

**ACBL Board of Directors  
Hyatt Regency  
Dallas, TX  
March 27-30, 2006**

The meeting was called to order by President Harriette Buckman on March 27, at 9:05 a.m.

Present: George Retek #1, Jonathan Steinberg #2, Joan Gerard #3, Craig Robinson #4, Sharon Fairchild #5, Nadine Wood #6, Bruce Reeve #7, Georgia Heth #8, Shirley Seals #9, Bill Cook #10, Jim Reiman #11, Bill Arlinghaus #12, Harriette Buckman #13, Gus Doty #14 (2nd Alternate), Phyllis Harlan #15, Dan Morse #16, Jerry Fleming #17, Richard Anderson #18, Barbara Nist #19, Jeffrey Taylor #20, Roger Smith #21, Jim Kirkham #22, Alan LeBendig #23, Al Levy #24, Richard DeMartino #25.

Absent: Sue Himel

Also

Present: Linda Mamula, Chairman Board of Governors; Peter Rank, League Counsel; Jay Baum, ACBL CEO; Jack Zdancewicz, CFO; Rick Beye, CTD; Gary Blaiss, EAO; Linda Granell, DOM; and staff Nancy Foy, Julie Greenberg, Jim Miller, Carol Robertson, and Kelley McGuire.

**Approval of Denver CO Minutes**

The Denver CO minutes are approved with the following correction:

Item 053-75: NAP/GNT Conditions of Contest

The Conditions of Contest for the GNT and NAP are amended to reflect:

.....

- H. If a player wishes an exception from the requirements of sections A and B above, he must begin the process for the NAP by April 1 and the GNT by July 1 in the year he wishes to participate. Players must seek permission in writing from the District Directors of the District in which he lives and the District in which he wishes to play. Both District Directors must agree for the exception to be granted. For the Open Flight in the GNT and Flight A of the NAP, this written permission from both District Directors will be forwarded to the Credentials Committee for final approval. If the District Directors do not agree the exception will not be granted. There is no appeal from these decisions.

Carried.

**Item 061-175: Ratification of Executive Committee Minutes**

The minutes of the Executive Committee meeting (s) are ratified.

Carried.

**MINUTES  
EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS  
February 27, 2006**

The Executive Committee met today at 5:30 p.m. CST, by conference call to consider bringing charges against John Lyddon for filing suit against ACBL without exhausting his administrative remedies.

Present at the meeting were members of the Executive Committee, Harriette Buckman, President; Roger Smith, Chairman; Jerry Fleming, Treasurer (non-voting), Joan Gerard, Sue Himel (1<sup>st</sup> Alternate to Central Zone) and Alan LeBendig.

Absent: Jim Reiman

Also present: Peter Rank, League Counsel; Jay Baum, CEO; Gary Blaiss, EAO; and Kelley McGuire.

Harriette Buckman called the meeting to order at 5:47 p.m.

The following resolution was approved unanimously by the ACBL Executive Committee:

In accordance with 2.2.3 (d) of the ACBL Code of Disciplinary Regulations (CDR) and at the request of Management and based upon Management's complaint, on behalf of the ACBL Board of Directors charges against John Lyddon (grounds for discipline CDR 3.10) , ACBL # R087591 are referred to the ACBL Disciplinary Committee for a decision .

There being no further business, the meeting was adjourned at 6:00 p.m.

**Item 061-176: Election of ACBL Treasurer**

Jerry Fleming is elected as ACBL Treasurer for a one-year term May 1, 2006 through April 30, 2007.

Carried.

**Non-Agenda Items**

Amendment to CDR - Appeals & Charges

**Reconsideration Item**

2013 Fall NABC - Full Board

**ACBL CEO Report**

The report of CEO Jay Baum is received. (Exhibit A)

**Special Committee**

President Buckman established a Risk Management Committee which will include members of the Governance and Appeals & Charges, the Chair of the Board of Governors Linda Mamula, and staff.

\* \* \* \* \*

The meeting was called to order by President Harriette Buckman on Wednesday, March 29, at 9:00 a.m.

Present: Same as Monday, March 27

Also Present: Same as Monday, March 27, with the addition of Brenda Atwill.

**Strategic Plan**

The Strategic Plan was reviewed and updated.

**Bridgemate Wireless Scoring System**

Mr. Ron Bouwland with Bridge Systems presented the Bridgemate program.

\* \* \* \* \*

**Executive Session**

At approximately 1:30 p.m. the Board went into Executive Session.

\* \* \* \* \*

**GOVERNANCE**

Morse (C)      LeBendig (VC)  
Cook, Doty, Gerard, Harlan, Taylor, Wood  
Committee Report by Chairman

Staff: Miller

**Item 061-25: USA - Canada Friendship Trophy**

In conjunction with celebrating the 50<sup>th</sup> anniversary of the Goodwill Committee, the districts on the USA – Canadian border intend to recognize interest in promoting bridge and bringing closer players from both sides of the border. Establishment of a new Trophy for the 2006 to 2013 years is proposed. It will consist of eight games (D19 & D19; D18 & D18, D5 or 12 or 13 or 14 & D2; D3 or 4 or 25 & D1).

Starting from West to East each year one game at one side of the border will be designated as the Friendship Trophy game. It is suggested that this game will be the final Swiss or KO event of the Regional or NABC (regional event) tournament.

The winning team members will receive a replica of the Friendship Trophy that will be displayed throughout the tournament.

Motion failed:            Aye: 1, 2, 4, 5, 12, 13, 16, 17, 18, 19, 21.

**Item 061-26: ACBL Units**

Item 061-26: ACBL Units (053-30)

B.      The application for and acceptance of a charter constitutes an agreement to the following:

**A Unit in good standing of the ACBL shall agree to the following:**

Units of the American Contract Bridge League (ACBL) are authorized by and accountable to the ACBL Board of Directors and ACBL management in the operation of sanctioned bridge activities by means of a charter process. Units must be organized and operated in accordance with the purposes of ACBL. They must comply with ACBL Bylaws, rules and regulations, as well as with all governmental (national, state, provincial and local) laws, rules and regulations. Failure to comply may result in censure, suspension, expulsion or other discipline in accordance with regulations established by the ACBL Board of Directors.

The relationship of the ACBL to each of its chartered Units is that of an independent organization. This relationship shall not create any association, joint venture, partnership or agency relationship of any kind between a Unit and the

ACBL. Unless expressly agreed to in writing, neither party is authorized to incur any liability, obligation or expense on behalf of the other, to use the other's monetary credit in conducting its activities or to represent to any third party that either is an agent of the other.

- A Unit warrants that it is incorporated as a nonprofit corporation in good standing or that it is an unincorporated association in good standing as defined by the state or other government authority in which the Unit has its primary place of business, and that it shall remain in good standing.
- A Unit shall support the mission, vision, goals and objectives of the ACBL as appropriate to the Unit.
- A Unit accepts and acknowledges that it has been granted a conditional Charter under the authority of the ACBL. Further, this Unit accepts and acknowledges that the privileges granted to the Unit under this conditional Charter may be withdrawn according to the rules and regulations of the ACBL.
- A Unit shall bear sole and complete responsibility and liability for its financial affairs. On an annual basis, any excess of unit revenues over expenditures shall remain under the control of this Unit. This Unit also shall bear sole and complete responsibility for any deficit of unit revenues over expenditures.

C. By acceptance of its portion of membership dues reimbursement, each existing chartered unit shall re-affirm its agreement to the above.

Carried. Nay: 1, 10 Absent: 4, 25.

#### **Item 061-27: ACBL Board Reimbursement**

Members of the Board of Directors will receive reimbursement for hotel room through the last scheduled board meeting date and per diem for the day following the last board meeting date. The President and Treasurer, who must give reports to the Board of Governors, will be reimbursed for per diem through the day of the Board of Governors meeting and for their hotel room for the previous day. Attendance at the Board of Governors meeting will no longer be required for members of the Board of Directors.

Effective date: July 1, 2006

Estimated savings: \$35,000

Motion Failed:Aye: 10, 11

**Item 061-28: ACBL Laws Commission**

- A. The ACBL Laws Commission members shall be appointed by the President after consultation with the Chairman subject to Board confirmation.
- B. The Laws Commissions Chairman is elected by the Committee subject to Board confirmation.

Deferred to Summer 2006 NABC meeting.

Carried unanimously.

**Item 061-29: ACBL Disciplinary Committee**

- A. The ACBL Disciplinary Committee members shall be appointed by the President after consultation with the Chairman subject to Board confirmation.
- B. The Chairman is elected by the Committee subject to Board confirmation.

Deferred to Summer 2006 NABC meeting.

Carried unanimously.

**Item 061-30: Competition and Conventions Committee**

- A. The Competition and Conventions Committee members shall be appointed by the President after consultation with the Chairman subject to Board confirmation.
- B. The Chairman is elected by the Committee for a one year term, rotating at least every three years, subject to Board confirmation.

Deferred to Summer 2006 NABC meeting.

Carried unanimously.

**Item 061-31: Ethical Oversight Committee**

- A. The Ethical Oversight Committee members shall be appointed by the President after consultation with the Chairman subject to Board approval.

- B. The Chairman is elected by the Committee subject to Board approval.

Deferred to Summer 2006 NABC meeting.

Carried unanimously.

**Item 061-32: Hall of Fame Committee**

- A. The Hall of Fame Committee members shall be appointed by the President after consultation with the Chairman subject to Board confirmation.
- B. The Chairman is elected by the Committee for a three year term subject to Board confirmation.

Deferred to Summer 2006 NABC.

Carried unanimously.

**Item 061-33: Unit Bylaws**

The suggested format for Unit Bylaws Item 723-1 is rescinded. A new model for Unit Bylaws will be forthcoming.

Carried unanimously.

**Item 061-34: Non-ACBLScore Club Fees**

Board Resolution 052-12 is amended as follows:

- B. Clubs not using ACBLScore to submit their monthly financial and masterpoint reports must pay an additional \$2.00 per game sanction fee. If Management believes the extra fee creates a hardship and is a detriment to bridge in the area, it may waive the extra fee for a sanction conducting 1-3 sessions a week averaging fewer than 10 tables per session.

