline proposed covering various areas of concern
  - goals statement and outline submitted to BOD for review
- 7) Website – Jamie Buck (Chair):
- updated old website & building entirely new website
  - “new face” on present site recently,
  - present site is temporary and informational
  - time is needed to create a new high quality site
  - new information is posted daily and weekly
  - invite members to respond with corrections
  - target of 2/1/07 for posting new site

- data base in put will take more time
- taking direction from BOD, Officers, and committee chairs
- need to update "Guidelines" page
- question asked: what will happen with advertising that was on old site? This has not been addressed yet, but is under consideration for after the first of the year

Under New Business we discussed the following:

- 1) Membership update project – Terry Hey (Kathy Voyer reporting):
  - to start Jan 2007 to update current address and contact information and horses owned, sold, gelded, or died
  - there will be a mailing and follow up in the newsletter
- 2) FORMATION OF AN "ASAV Merger" Committee – IN THE FUTURE
- 3) Consideration for renaming the Breeding Committee to "Registration Commission"
  - change must be voted on by membership
  - request feedback from members
- 4) 501- Eric Nelson to post report on website to explain considerations.

We expected to file the (c)5 just after the New Year so that we would have the entire year to decide what fiscal year time frame we wanted to use, and have an entire year to prepare our first tax return.

As is common for articles of incorporation, our attorney firm would act as Incorporator. The attorney advised us of the following:

- President will appoint a five person "Caretaker Board"
- Caretaker Board will provide finalized By Laws to Incorporator
- The Incorporator will provide a copy of the "first minutes", and will nominate the Caretaker Board
- Caretaker Board to set up elections for new corporation
- "Caretaker Board" is a legal term PER OUR INCORPORATION ATTORNEY
- The Incorporator will then send in the necessary paperwork, along with check, to the IRS. Money for incorporation fees being donated by Kathy Voyer.

In the meantime the Caretaker Board would create a "sunset" date, a date when they will step down, and during its time of functioning will set up the corporation for open elections.

We explained that we were looking at a two to three month time frame for the incorporation and elections to happen. We also planned to issue a press release, and run some concurrent cooperative advertising along with our announcement. Please contact the Marketing Committee if you are interested in participating.

We wanted to solicit membership input into the selection of the name for the new corporation, so we asked you to consider an appropriate name and to contribute your ideas. We stated that we would allow you to select a name on the website or via completion of a section in the newsletter and to remember that we each only get one name submission.

- NOTE: there are 16 Shagya Registries recognized by ISG in the world – in the Americas - there is NASS and Shagya-Araber Zuchtverband Venezuela (for a total of 2)

The next thing we wanted to consider was either the self-nomination or nomination by other persons, for positions within the new corporation – all new officers and Board of Directors – so please consider taking an active role in the new corporation.

According to the attorney the Caretaker Board is not automatically excluded from being nominated for the first permanent Board of Directors of the new corporation. Additionally, the Caretaker Board would ensure that the “turnover” of the BOD would be on an alternating basis – so there is not a complete turnover of BOD members every time we vote.

Incorporation in Kentucky was shown as a trend with other breed organizations. A Kentucky venue presents us with opportunities to receive donations from other 501(c)3’s based in Kentucky.

We proposed the addition of (1) new Regional Director – to represent Canada – adding greater cohesion and continuity for Canadian Breeders. Within the New Corporation we also proposed to add 1) ISG Interface Chair, 2) a Breeders Registry Chair, and 3) a Membership Chair – all board of directors members would be elected by the membership and would have clearly defined functions.

IN THE NEAR FUTURE – we proposed the addition of:

- New dba for “NASS” – the 501 (c)3 – Education to coincide with name for 501(c)5 Corporation. Vince McCarty will discuss name regulations with Incorporating attorney.

- New Arbitration & Ethical Standards Committee  
- Different from Grievance Committee (level of issue)

- Internal Audit Committee

- Legal Review Committee

- WE SUGGEST ONCE 501(C)5 IS UP AND RUNNING – CALL FOR NATIONAL MEETING TO ELECT OFFICERS AND TO CELEBRATE OUR NEW CORPORATION, AND REGISTRY!

The Meeting minutes for the 12-13-06 Board of Directors meeting can be found on the website under the “Membership” button.

### **December 18, 2006**

I wrote another update letter to the ISG Board of Directors, updating them with regards to filing the correct Internal Revenue Service 501(c)(5) status. I explained that we have been speaking with an Incorporation Attorney, and that we expect to file the new corporation paperwork just after the New Year. Our attorney will act as Incorporator, and we have been required to appoint a “Caretaker Board”, which is comprised of five NASS members, who will provide finalized By Laws, and will serve as a temporary Board of Directors. They will serve just long enough, to set up open elections for the new Corporation. The “Caretaker Board”, which is a legal term, will then step down and the Corporation and Registry will begin its’ operations in earnest. We’re looking at a two to three month time frame for this to happen. We asked that in order to create a new name that will be acceptable to all members, and to you the ISG, we asked for the input from all current NASS membership. We wanted the new name to reflect the goals of the new organization without losing respect for our past. WE then asked the ISG if there were any naming requirements on the part of ISG that we must follow?