Effective January 1, 2007

Carried unanimously.

### **Item 061-35: Disciplinary Administrative Policies**

Board Resolutions (033-02) and (042-46) are amended as follows:

- A. The ACBL CEO or his or her designee shall maintain and administer membership disciplinary files and records to include decisions of the hearing body wherein there was a finding of any guilt or responsibility (irrespective of whether a discipline was issued) or the committee referred the matter to a Recorder.
- B. Notices of discipline shall contain, in addition to the discipline issued by the hearing committee, an explanation of what that discipline involves and a description of the offense by number and titles per Appendix C of the ACBL Code of Disciplinary Regulations.
- C. Notices of discipline shall be sent routinely to:
  - 1. The person disciplined.
  - 2. The ACBL Board of Directors.
  - 3. The President, Secretary and Recorder of the District in which the disciplined person is a member.
  - 4. The President, Secretary and Recorder of the Unit in which the disciplined person is a member.
  - 5. The appropriate Federation.
  - 6. The ABA.
  - 7. ACBL CEO.
  - 8. ACBL staff as determined by the ACBL CEO.
  - 9. The complainant.
  - 10. The appropriate appellate body chairperson.
  - 11. WBF if the player is a member of an NBO outside Zone 2.
- D. The disciplinary committee report on request shall be made available to (in accordance with CDR 5.2.9 the complainant and the disciplined person receive a copy of the report):
  - 1. The ACBL CEO.
  - 2. ACBL staff as determined by the ACBL CEO.
  - 3. A member or members of the ACBL Board upon a determination by the ACBL President that such request is for a proper ACBL business purpose.
- E. A person's ACBL disciplinary record or material therefrom may be made available only to:
  - 1. The person who is the subject of the record upon request.
  - 2. A disciplinary hearing committee when that person has been found guilty of a charge and the committee is considering discipline to be imposed.
  - 3. The ACBL President or ACBL when the person is being considered for appointment to an ACBL position or ACBL employment.
  - 4. An Officer of the Court upon presentation of a subpoena.
  - 5. A law enforcement officer without a subpoena when an urgency exists involving a criminal matter.
- F. Upon request from the Chairperson or Chairpersons of the Hall of Fame Committee, a list of previous ACBL disciplines, if any, issued by an ACBL disciplinary



committee with an explanation of what each discipline involves for each prospective nominee shall be given to the Hall of Fame Committee.

- G. Information provided to the ACBL Appeals and Charges Committee and the ACBL Disciplinary Committee (when impaneled as an appellate committee) and parties to an appeal to either body.
1. The above committees are sent:
    - a. A copy of the written appeal and all supporting documents submitted by the appellant.
    - b. All information included in the record from previous bodies that have heard the case.
    - c. A summary of the past disciplinary record of the person(s) charged and or disciplined.
    - d. Documents concerning procedural issues or administrative matters.
    - e. Any other information by instruction of the chairperson.
  2. The parties to the appeal (complainant charged person, original committee, the appellant, and ACBL if the appellant) are each sent prior to the hearing:
    - a. A copy of the written appeal and all supporting documents submitted by the appellant.
    - b. Any information for the committee submitted in a timely manner by any party to the appeal.
    - c. All information included in the record from previous bodies that have heard the case,
    - d. Other information at the instruction of the chairperson.
  3. The committees and parties to the appeal are apprised of:
    - a. Date, time and place of hearing.
    - b. Any rights dictated by the Code of Disciplinary Regulations.
    - c. The opportunity to appear by telephone as well as in person.

Carried unanimously.

### **Item 061-36: Transfer of Counties**

Members of Washington, Russell, Wythe, Smith, Lee, Wise, Dickenson, Buchanan, Scott counties and the city of Bristol VA in District 6, Unit 231 per request are transferred to District 7, Unit 165 in order to make it practical to participate in NAP and GNT events without making a seven hour drive to Washington DC.

Effective immediately

Carried unanimously.

### **Item 061-37: ACBL Foundations**

The members of the Charity Foundation and the Educational Foundation (the ACBL Board of Directors) shall meet in a special session to discuss the combining of the two foundations into a single Foundation. This new "combined" Foundation shall fund educational, charitable, social, scientific and historical endeavors that either promote bridge or are for the benefit of bridge players.

Deferred to Summer 2006 NABC.

Carried.        Nay: 24

### **Item 061-39: Audit Committee Membership**

Effective January 1, 2007 the committee will be comprised of three members of the Board of Directors who are not currently officers of the board and who have not been officers during the current year and previous year.

Effective January 1, 2007

Carried unanimously.

### **Item 061-40: ACBL Laws Commission Selection Criteria**

A:     The Members of the ACBL Laws Commission may not be "sitting members" of the Board of Directors of ACBL. A person suggested for appointment to the ACBL Laws Commission must have not been a member of the ACBL Board of Directors for at least one year. Board members who are currently serving on the Laws Commission are exempt from this motion and will serve their full terms on the Laws Commission.

Effective April 1, 2006

Motion Failed:   Aye: 2, 3, 4, 11, 15, 19, 25.   Abstain: 8, 14, 16.   Absent: 24.

B.     Members of the ACBL Laws Commission may not be ACBL employees, including salaried tournament directors. A person suggested for appointment to the ACBL Laws Commission must have not been an employee of ACBL for at least one year.

Tournament directors and other employees of the ACBL who are currently serving on the Laws Commission are exempt from this motion and will serve their full terms on the Laws Commission.

Motion Failed: Aye: 3, 4, 6, 10, 15, 16, 25. Absent: 24.

**Item 061-42: Election Regulations**

The election regulations are approved. (Exhibit B).

Effective Immediately.

Carried unanimously.

**Item 061-43: NABC Starting Times**

The first session of each NABC+ event will have the same starting times each day throughout the length of the event. There may be an exception for the final Sunday of an NABC.

Carried. Nay: 5, 8, 12, 16. Abstain: 2, 4. Absent: 24.

**APPEALS & CHARGES**

Heth (C) Steinberg (VC)

Arlinghaus, Anderson, Fairchild, Kirkham, Reeve

Staff: Blaiss

Committee Report by Chairman

**Item 061-01: Report of Disciplinary Hearings**

1. In the matter of the appeal of the Ethical Oversight Committee decision to expel Andrea Buratti, ACBL # 9891552, and Massimo Lanzarotti, ACBL # 9891560 participating by phone: The decision of the Ethical Oversight Committee was upheld.
2. In the matter of the appeal of the District 17 Appellate Committee's decision to remove all disciplines imposed against Clark Ransom, ACBL # O984169, by the Unit 351 Disciplinary Committee: The decision of the District 17 Appellate Committee is upheld.

Carried.

**Item 061-02: Code of Disciplinary Regulations**

Section 5.1.12 (c) of the Code of Disciplinary Regulations (sexual harassment policy) is amended as follows:

At its first meeting subsequent to an ACBL Management decision to impose discipline, the Appeals and Charges Committee shall make an automatic review of the discipline imposed by ACBL Management. Such reviews shall be consistent with the procedures at appellate review, except that the accused party shall be entitled to present evidence and witnesses at the review hearing.

Carried unanimously.

|   |                |
|---|----------------|
| <b>JUNIORS</b>  |                |
| Fairchild (C)    Wood (VC)                                |                |
| Arlinghaus, Fleming, Doty, Nist, Seals, Steinberg, Taylor | Staff: Granell |
| Committee Report by Chairman                              |                |

**Item 061-150: ACBL World Junior Camp**

Starting in 2007, and every other year following, ACBL will hold an ACBL junior camp in North America, run entirely under the direction of the ACBL and open to Juniors from around the world. Regulations for the camp to follow.

Motion failed:    Aye: 2, 3, 4, 6, 16, 18, 23, and 24.    Abstain: 12,14.    Absent: 25.

**Item 061-152: World Junior Individual Championship**

The ACBL Board of Directors accepts the invitation of the World Bridge Federation to host the second World Junior Individual Championship in 2007. This event will be held in Nashville at the site of the summer NABC. Financial participation for ACBL will be limited to \$17,000, provided from the junior fund.

Carried.    Nay: 5, 9, 10, 13.

\* \* \* \* \*

The meeting was called to order by President Harriette Buckman on Thursday, March 30, at 9:00 a.m.

Present:            Same as Wednesday, March 29

Also Present:    Same as Wednesday, March 29

### **ACBL CFO Report**

The report of CFO Jack Zdancewicz is received. (Exhibit C)

### **League Counsel Report**

The report of League Counsel Peter Rank on the status of litigation is received.  
(Exhibit D)

#### **BRIDGE**

Reiman (C)    Levy (VC)

Arlinghaus, DeMartino, Doty, Gerard, Kirkham, LeBendig, Reeve, Seals

Steinberg, Taylor, Wood

Staff: Beye

Committee Report by Chairman

### **Item 061-55: NABC Senior Knockout Teams**

The Senior Knockout Teams at the Fall NABC will start on Friday instead of Sunday. Pre-registration will close at 11:00 AM the day of the event. The special conditions allowing a re-scheduling of the final will be deleted.

Referred to the Conditions of Contest Committee, Summer 2006 NABC.

Carried unanimously.

### **Item 061-56: Unit and District Special Games**

The Masterpoint Committee will consider making the masterpoint rating and fees for unit and district games (other than tournaments) competitive and in line with the ratings and fees for special games at clubs.

Referred to the Masterpoint Committee.

Carried unanimously.

### **Item 061-57: Flight B and C Masterpoint Awards**

The deductions for masterpoints awarded in Flight B and Flight C events and portions of events will be increased if the limits of these events are higher than 1000 points for Flight B and 500 points for Flight C. This will be accomplished by lowering the deduction from twenty percent for every 250 points the limit is raised in Flight B and for every 100 points in Flight C. Each increment will lower the deduction two percent to a maximum of ten percent lower.

Estimated cost/savings: This should be revenue positive as it is a change that should make our members happier.

Referred to the Masterpoint Committee.

Carried unanimously.

**Item 061-58: Regional Pair Events**

Regional Pair Events of two sessions or more shall receive credit for the average number of tables in I/N pair events and Side Game series sessions held simultaneously with the pair event. Overall awards for the pair events shall be calculated during the final session after counts are available from the other events.

Estimated cost/savings: The cost of programming will be absorbed by increased attendance in these events.

Referred to the Masterpoint Committee.

Carried. Nay: 7, 9, 17, 18, 20, 22, 23.

**Item 061-59: Masterpoint Holdings**

The ACBL website, which lists the all-time top MP holders, shall include the names of the deceased.

Motion Failed: Aye: 1, 2, 3, 6, 9, 15, 16, 17, 18, 20, 24, 25.

**Item 061-60: Bridge Status Report**

The Bridge status report is received.

Carried unanimously.

|                              |                   |
|------------------------------|-------------------|
| <b>AUDIT</b>                 |                   |
| Cook(C)<br>Heth, Harlan      | Staff: Zdancewicz |
| Committee Report by Chairman |                   |

**Item 061-177: Ratification of Audit Firm**

A. Jackson, Howell and Associates are approved as the 2006 Audit firm.

Carried unanimously.

B. No member of the Finance Committee shall be allowed to serve concurrently on the Audit Committee.

Motion failed: Nay: 1, 2, 3, 4, 9, 14, 16, 17, 18, 19, 24, 25. Abstain: 22.

|  |                   |
|--|-------------------|
| <b>INSURANCE</b>   |                   |
| Retek (C)<br>Afdahl, Cook, DeMartino, Harlan, Peter Morse,<br>Kirkham, Reeve, Robinson | Staff: Zdancewicz |
| Committee Report by Chairman   |                   |

**Insurance Status Report**

The insurance committee status report is received.

Carried.

|   |               |
|---|---------------|
| <b>INTERNATIONAL &amp; ZONAL</b>  |               |
| Kirkham (C) Retek (VC)<br>Anderson, Gerard, LeBendig, Levy, Morse, Reiman | Staff: Blaiss |
| Committee Report by Chairman  |               |

**Item 061-140: WBF Dues**

The WBF will be informed that our Board believes that the dream of being part of the Olympics is not going to come to pass and the increase in dues from ten cents to fifty cents per member is no longer warranted. We believe that the dues beginning in 2007 should be reduced substantially.

Effective January 1, 2007

Estimated savings: More than 10,000

Motion failed: Aye: 5, 7, 8, 9, 10, 14, 15, 17, 21, 23. Abstain: 22.

**MARKETING**

Fleming (C) Anderson (VC)

Cook, Fairchild, Harlan, Heth, Morse, Nist, Retek, Robinson

Staff: Granell

Committee Report by Chairman

**Item 061-105: Marketing Status Report**

The marketing status report is received.

Carried unanimously.

**Item 061-106: Education Status Report**

The education status report is received.

Carried unanimously.

**SPECIAL EVENTS**

Robinson (C) Reeve (VC)

Cook, DeMartino, Harlan, Heth

Staff: Beye

Committee Report by Chairman

**Item 061-160: Special Events Report**

Special events status report is received.

Carried unanimously.

**FINANCE & BUDGET**

Nist (C) Robinson (VC)

DeMartino, Fleming, Levy, Reiman, Retek, Seals

Staff: Zdancewicz

Committee Report by Chairman

**Item 061-15: 2006 Capital Budget**

The Capital Budget is approved.

Carried unanimously.



**Item 061-16: Motions having +/-S10.000 Impact**

Any motion submitted to the Agenda with an anticipated cost of more than \$10,000 or that will have a \$10,000 or more savings will be automatically sent to the Finance Committee for input.

Effective May 1, 2006.

Carried unanimously.

**Item 061-17: Hawaii Per Diem**

The per diem rate for the Hawaii NABC will be set at \$54 per day.

Motion failed: Aye: 1, 2, 10, 13, 16, 20.

**Item 061-18: Tournament Directors Shirts**

- A. The ACBL will provide two monogrammed shirts annually to all Tournament Directors who are either salaried, full-time or extended part time (currently about 60 TDs). Most of the directors already own shirts, purchased at their own expense. Adding two new shirts per year should be sufficient to provide for replacement as the shirts become worn.

Additionally, at Management's discretion, a few additional shirts should be ordered without names for use by part-timers who are assigned to an occasional NABC tournament. These shirts will be made available for part-time TDs through Tournament Headquarters at NABCs.

Motion failed: Aye: 12. Abstain: 1, 2, 3, 4, 6, 9, 10, 14, 15, 16, 17, 18, 19, 21, 23, 24.

- B. We no longer require (force) the TDs to dress up in suits or other formal attire at our NABCs as long as they dress in the attire (ACBL shirts) approved and used for other days at NABCs.

Carried. Nay: 24.

**Item 061-19: International Fund Fee**

The entry fees for all events at NABCs currently surcharged \$1.50 for the International fund shall be reduced by \$1.00 and no contribution to the International fund be made from these events. Excluded are the events specifically for funding the International Fund.

Effective beginning with our Fall NABC of 2006.

Estimated cost: \$16,000

Motion failed. Aye: 5, 7, 9, 17, 22, 23.

**APPOINTMENTS**

**Item 061-178: ACBL Disciplinary Committee Appointments**

Jeff Polisner, Chuck Burger and Jeff Miller are appointed to the ACBL Disciplinary Committee for a three-year term, January 1, 2006 through December 31, 2008.

Carried.

**Item 061-179: Competition and Conventions Committee**

Henry Bethe and Jeff Meckstroth are appointed to the Competition and Conventions Committee for a three-year term, January 1, 2006 through December 31, 2008.

Bob Hamman, Chip Martel, Bob Schwartz, Steve Beatty and Doug Doub, are appointed to the Competition and Conventions Committee for a one-year term, January 1, 2006 through December 31, 2006.

**Item 061-180: Ethical Oversight Committee**

Peter Boyd, Bart Bramley, Larry Cohen, Gail Greenberg and Howard Weinstein are appointed to the Ethical Oversight Committee for a three-year term, January 1, 2006 through December 31, 2008.

**Item 061-181: Hall of Fame Committee**

John Carruthers, Mel Colchamiro and Steve Robinson are appointed to the Hall of Fame Committee for a three-year term, Spring 2006 through Spring 2008.

**Item 061-183: Reconsideration of Fall 2013 NABC**

The Board of Governors request that the ACBL Board of Directors reconsider Item 053-141, to approve an NABC in Montreal, PQ for the Fall 2013. Additionally local personnel should assist with the negotiations.

Motion Failed. Aye: 1.

**2007 Fall Meeting San Francisco**

The Fall 2007 Board of Directors meetings will be three days, Sunday, November 18 through Tuesday, November 20.

Carried.      Nay: 5, 6, 9, 11, 15, 16, 21, 22.      Abstain: 14, 18, 23.

**Closing Remarks**

It was moved by Retek and carried unanimously that the Board expresses it's thanks to District 16 and its units, District Director Dan Morse, Tournament Chair Gerrie Owen and all of the other chairpersons and numerous volunteers. We also thank the Hyatt Regency Dallas for its fine cooperation.

There being no further business, the Board adjourned *sine die* at 4:15p.m.

## **CEO REPORT**

**FEBRUARY 2006**

To: ACBL Board of Directors

cc: Linda Mamula  
Peter Rank

From: Jay Baum, CEO  
ACBL

Date: February 24, 2006

### **MEMBERSHIP:**

Up to date data to be presented in Dallas.  
(See addendum)

### **TABLE COUNT:**

Up to date data for 2006 regional, sectional and STaC tables to be presented in Dallas.

Final Club table results for 2005. (Exhibit 1)

### **UNIT REBATES**

A few people have asked about financial details of the Unit Rebates. Attached is a breakdown by district (units are available) of the amounts paid to units and the number of new members generated in each specific district. (Exhibit 2)

### **SPECIAL GAMES**

We have a contradiction of a motion that needs to be addressed. In February, which is designated as Junior Fund month, we are holding an ACBL-wide International Fund game and an ACBL-wide Senior Pairs game. In September, designated as Intentional Fund month we hold the ACBL-wide Instant Matchpoint game. We need to consider moving these games to months that are not reserved for "Special Games."

### **RISK MANAGEMENT:**

Management has done a preliminary review of a number of issues which are creating increased risk to ACBL. We have not addressed whole programs which are basic and vital to the League's mission and purposes, such as the sanctioning of tournaments,

the administration of the masterpoint program or the operations of NABCs. The following areas are among those which could be reviewed and analyzed for possible risk reduction by means of amendment or elimination.