Additionally I told them that once the new By Laws are finalized and included into the new Incorporation documents, we would forward them to the ISG so they can see that not only do we have the same goals, but that we have made the By Laws better, and have more inclusive and definitive Rules and Guidelines. This organization will contain the same membership and will contain all of same NASS Registered and Approved horses. Ultimately, this new Registry will be the sole Shagya-Arabian Registry in the United States.

The “bottom line” here is that even though the name changes, the membership and horses remain the same. We must come into compliance with our United States tax law status.

I asked them, that although we will be unable to keep the same name of “NASS”, could we have your approval and authorization to continue to enjoy our ISG Member Organization status, but with our new Corporation name?

“If so, can you please provide an official ISG document, for the record, of recognition of transfer, as an ISG satellite location for the new Corporation, granting it full participatory rights as an ISG recognized and approved association?”

Also, would you grant us continued ISG North American approval, and/or United States approval, for the inspection and registration of Shagya-Arabian horses on this continent?”

We thanked the ISG Board for their time, consideration and assistance, as we moved our new Corporation and Registry forward, into the future. This letter can also be found on the website under the “President’s Corner”.

### **December 24, 2006**

I again wrote to the ISG Board of Directors, announcing name for our new corporation. I explained that on behalf of the Caretaker Board for the New Shagya Corporation, we were pleased to announce that with much careful thought and consideration, and with all of the wonderful recommendations and ideas from our membership, we were ready to announce the name of the new corporation (Registry) for our Shagya-Arabians. We have had much-needed input through the lively discussions that we all had over the past week. The letter goes on to say that we tried very hard to encompass the members' reasoning into the name selection and that our logic for selecting the new name kept their reasons in mind. We further advised that we were ready to move forward on our multi-faceted business agenda, facing us at the moment. We thanked them in advance for their consideration and prompt reply. This document can also be found on the website under the "President's Corner".

You will note that there was no membership vote on the matter. Please note that at this point the new **Shagya-Arabian Registry** has no membership, and upon advice of our attorney we took our legal obligation to heart, to not only represent all of the membership to the best of our abilities, but also to name the new corporation with the greatest of respect for the past. We tried very hard to incorporate all of the public and private emails and conversations that we conducted into our name choice and hope that you will agree with us that the name is representative of our efforts here in the USA and Canada.

We asked that the ISG approve this new name – **Shagya-Arabian Registry**. We also asked that the **Shagya-Arabian Registry** be given the same operating parameters and sanctions, in a written format, as enjoyed by the former Shagya Registry in the United States, known as NASS.

### **December 27, 2006**

The Corporation Name Announcement was posted to the front page of the NASS Website. It stated basically the same thing as the December 24, 2006 letter to the ISG Board of Directors. It too, can be found on the website, under the "President's Corner".

**As of 1-9-07** the Committee Structure is as follows:

#### **501 Committee**

Vince McCarty- Chair  
Dan Shaw  
Arlene Michaud  
Mary Lehman  
Hallie Goetz  
Marty Power

#### **Caretaker Board**

Eric Nelson - Chair  
Mary Lehman  
Vince McCarty  
Hallie Goetz  
Kathy Voyer

#### **By Laws Committee**

Hallie Goetz- Chair

Marty Power  
Vince McCarty  
Nancy Skakel  
Mary Lehman

**Marketing Committee**

Vince McCarty- Chair  
Eric Nelson  
Lori Baker  
Nancy Skakel  
Shannon Slessor

**Advisory Council**

Eric Nelson - Chair  
Linda Rudolphi  
Hallie Goetz  
Nancy Skakel

**Learner Judge**

Kathy Richkind - Chair  
Hallie Goetz  
Adele Furby  
Linda Rudolphi  
Nancy Skakel  
Judy Moore

**Breeding Committee**

Hallie Goetz – Chairman  
Linda Rudolphi  
Adele Furby  
Elaine Kerrigan  
Kathy Richkind  
Ulla Nyvegard  
Mike Foss

**Website Committee**

Jamie Buck - Chair  
Dan Shaw  
Kathy Warren

**A Personal Note**

I wanted to let you all know that I feel each of our committees has been hard at work, many new ideas and initiatives will come to fruition in the next few months. This is an exciting time to be a part of the Shagya community and I look forward to working with each and every one of you in the near future.

Sincerely,  
Kathy Voyer