1. Affiliated or controlled organizations. The ACBL Charity Foundation and the ACBL Educational Foundation are examples of separate corporate organizations over which the League exercises sufficient control, influence and administrative support that it would be included in all lawsuits arising from their activities.
2. Assistance to unrelated entities. Bridge at Schools and the Mahaffey Scholarship Fund are examples of activities which the League has assisted because of their worthwhile purposes. Even though the League exercised no control over Bridge at Schools, the League has been sued because our District Directors were influential parties in Bridge at Schools and because the League as a courtesy acted as pass-through payer for some of that corporation's obligations.
3. Use of ACBL logo. In the School Bridge and Scholarship Programs, the ACBL name and logo are prominently displayed on all materials, and in the School Bridge Program (SBL) the League pays the teachers for their activities. In the Coop Advertising Program, the League supports teaching programs by paying for advertising and requiring that the logo and/or ACBL name appear. Scholarship Programs which the League does not control are advertised on the front end as ACBL programs on the Bridge Is Cool site.
4. Activities Involving Underage Participants. Bridge Camps involve underage participants with difficult supervisory demands on volunteers with sometimes unclear responsibilities. In the past there have been incidents at tournaments involving caddies which involve employer-employee responsibilities. Underage caddies and players at tournaments may involve unexpected responsibilities for the League, such as protection from known or unknown predators. The SBL program has no background checks nor safeguards.
5. Districts and Units as Separate Entities from the ACBL. Many of the League's activities tend to diminish the long standing effort to separate Districts and Units from the League for the purposes of liability: (a) District and Unit legal standing, name, articles and bylaws often blur this separation (a good risk reduction step is the current effort of the Bylaws Committee to define the relationship of Districts and Units in relation to the League and to propose standards which include the encouragement of incorporation and the use of form bylaws); (b) The form of the unit rebate seems to establish a relationship between Units and the ACBL which conflicts with our statement that Units and ACBL are independent organizations; (c) ACBL rules and regulations sometimes tend to treat the organizations as one; and (d) Districts and Units tend to sign contracts as if they are signing as an agent for the ACBL.
6. Club Activities. ACBL oversight of club disciplinary proceedings may increase liability which results from disciplinary proceedings at clubs.
7. Unfair competition issues. There are several Units which operate not for profit clubs. When there is a competing for-profit club, the Unit club may have an unfair advantage resulting from its relationship with the ACBL in that the Unit receives funds from ACBL. In addition, when a unit owns a clubhouse and operates

games in its clubhouse, it is difficult for a private individual to start a game or games in competition.

## **ACBL STRATEGIC PLAN 2005 – 2009**

### **Objective #1: Sanction Tournaments**

1.01 *Continue sanctioning of regional, sectional, club and special event games.* The sanctioning of games continues to be stable. The fully computerized sanctioning process should be finished and tested by the end of 2006. **Scheduled as an ongoing activity.**

1.02 *Continue and expand the sanctioning of online club games.* We had a nice increase (35%) in 2005 of total online tables (212,949). Online sanctioning continued with Bridge Base Online and World Winner. MSN has dropped sanctioned games, but we expect OKBridge to return with five to seven games per day. Anticipated start for those games is May 1. **Scheduled as an ongoing activity.**

1.03 *Develop a pilot program for online sectional and regional tournaments.* Online tournaments remain undeveloped but concepts are in place. Some variation of the Inter Club Championship games (ICCG) idea may be tested in 2006. **Scheduled for start up in 2005 with completion in 2007.**

1.04 *Develop a “World Open Tournament” with Rubber Bridge and SAYC as the main event.* Management does not feel this is feasible at this time, however, the possibility of adding Rubber Bridge or home-style games to regional tournaments may allow ACBL to expand its reach to non-duplicate players. This could result in this type of Open event held in conjunction with an NABC. **Scheduled for start up in 2006 with completion in 2008.**

1.05 *Develop club sanction that does not require strict adherence to Laws of Duplicate Contract Bridge.* Management found that clubs will not agree on any one set of “Relaxed Rules” and desire to run their games as they feel necessary for the enjoyment of their specific clients. Intrusion by ACBL into their business is not what club operators see as a function of ACBL. **Scheduled for start up in 2005 with completion in 2007.**

### **Objective #2: Provide Quality Member Services**

2.01 *Address complaints, problems and questions within one business day.* While management and staff attempt to answer all member concerns within 24 hours, we are not able to reach 100%. We respond to a minimum of three out of every four concerns within 24 hours, however, volume and solution difficulty does not allow us to reach this goal. **Scheduled as an ongoing activity.**

2.02 Develop web site to include more quizzes, games and learning. A number of additions to the site have proved popular to our members. Conventional Wisdom and the Bidding Tool Kit are the newest additions. Playful Polls will return and we continue to add mini-lessons. **Scheduled for start up in 2005 with completion in 2006.**

2.03 Bridge Bulletin available electronically through the Member portal. The Bridge Bulletin currently has some articles appearing on the web site. The transition to make the Bulletin available through the password protected portal is projected to be possible prior to 2007. This will result in options for how members receive the magazine and reduce costs to ACBL. **Scheduled for start up in 2005 with completion in 2008.**

2.04 Develop ranking system based on current performance. One of the most requested items from the membership remains the restructuring of the masterpoint system to reflect performance ability based on something other than lifetime masterpoints. Management continues to look for models that are logical and doable, while maintaining the all-time lists. We will continue to investigate all alternatives. **Scheduled for start up in 2007 with completion in 2008.**

2.05 Survey ACBL membership on an annual basis. Our annual survey will be conducted in June. **Scheduled as an ongoing activity.**

### Objective #3: Expand Awareness of and Participation in Bridge

3.01 Develop a comprehensive, long-range marketing plan, directed at 50+ age group. A formal long range marketing plan specific to the 50+ age group has not been formulated. In lieu of that, our efforts have been focused toward an alliance with AARP. These efforts are showing positive results. (See Marketing Status Report). **Scheduled as an ongoing activity.**

3.02 Market ACBL web site as THE source for teaching bridge online. In addition to the many features on the web site, we have linked to numerous online teaching programs and noted their web site addresses in the Find a Teacher profile. **Scheduled as an ongoing activity.**

3.03 Develop product placement in movies, novels, television, and news. No programs have been put in place to develop bridge placement in the entertainment industry. **Scheduled for start up in 2007 with completion in 2008.**

3.04 Develop sponsorships/partnerships for major events and activities. Development of sponsorships/partnerships for major events has not progressed. We have a possibility for minor participation in Chicago. **Scheduled as an ongoing activity.**

3.05 Develop more methods to grow Youth Bridge. The Marketing Status Report outlines a series of numerous programs that have started and are ongoing. The increase in the Collegiate Tournament is very encouraging as well as the growing interest by

education associations to consider presentations at their annual meetings. **Scheduled as an ongoing activity.**

Objective #4: Position ACBL as the Authority on Bridge in North America

4.01 Develop e-publications similar to Marketing Matters for distribution to Units and Districts on a regular schedule. The Unit/District Officer eNewsletter has been distributed and well received. The correspondence will continue with issues every January and July. **Scheduled as an ongoing activity.**

4.02 Develop quarterly electronic communications to NBOs and international bridge organizations. We have correspondence with NBOs but as yet have not started a regular communication vehicle with them. Communication with International Organizations has been sporadic and on an as needed basis. We are considering meaningful information that can be shared with them on a regular basis. **Scheduled as an ongoing activity.**

4.03 Evaluate and revise all materials for clubs, units and districts. The following have been revised and put on the web site. **Scheduled as an ongoing activity.**

I/N Programs  
Unit Officer Hand Books  
New Player Services  
How to Work With Volunteers  
Education Liaison Description  
Club Director Handbook  
Mentoring Programs

4.04 Track and monitor trends and pursue appropriate opportunities. We are looking at how ACBL can partner with other “Brain Games” to increase attendance and interest. The latest bridge innovation, Bridgemate, will be previewed at the Dallas Board meeting. **Scheduled as an ongoing activity.**

Objective #5: Provide professional development for teachers and directors

5.01 Develop education for teachers and directors online. In conjunction with SyberWorks, ACBL now offers two courses, ACBLscore for Beginners and Ruling the Game. The third course, Proprieties, will be available later this year. **Scheduled as an ongoing activity.**

5.02 Require continuing education and retesting of TDs. As noted in the Tournament Division Report, there are sample problems for TDs to consider and solve at TD.Edu. This has been very popular and a benefit for many of our TDs. **Scheduled for start up in 2005 with completion in 2007.**

Other continuing education is in the form of mentoring and “shadowing” of many directors by senior staff members.



A retesting format has not been completed.

5.03 Develop new teaching materials. The Club and Diamond Series are in revision along with the associated teacher manuals and materials. This freshened series will be available in 2007. **Scheduled for start up in 2005 with completion in 2007.**

LTPB textbook has not yet been started. Initial writings will begin when text is transferred from the program.

Two new books remain in production: SAYC by ACBL and Major Suit Raises will be completed and available this year.

5.04 Implement a comprehensive strategy to expand youth education in bridge. ACBL's School Bridge Lessons has over 450 classes for 05/06. A nice increase. (Education Status Report). ACBL has investigated options for a World Bridge Camp or North American Camp in conjunction with the summer NABC. In addition, we continue to promote bridge activity to traditional camps throughout North America. **Scheduled for start up in 2005 with completion in 2006.**

Objective #6: Maximize Organization Effectiveness and Efficiency

6.01 Review and adjust as appropriate the structure of ACBL and its policies, functions and activities. The organizational chart and internal structure has been modified to increase productivity and communication between departments. Policies for employees at NABCs have been changed to insure accuracy and diminish paperwork and accounting functions. **Scheduled for start up in 2005 with completion in 2006.**

6.03 Develop a succession plan for key ACBL employees. Key positions lack succession by in-house staff in many areas. Where possible, training has been taking place to insure a sound transition. Bridge-related areas remain the major challenge and in many cases must be filled by outside personnel. This continues to be a challenge, with off-site outsourcing a possible solution. **Scheduled as an ongoing activity.**

6.04 Require all sanctioned club games to use ACBLscore. ACBLscore has been converted to a Windows format and we are seeing an increase in the number of users. We hope that this requirement will have no negative effects. **Scheduled for start up in 2005 with completion in 2006.**

6.05 Commit to long-range planning with annual updates. A review and updating of the Long-Range plan will take place in Dallas. **Scheduled as an ongoing activity.**

**ACBL**

**ELECTION REGULATIONS**

**FOR**

**DISTRICT WIDE OFFICES**

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1. DECLARATION OF CANDIDACY - PROPOSED

In order to declare candidacy, campaign for or serve as District Director, First Alternate Director, Second Alternate Director, or Board of Governors Representative, a member of the ACBL must be in good standing, and at least eighteen years of age.

1.1 An ACBL member shall be deemed to be in “good standing” when such member’s dues or fees, if dues or fees are required, are current and such member is not:

Expelled,

Serving a term of suspension,

Serving indefinite probation,

Serving a probation, the initial term of which was twenty-four (24) or more months,

Serving a term of probation following a suspension, the initial term of which was in excess of ninety (90) days.

1.2 The declaration must be received by the Director of Elections no later than 5:00 PM CT on May 31.

1.2.1 The deadline is fixed, even when May 31 falls on a non-business day.

1.2.2 Postmarked prior to June 1, but received after May 31 will not be considered as received on time.

1.2.3 Delivery may be by mail, fax, hand-delivery, or e-mail.

1.2.4 In the physical absence of the Director of Elections, the CEO of the ACBL (or his/her nominee) will act as Director of Elections on the last day designated to receive declarations.

1.3 The Director of Elections will send candidates written confirmation that the declaration has been received by the ACBL.

1.3.1 The onus of proof of receipt lies with the candidate.

1.4 The declaration must contain the name, player number, and office for which the candidate is applying.

1.5 If there is no opposition, qualified candidates will be deemed elected on June 1.

1.5.1 With opposition, an election will be required. Candidates who wish to include a biographical summary with election materials must submit a summary to the Director of Elections within ten (10) business days following June 1.

1.5.1.1 The summary may not exceed 150 words.

1.5.1.1.1 The summary is the creation of the candidate. ACBL disavows responsibility for content or accuracy of the information contained therein.

1.5.2 Candidates may request, free of charge, one list or one set of labels of the Unit board members within their District, so they may campaign on their own behalf.

1.5.2.1 Such request will not be fulfilled until thirty (30) business days following June 1, allowing the Units time to confirm the Unit Board members on record are accurate for the upcoming election.

I. DECLARATION OF CANDIDACY – CURRENT

Each member of the ACBL in good standing, and at least eighteen years of age, desiring to be a candidate for District Director, First Alternate Director, Second Alternate Director, or Board of Governor Representative must file a written Declaration of Candidacy with the Director of Elections prior to June 1 of the year of election. The declaration must be received by the Director of Elections no later than 5:00 PM CT on May 31 (postmarked prior to June 1, but received after May 31 will not be considered as received on time). Delivery may be by mail, fax, hand-delivery, or e-mail.

In the physical absence of the Director of Elections, the CEO of the ACBL (or his/her nominee) will act as Director of Elections on the last day designated to receive declarations.

The Director of Elections will send candidates written confirmation that the declaration has been received by the ACBL. In the absence of such confirmation the onus of proof of timely filing rests with the candidate.

The declaration must contain the name, player number, address, and Unit number of the candidate and may contain biographical material not to exceed 100 words.

2. ELECTORS - PROPOSED

District Directors, First Alternate Directors, Second Alternate Directors, and Board of Governors Representatives shall be elected by the Unit boards of each District under the authority of the ACBL Director of Elections.

2.1 Within ten (10) business days following June 1, the Director of Elections will execute the following:

2.1.1 Advise the Unit Presidents and Secretaries, within the districts in which an election is required, of the Unit Board members of record at that time.

2.1.2 Solicit voting method preference.

2.1.3 Supply a copy of the ACBL Regulations for District Wide Offices.

2.2 By the thirtieth (30) business day following June 1, the Unit will corroborate or update the roster and provide the voting method preference.

2.2.1 If the roster is not corroborated or updated, the Unit Board members on record will be final for the upcoming election.

2.2.2 If no voting method preference is provided, the Unit will default to a mail ballot election.

II. VOTING MEMBERS OF A UNIT BOARD - CURRENT

In March of each year, the Director of Elections will advise the Unit President and Secretary of the number of voting members on the Unit's Board (including voting officers) of record at that time. If the number is not correct, the Unit must notify the Director of Elections by the stated deadline, or the number as recorded by the Director of Elections will be valid and final. The recorded number shall be used in determining the number of ballots to be mailed to each Unit and to determine if a quorum is present at an election meeting.

With the March notification, the Director of Elections will supply each Unit President and Secretary with Instructions for Conducting an Election Meeting, which includes a copy of the ACBL Regulations for District Wide Offices.

3. UNIT MEMBERSHIP - PROPOSED

The membership of a Unit is the number of its dues-paying members and those who are active Life Members as recorded by the ACBL on June 1.

IV. UNIT MEMBERSHIP - CURRENT

The membership of a Unit is the number of its dues-paying members and those who are Life Members as recorded by the ACBL on a date to be determined by the Director of Elections, but not less than sixty (60) days, nor more than ninety (90) days prior to the commencement of the election period.

4. UNIT VOTING POWER - PROPOSED

4.1 Each Unit Board of Director in the District shall have "Unit Board Member Voting Power", based on the formula following:

4.1.1 The Unit membership divided by one hundred (100) and computed to the fourth decimal place.

4.1.2 The division of the Unit membership shall then be divided by the number of board members in the Unit voting in person or by mail.

4.1.3 The Unit Voting Power shall be computed to the fourth decimal place.

4.1.3.1 In the event such procedure does not break a tie, it will be broken by the Director of Elections by a drawing.

4.1.4 A majority of Unit Board of Directors in the Unit must vote in order for the Unit's Voting Power to be included in the election results.

4.1.4.1 Properly executed requests for absentee ballots will be considered voting in person or by mail.

4.2 Each candidate shall be sent the Unit Voting Power accorded for each Unit within thirty (30) business days following June 1.

4.3 Each Unit shall be sent the Unit Voting Power accorded for their Unit within thirty (30) business days following June 1.

4.3.1 Objections to the Unit Voting Power must be filed with the Director of Elections within forty-five (45) business days following June 1.

4.3.1.1 Such objection will be forwarded to the Election Protest Committee and the procedure set forth in Regulation 15, "Protests" will be followed.

4.3.2 If no such objection is filed, the Unit Voting Power shall be considered binding, and no protest may subsequently be filed as to such matter.

III. NOTIFICATION OF UNIT VOTE ALLOCATION - CURRENT

Each Unit and each candidate who has filed a Declaration of Candidacy will be advised by the Director of Elections, on or before June 24 of the year of election, the number of votes accorded to each Unit in the District. The number is based on the membership of the Unit (see IV). Objections to the votes accorded to each Unit must be filed with the Director of Elections on or before July 15 of the year of the election. Such objection will be forwarded to the Election Protest Committee (three members of the ACBL Board of Directors appointed by the ACBL President) and the procedure set forth in Section XXII will be followed. If no such protest is filed by July 15 in the year of election, the number of votes accorded to each Unit will be considered binding, and no protest may subsequently be filed as to such matter.

XV. BREAKING A TIE IN ELECTION – CURRENT

The number of votes cast shall be computed to the fourth decimal point. In the event such procedure does not break the tie, it will be broken by lot by the Director of Elections.

5. VOTING PERIOD – PROPOSED

5.1 Election materials will be mailed to the Unit President prior to August 15.

5.2 The voting period commences once the Unit is in receipt of the election materials.

5.3 In order to be included in the count, the ballots must be received by the Director of Elections by the close of business on the third business day of October.

V. VOTING PERIOD – CURRENT

The voting period is August 15 through September 30. Upon timely application to the Director of Elections, reasonable exceptions may be approved by the Election Protest Committee.

6. VOTING METHODS - PROPOSED

6.1 A Unit may opt to vote by one of the methods following:

6.1.1 A Unit meeting for the purpose of voting (the preferred method).

6.1.1.1 The decision to hold a Unit meeting by the Unit President or Secretary is binding for all.

6.1.1.1.1 A Unit Board member unable to attend the election meeting may request an absentee ballot.

6.1.1.2 It is permissible to conduct other Unit business during the course of the meeting.

6.1.2 Mail Ballot.

6.2 If the Director of Elections is not notified of the Unit preference, the Director of Elections will default to a mail ballot election.

6.3 A majority of the Unit Board members must vote in order for the unit's ballots to be included in the results.

“VOTING METHODS” IS A NEW PROPOSED REGULATION

7. UNIT MEETING - PROPOSED

When a Unit meeting is the Unit's preferred method of voting, a day certain must be established for the purpose of voting.

7.1 The Unit President or Secretary will give the Unit Board of Directors and the Director of Elections appropriate notice of the special or regular meeting for the announced specific purpose of voting. The date, time and location should be included in the notification.

7.1.1 The Unit President or Secretary shall include a statement with the notification of the Unit meeting that a board member may request an absentee ballot from the Director of Elections anytime prior to the Unit's scheduled meeting (after an election has been called and nominations have closed).

7.2 If a candidate desires, the Unit must grant a request by the candidate(s) to appear at the Unit meeting. If a candidate is unable to attend, it is permissible for the candidate to send a representative to appear on their behalf.

7.2.1 If the Director of Elections has been notified of a unit meeting, notification will be made to the candidates in a timely manner prior to the election meeting, of when and where the Unit will conduct its election.

7.3 Voters should have a segregated area where the ballot may be cast in private.

7.3.1 Voters shall:

Place the ballot in the envelope provided;

Seal the envelope;

Sign and record their player number in the designated area on the back of the envelope.

7.3.1.1 Failure to sign the envelope shall render the ballot null and void.

7.3.2 Proxies are not permitted.

7.3.3 Write-in votes are invalid.

7.4 Upon completion of voting, the board member conducting the meeting shall collect the sealed ballot envelopes, sign and date the Unit Board of Director roster provided, place all in the pre-paid, self-addressed overnight mail service envelope provided, and mail to the Director of Elections.

7.4.1 In order to be included in the count, the ballots must be received by the Director of Elections by the close of business on the third business day of October.

7.4.2 On or about September 15, the Director of Elections will notify candidates and the Unit Presidents and Secretaries of the status of unit's ballots.

**THE FOREGOING PROPOSED "UNIT MEETING" REGULATION IS A COMBINATION OF THE CURRENT REGULATIONS FOLLOWING:**

**VI. ESTABLISHMENT OF DAY CERTAIN FOR ELECTIONS - CURRENT**

Each Unit must establish a day certain for the election of a District Director, Alternates to the Board of Directors or Representatives to the Board of Governors. Each Unit shall notify the Director of Elections at least thirty days prior to the day certain. A Unit may exercise its rights to vote by mail in accordance with the election regulations set forth in the Instructions for Conducting an Election Meeting that has been mailed to the Unit President and Secretary by the Director of Elections.

**VIII. NOTIFICATION OF ELECTION MEETING - CURRENT**

The Unit President or Secretary will give the Unit Board of Directors and the Director of Elections reasonable notice (at least thirty days) of the special or regular meeting for the announced specific purpose of voting for District Director, Alternates to the ACBL Board of Directors, or the Representatives to the Board of Governors. A statement must be included with the notification of the election meeting that a voting member of the Unit Board may request an absentee ballot from the Director of Elections anytime prior to the Unit's scheduled meeting (after an election has been called and nominations have closed).

In all contested elections for District Director, First Alternate Director, Second Alternate Director and Representatives to the Board of Governors, provided the Unit Board is holding an election meeting and the candidate asks to appear at said meeting, each Unit Board must afford every candidate an opportunity to address its membership. The Director of Elections will notify the candidates (at least fourteen [14] days prior to the election meeting) when and where the Unit will conduct its election(s).

**XI. ELECTION MEETING OF UNIT BOARD OF DIRECTORS - CURRENT**

The meeting must meet the Unit requirements for a quorum, but in no case shall it be less than a majority of the Board of Directors of the Unit. Properly executed written requests for absentee ballots will be counted toward the determination of a quorum for the election meeting.

Members of the Board present will vote for the candidates listed on the ballot.

Proxies are not permitted. Write-in votes are invalid and shall render that ballot null & void.



Voters should have a segregated area where the ballot may be cast in private. If a candidate desires, the Unit must permit a candidate or the candidate's representative to be present at the election meeting.

Voting members of the Unit Board shall place their ballot in the small envelope provided, seal it, and place the small envelope in the larger envelope, seal the latter, sign on the outside, and include their ACBL player number.

Failure to sign the large "signature" envelope shall render that ballot null & void.

Upon completion of the balloting, the secretary of the meeting will collect the sealed ballot envelopes, place them in the supplied return envelope, seal the envelope, and mail to the Director of Elections without opening any of the ballots. All ballots, whether cast or not, are to be returned to the Director of Elections. The return envelope containing the ballots must be postmarked no earlier than August 15 and no later than midnight, September 30, or as otherwise provided. To ensure delivery, you may send "Certified Mail, Return Receipt Requested". It is suggested that Units holding elections September 20-30, send their ballots by courier service to ensure their receipt by the deadline. It is the sole responsibility of the Unit to see that all ballots reach the Director of Elections.

## XII. RECEIPT OF BALLOTS - CURRENT

The Director of Elections, at least ten (10) days and not more than fifteen (15) days before the end of the voting period, will notify all candidates and the President and Secretary of the Units and the District President or the District Director affected by the non-receipt of said Units' ballots.

## 8. ABSENTEE BALLOTS - PROPOSED

If a Unit Board member is unable to attend a Unit's scheduled election meeting, the board member may request an absentee ballot (after an election has been called and nominations have closed).

8.1 The board member should notify the Unit President or Secretary that they will not be present at the election meeting.

8.2 A request for an absentee ballot should be directed in writing to the Director of Elections.

8.2.1 The Director of Elections will mail an election package directly to each Unit Board member.

8.2.1.1 The Unit Board member will mail the ballot directly to the Director of Elections.

8.2.2 In order to be included in the count, the ballots must be received by the Director of Elections by the close of business on the third business day of October.

## IX. ABSENTEE BALLOTS – CURRENT

Upon notification in writing anytime prior to a Unit's scheduled election meeting (after an election has been called and nominations have closed), a voting member of a Unit may request an absentee ballot from the Director of Elections. The Director of Elections will mail a ballot, ballot envelope, all biographical material, voting instructions and an envelope (indicating the Unit number prominently in the bottom left hand corner) for direct mailing to the Director of Elections by the member. The voting member should notify the Unit President or Secretary that they will not be present at the election meeting. The Unit President or Secretary must return all ballots not cast to the Director of Elections with the Unit's sealed ballots.

## 9. MAIL BALLOTS - PROPOSED

Upon application in writing to the Director of Elections by the thirtieth (30) business day following June 1, the Unit President or Secretary may request that the unit vote by mail ballot.

9.1 The mail ballots will be mailed by the Director of Elections to the individual voting members of the Unit Board.

9.2 In order to be included in the count, the ballots must be received by the Director of Elections by the close of the third business day of October.

VII. MAIL BALLOTS - CURRENT

Upon application in writing to the Director of Elections by the Unit President or Secretary prior to July 1, a Unit may vote by mail ballot. The application must contain the names and addresses of the voting members of the Unit Board of Directors. The mail ballots and instructions will be mailed by the Director of Elections to the individual voting members of the Unit Board. The mail ballots must be returned within the time limits of the election period.

The mailing of ballots to each individual Board member satisfies quorum requirements without regard to the number returned.

IT IS RECOMMENDED “BALLOTS/ELECTION PACKAGE” BE OMITTED – “Instructions for Individual Unit Board of Directors in District Wide Elections” and “Instructions for Conducting an Election Meeting” contain variable materials.

X. BALLOTS/ELECTION PACKAGE - CURRENT

A ballot is prepared for each position with the candidates listed alphabetically. A mailing of the Instructions for Conducting an Election Meeting will be sent to each Unit President on or about August 1. This will include Election Regulations for District Wide Offices, ballots, ballot envelopes, envelopes for signatures, copies of the biographical material supplied by the candidates, and a self-addressed return envelope.

The Director of Elections will notify the District Presidents that the election materials have been mailed to the Units.

10. RETURN OF BALLOTS – PROPOSED

10.1 It is the sole responsibility of the Unit to see that all ballots reach the Director of Elections by the close of business on the third business day of October. Any ballots received after this date will not be included in the count.

10.2 The Director of Elections will count ballots at ACBL Headquarters. Each candidate, or his representative, is entitled to witness the opening and counting. An ACBL employee may not represent a candidate for this purpose.

10.3 Ballots are not opened until counting commences for each capacity is initiated. Before the results of any of the following are released formally, the Director of Elections will make every effort to communicate the outcome verbally to all candidates.

10.3.1 District Director ballots will be counted on the fourth business day of October, followed by an audit of the initial count.

10.3.2 First and Second Alternate ballots will be counted by the fifth business day of October, followed by an audit of the initial count.

10.3.3 Board of Governors ballots will be counted by the sixth business day of October, followed by an audit of the initial count.

XIII. RETURN OF BALLOTS - CURRENT

The ballot envelopes will be opened and the ballots counted at ACBL Headquarters by the Director of Elections beginning at 9:00 AM on the first Friday in October, which is at least five working days past September 30. Votes for each candidate will be calculated by dividing the number of votes allocated to the Unit by the number of voting Unit board members who cast a ballot. That result will be multiplied by the number of votes each candidate receives from that Unit.

Each candidate, or his representative, is entitled to witness the opening and counting. An ACBL employee may not represent a candidate for this purpose.

It is the sole responsibility of the Unit to see that all ballots reach the Director of Elections prior to the first Friday in October (which is at least five (5) working days past September 30). ANY

BALLOTS RECEIVED AFTER THE FIRST THURSDAY IN OCTOBER (WHICH IS AT LEAST FOUR (4) WORKING DAYS AFTER SEPTEMBER 30) WILL NOT BE COUNTED.

If the Director of Elections determines that the ballots from all the Units in the District have been returned, he may, with the consent of all the candidates, count the votes prior to the first Friday of October.

11. INADMISSIBLE UNIT VOTE - PROPOSED

Under all circumstances in any ACBL District Wide election in which all of a Unit's ballots are deemed inadmissible, the Director of Elections may establish a new election within the Unit by mail ballot within thirty (30) days following all possible appeals.

11.1 Such new election will only take place if it might affect the outcome.

11.2 Only those persons eligible to vote in the initial election are eligible to vote in the new election.

XIV. INADMISSIBLE UNIT VOTE - CURRENT

Under all circumstances in any District election for national office in which all of a Unit's ballots, although received in a timely manner, are deemed inadmissible, a new election will be held within the Unit by mail ballot within thirty (30) days following all possible appeals.

Only those persons eligible to vote in the initial election are eligible to vote in the new election, however, such new election will only take place if it might affect the outcome.

12. ELECTIONS FOR DISTRICT DIRECTOR, FIRST OR SECOND ALTERNATE DIRECTOR - PROPOSED

12.1 In the event one candidate does not receive a majority of the Unit Voting Power, a run-off election will be held between the two candidates receiving the highest Unit Voting Power in the District.

12.1.1 Upon disposition of any protest that will require a new election, the Director of Elections will commence a mail ballot election.

12.1.2 Only those persons eligible to vote in the initial election are eligible to vote in the run-off election.

12.1.2.1 The ballots must be returned to the Director of Elections within thirty (30) business days following the mailing of same.

12.1.3 During the period of a run-off or new election, the incumbent Director will continue in office until his/her successor is certified by the ACBL Board of Directors.

12.2 If there are no declared candidates in an election year for the position of District Director, First Alternate Director or Second Alternate Director, the position will be declared vacant at the conclusion of the incumbent's term by the Director of Elections.

12.2.1 Such vacancies are to be filled in accordance with the ACBL Bylaws.

XVI. RUN-OFF ELECTIONS – DISTRICT DIRECTOR, FIRST OR SECOND ALTERNATE DIRECTOR - CURRENT

In the event one candidate does not receive a majority of the votes cast, a run-off election will be held between the two candidates receiving the highest number of votes (allocated). Upon disposition of any protest that should require a new election, the Director of Elections will forthwith commence such run-off election by mail ballot. Only those persons eligible to vote in the initial election are eligible to vote in the run-off election. During the period of a run-off or new election, the incumbent Director will continue in office until his/her successor is certified by the ACBL Board of Directors.

XVIII. ELECTION PROCEDURES WHEN THERE ARE NO DECLARED CANDIDATES FOR DISTRICT DIRECTOR, FIRST ALTERNATE DIRECTOR OR SECOND ALTERNATE DIRECTOR - CURRENT

If there are no declared candidates in an election year for the position of District Director, First Alternate Director or Second Alternate Director, that position will be declared vacant at the conclusion of the incumbent's term by the Director of Elections. Such vacancies are to be filled in accordance with the ACBL Bylaws.

13. ELECTION FOR BOARD OF GOVERNORS REPRESENTATIVES - PROPOSED

13.1 The three (3) candidates in each District receiving the greatest Unit Voting Power will be deemed elected.

13.2 If there are not three declared candidates for Board of Governors Representatives, the position(s) for which there is no candidate(s) shall be filled in accordance with the ACBL Bylaws.

XVII. ELECTION FOR BOARD OF GOVERNORS REPRESENTATIVES - CURRENT

The three (3) candidates in each District receiving the greatest number of votes will be deemed elected. If a tie occurs, regulations in Section XVI will be in effect.

XIX. ELECTION PROCEDURES FOR BOARD OF GOVERNORS REPRESENTATIVE WHEN THERE ARE FEWER THAN THREE DECLARED CANDIDATES - CURRENT

In an election year, if there are fewer than three declared candidates in a District, positions of Representatives to the Board of Governors for which there are no candidates shall be declared vacant and will be filled in accordance with the ACBL Bylaws.

The Bylaws state: "A vacancy in the position of Representative shall be filled by the District Organization in accordance with its regulations within sixty (60) days. Should the vacancy not be filled within the required timeframe, the Chairman of the Board of Governors, in consultation with the Membership Committee, shall appoint a member of the District to fill the position for the unexpired remainder of the term; the appointment is subject to confirmation by the Board of Governors at its next regular meeting."

14. NULLIFICATION OF ELECTION FOR DISTRICT DIRECTOR - PROPOSED

14.1 The death or ineligibility to run as a candidate for District Director, opposed or unopposed, during the period of time from June 1 to the close of business on the third business day of October, will cause a new election to take place.

14.1.1 The new election will commence under the direction of the Director of Elections.

14.1.1.1 The Director of Elections will set new dates for the District election in order to allow the appropriate amount of time for candidates to file and campaign.

14.1.1.2 The same Unit Board members will be called upon to vote in the new election.

14.1.2 If the new election is still in progress when the term of office expires, the incumbent District Director will continue in office until his/her successor is certified by the ACBL Board of Directors.

14.1.3 If the incumbent does not remain in office until a successor is chosen, an appointment will be made to the position following the succession procedures in the ACBL Bylaws.

14.2 The resignation of a candidate for District Director in a two-candidate race will cause the remaining candidate to be declared elected.

14.3 The resignation of a candidate for District Director in a three+ candidate race will cause only the preparation and dissemination of new balloting materials.

14.3.1 The same Unit Board members will be called upon to vote in the new election.

XX. NULLIFICATION OF ELECTION FOR DISTRICT DIRECTOR - CURRENT

The death or resignation of a candidate for District Director, opposed or unopposed, during the period of time from May 1 to September 30, will either nullify the election in progress or cause an election to take place.

The Director of Elections will set a date or new dates for the District election in order to allow the appropriate amount of time for candidates to file and campaign. A candidate who resigned from the nullified election may not declare his/her candidacy for the new election.

If the new election period is still in progress when the term of office expires, the incumbent District Director will continue in office until his/her successor is certified by the ACBL Board of Directors.

In the case of the death or resignation of the incumbent Director, the First Alternate Director will serve as District Director until the new Director is certified by the ACBL Board of Directors. The First Alternate Director will then resume his/her position for the remainder of the unexpired term, unless elected as District Director.

15. PROTESTS – PROPOSED

A protest to an election is under the authority of the ACBL Board of Directors and will be heard by the Election Protest Committee.

15.1 The Election Protest Committee is composed of the three District Directors, all in the first year of their current term, who are most senior in length of service on the ACBL Board of Directors.

15.1.1 No member of the Election Protest Committee may serve on the Appeals and Charges Committee for the purpose of the election appeal.

15.2 A protest to an election should be filed with the Director of Elections in writing and must specify in detail the nature of the protest.

15.3 The protest must be postmarked no later than ten days after the election results are announced by the Director of Elections.

15.3.1 If the tenth day is a postal holiday, the tenth day will be deemed to be the next day that is not a postal holiday.

15.4 The Election Protest Committee will review the protest forthwith and will forward a copy of the protest to each candidate in said election.

15.4.1 As part of such review, the Committee may hold hearings, interrogate witnesses, examine all pertinent documents, and do any and all things necessary to decide such protest in an equitable manner.

15.4.2 If, in its judgment, it is desirable and practical, the Committee may arrange for mail ballots to be sent to the Board members of the Units involved in the protest. The time of return of ballots is to be fixed by the Election Protest Committee.

15.5 The Election Protest Committee will decide the protest and mail a copy of the decision, along with an explanation of such decision, to all interested parties.

15.6 An appeal of the Election Protest Committee's decision to the ACBL Board of Directors must be filed within ten days after the announcement of the Committee's decision; otherwise, such decision is final.

15.7 The investigation of the protest will be assigned to the Appeal and Charges Committee of the ACBL Board of Directors.

15.7.1 In the conduct of such investigation, the Appeals and Charges Committee may hold hearings, interrogate witnesses, examine all pertinent documents, and do any and all things necessary to determine all the facts to assist the ACBL Board of Directors in deciding the appeal in an equitable manner.

THE PROPOSED "PROTEST" REGULATION IS A COMPILATION OF THE THREE REGULATIONS FOLLOWING:

XXI. PROTESTS - CURRENT

A protest to an election should be filed with the Director of Elections in writing, must specify, in detail, the nature of the protest and be postmarked no later than ten days after the election results are announced by the Director of Elections. If the tenth day is a postal holiday, the tenth day will be deemed to be the next day that is not a postal holiday.

XXII. PROTEST PROCEDURES - CURRENT

A protest to an election is under the authority of the ACBL Board of Directors. The protest will be heard by the Election Protest Committee.

The Election Protest Committee will proceed as follows:

- A. It will forward a copy of the protest to each candidate in said election.
- B. It will review the protest forthwith.
- C. As part of such review, the Committee may hold hearings, interrogate witnesses, examine all pertinent documents, and do any and all things necessary to decide such protest in an equitable manner. If, in its judgment, it is desirable and practical, the Committee may arrange for mail ballots to be sent to the Board of Directors of the Units involved in the protest. The time of return of ballots is to be fixed by the Election Protest Committee.
- D. It will decide the protest and mail a copy of the decision, along with an explanation of such decision, to all interested parties.

An appeal of the Election Protest Committee's decision to the ACBL Board of Directors must be filed within ten days after the announcement of the Committee's decision, otherwise, such decision is final. The investigation of the protest will be assigned to the Appeal and Charges Committee of the ACBL Board of Directors. In the conduct of such investigation, the Appeals and Charges Committee may hold hearings, interrogate witnesses, examine all pertinent documents, and do any and all things necessary to determine all the facts to assist the ACBL Board of Directors in deciding the appeal in an equitable manner.

XXIII. ELECTION PROTEST COMMITTEE - CURRENT

No member of the Election Protest Committee may serve on the Appeals and Charges Committee for the purpose of the election appeal.

**American Contract Bridge League, Inc.**  
**Results of Operations**  
**Fully-Allocated Cost Format**  
**Year Ending December 31, 2005**

On a fully-allocated cost basis, the ACBL reported a \$693,000 loss for the year ending December 31, 2005. This loss is \$343,000 greater than the \$350,000 loss that had been budgeted for the year. The profit/(loss) by line of business is summarized below (dollar amounts in thousands):

| Line of Business       | 2005<br>Actual | 2005<br>Budget | Fav /<br>(Unfav) | %          |
|------------------------|----------------|----------------|------------------|------------|
| -----                  | -----          | -----          | -----            | -----      |
| Membership Services    | \$ 275         | \$ 380         | \$ ( 105 )       | ( 27.7 ) % |
| Playing at the Club    | 784            | 910            | ( 126 )          | ( 13.9 )   |
| Playing in Tournaments | 273            | 174            | 99               | 56.6       |
| Marketing              | (1,783 )       | (1,704 )       | ( 79 )           | ( 4.6 )    |
| Product Sales          | ( 242 )        | ( 110 )        | ( 132 )          | (119.7 )   |
|                        | -----          | -----          | -----            | -----      |
| Totals                 | \$ ( 693 )     | \$ ( 350 )     | \$ ( 343 )       | ( 98.2 ) % |
|                        | =====          | =====          | =====            | =====      |

**Membership Services**

The Bulletin registered a profit after allocations of \$199,000, \$35,000 worse than the \$234,000 budget profit as a result of \$36,000 less in advertising revenue. Lower in-house advertising by ACBL departments accounted for \$23,000 and higher advertising discounts accounted for the balance of the revenue decrease.

Masterpoint recording showed a \$4,000 loss after allocations compared to a \$17,000 loss budget. Non-dues revenue of \$4,000 was \$6,000 less than the \$10,000 budget as a result of lower interest income. The lower revenue was offset by a favorable comparison to overhead allocation expense (\$403,000 vs \$423,000 budget) resulting from less staff time exhibited in this area.

Customer service recorded a \$79,000 profit versus \$163,000 budgeted profit. This \$84,000 shortfall was the result of lower direct revenue (\$7,000 less) from affinity programs and lower non-dues revenue allocation (\$26,000 less), which was lower primarily due to lower interest income on investments. Additionally, we had a higher overhead expense allocation (\$53,000 higher) due to greater emphasis on this area by HQ staff members.



### **Playing at the Club**

Club games reflected a \$1,164,000 profit, which was \$63,000 less than the budgeted profit of \$1,227,000. The unfavorable variance is attributable to two areas, direct revenue generated from Rating Point Games was \$52,000 less than budget, and non-dues revenue was \$11,000 less due to lower interest income.

### **Playing in Tournaments**

Tournament play was the only line of business that was favorable to budget as the group combined to show a \$273,000 profit versus a \$174,000 budgeted profit. The \$99,000 favorable variance was led by the NABCs which showed a \$316,000 profit (vs \$212,000 profit budget), followed by Regional tournaments' \$22,000 profit (vs \$25,000 budget profit) and Sectional tournaments' \$13,000 loss (vs \$62,000 budget loss).

### **Marketing**

Total cost of Marketing & Promotion of \$1,783,000 was \$79,000 unfavorable to the \$1,704,000 budget. Department & Infrastructure costs were \$132,000 higher primarily as the result of the Youth Bridge Initiative (\$142,000 higher) and the final 2004 payment from the unit cooperative rebate program (\$61,000 higher) that was made in the first quarter of 2005. Several programs were reduced to offset the increased program costs

### **Product Sales**

Product sales showed a \$242,000 loss compared to a budgeted loss of \$110,000 for an unfavorable variance of \$132,000 as a result of an overly optimistic budget for sales revenue.

| Lines of Business                    | Direct Revenue    | Non-Dues Revenues | Allocation of Membership Dues | Direct Expense   | Direct TD Expense | Depart + InfraStructure Expense | Overhead Allocation | Net Profit or (Loss) |
|--------------------------------------|-------------------|-------------------|-------------------------------|------------------|-------------------|---------------------------------|---------------------|----------------------|
| <b>Membership Services</b>           |                   |                   |                               |                  |                   |                                 |                     |                      |
| BULLETIN                             | 391,960           | 5,859             | 1,550,369                     | -                | -                 | 1,083,223                       | 655,974             | 198,991              |
| Masterpoint Recording                | -                 | 3,598             | 395,614                       | -                | -                 | -                               | 402,870             | (3,658)              |
| Customer Service                     | 20,170            | 16,476            | 1,900,106                     | -                | -                 | 12,681                          | 1,844,865           | 79,208               |
| <b>Playing at the Club</b>           |                   |                   |                               |                  |                   |                                 |                     |                      |
| Club Games                           | 1,947,916         | 6,629             | 53,792                        | -                | -                 | 101,855                         | 742,156             | 1,164,326            |
| Special Games                        | 336,163           | 3,418             | -                             | 15,251           | 84,967            | 279,938                         | 340,180             | (380,756)            |
| <b>Playing in Tournaments</b>        |                   |                   |                               |                  |                   |                                 |                     |                      |
| Regional Games                       | 2,120,125         | 13,007            | 126,508                       | 3,617            | 1,501,933         | 18,383                          | 705,275             | 30,431               |
| Sectional Games                      | 1,866,837         | 11,465            | 114,533                       | 2,450            | 1,212,872         | 105,797                         | 677,166             | (5,450)              |
| NABC Games                           | 1,791,535         | 4,029             | 104,596                       | 113,257          | 378,206           | 898,067                         | 261,941             | 248,690              |
| <b>Marketing</b>                     |                   |                   |                               |                  |                   |                                 |                     |                      |
| Marketing & Promotion                | 33,677            | 7,562             | -                             | 1,581            | -                 | 976,144                         | 846,666             | (1,783,152)          |
| <b>Product Sales</b>                 |                   |                   |                               |                  |                   |                                 |                     |                      |
| Product Sales                        | 1,988,770         | 6,821             | -                             | 893,879          | -                 | 579,644                         | 763,716             | (241,648)            |
| <b>Governance</b>                    |                   |                   |                               |                  |                   |                                 |                     |                      |
| Governance                           | 125               | -                 | -                             | -                | -                 | 454,989                         | (454,864)           | -                    |
| Affiliated Organizations             | -                 | -                 | -                             | -                | -                 | 95,924                          | (95,924)            | -                    |
| <b>Unallocated Items</b>             |                   |                   |                               |                  |                   |                                 |                     |                      |
| General & Unallocated                | 5,063,649         | (78,866)          | (4,245,518)                   | 26,634           | (3,177,978)       | 10,580,631                      | (6,690,022)         | -                    |
| <b>Total - All lines of Business</b> | <b>15,560,927</b> | <b>-</b>          | <b>-</b>                      | <b>1,056,669</b> | <b>-</b>          | <b>15,197,276</b>               | <b>-</b>            | <b>(693,018)</b>     |

Budget as approved by the Board of Directors at the 2004 Fall Meetings in Orlando, Florida. Adjustments made to spreadsheet since the board meeting (December 2004):

- 1 Membership services allocation of membership dues has been adjusted to reflect a more recent CPI figure for the 2004 period (3.3% vs 2.5%).
- 2 Previously unallocated revenues were included in the membership dues allocation. This has been changed to allocate non-dues revenues based upon overhead allocation factors.
- 3 NABC director costs revised to avoid double-counting. July 2005.

| Lines of Business                    | Direct Revenue | Non-Dues Revenues | Allocation of Membership Dues | Direct Expense | Direct TD Expense | Depart + InfraStructure Expense | Overhead Allocation | Net Profit or (Loss) |
|--------------------------------------|----------------|-------------------|-------------------------------|----------------|-------------------|---------------------------------|---------------------|----------------------|
| <b>Membership Services</b>           |                |                   |                               |                |                   |                                 |                     |                      |
| BULLETIN                             | 428,250        | 15,451            | 1,548,870                     | -              | -                 | 1,101,850                       | 656,395             | 234,326              |
| Masterpoint Recording                | -              | 9,949             | 395,232                       | -              | -                 | -                               | 422,871             | (17,496)             |
| Customer Service                     | 27,350         | 42,178            | 1,898,268                     | -              | -                 | 13,100                          | 1,791,821           | 162,876              |
| Playing at the Club                  | 2,000,000      | 17,532            | 51,288                        | -              | -                 | 96,866                          | 744,809             | 1,227,145            |
| Club Games                           | 364,310        | 6,423             | -                             | 16,735         | 242,275           | 277,145                         | 151,726             | (317,146)            |
| Playing in Tournaments               |                |                   |                               |                |                   |                                 |                     |                      |
| Regional Games                       | 2,243,720      | 36,536            | 120,618                       | 5,000          | 1,590,884         | 23,050                          | 756,710             | 25,226               |
| Sectional Games                      | 1,915,290      | 32,193            | 109,200                       | 2,500          | 1,282,132         | 107,450                         | 726,566             | (81,965)             |
| NABC Games                           | 1,820,625      | 10,243            | 99,726                        | 128,400        | 415,860           | 947,595                         | 227,235             | 211,506              |
| Marketing                            |                |                   |                               |                |                   |                                 |                     |                      |
| Marketing & Promotion                | 38,665         | 21,593            | -                             | 3,000          | -                 | 844,093                         | 917,319             | (1,704,156)          |
| Product Sales                        |                |                   |                               |                |                   |                                 |                     |                      |
| Product Sales                        | 2,135,800      | 18,724            | -                             | 907,764        | -                 | 561,316                         | 795,433             | (109,986)            |
| Governance                           |                |                   |                               |                |                   |                                 |                     |                      |
| Governance                           | 100            | -                 | -                             | -              | -                 | 412,879                         | (412,779)           | -                    |
| Affiliated Organizations             |                |                   |                               |                |                   |                                 |                     |                      |
| Affiliated Organizations             | -              | -                 | -                             | -              | -                 | 90,199                          | (90,199)            | -                    |
| Unallocated Items                    |                |                   |                               |                |                   |                                 |                     |                      |
| Unallocated Items                    | 5,239,216      | (210,821)         | (4,223,201)                   | 33,150         | (3,531,151)       | 10,990,902                      | (6,687,707)         | -                    |
| General & Unallocated                |                |                   |                               |                |                   |                                 |                     |                      |
| General & Unallocated                | 16,213,326     | -                 | -                             | 1,096,549      | -                 | 15,466,445                      | -                   | (349,666)            |
| <b>Total - All lines of Business</b> |                |                   |                               |                |                   |                                 |                     |                      |

Budget as approved by the Board of Directors at the 2004 Fall Meetings in Orlando, Florida. Adjustments made to spreadsheet since the board meeting (December 2004):

- 1 Membership services allocation of membership dues has been adjusted to reflect a more recent CPI figure for the 2004 period (3.3% vs 2.5%).
- 2 Previously unallocated revenues were included in the membership dues allocation. This has been changed to allocate non-dues revenues based upon overhead allocation factors.
- 3 NABC director costs revised to avoid double-counting, July 2005.

**LEAGUE COUNSEL REPORT**  
**Peter Rank - March 27, 2006**

**1. Zipporah McKinney v. ACBL**

FACTS (Previously Reported): In 1999 Mrs. McKinney sued the League for alleged wrongful termination and unequal treatment. Baker and Donaldson, legal counsel for the League ("Memphis Counsel"), indicates that this is a very thin lawsuit and plaintiff's attorney has withdrawn. The case is in discovery stage and no activity has occurred. A local rule in the Tennessee Chancery Court requires a dismissal hearing in a matter in which no activity has occurred for 18 months or more. On advice of Memphis Counsel, we are waiting for the court to set this matter on its dismissal docket.

Memphis counsel determined that the case is still dormant as of February 17, 2004. He will make an informal request to the court clerk to have the case set for the dismissal calendar.

STATUS: No further information has been received from the court from the court.

**2. Logan v. ACBL**

FACTS (Previously Reported): On October 2, 2002, ACBL member John W. Logan sued the League in U.S. District Court in Philadelphia under the Americans with Disabilities Act of 1990. He claims that the League has improperly denied him the use of his decks of cards for the partially sighted, even though the League accepts Braille cards and other decks specifically for the partially sighted. League Counsel has filed an answer to Mr. Logan's complaint. League Counsel and ACBL staff has met with Mr. Logan and his attorney in an attempt to reach a settlement in this matter. Response to matters discussed in this meeting is expected in March, 2003.

Settlement negotiations have not succeeded. Counsel for League is being obtained in Philadelphia to proceed with case. League Counsel has received written confirmation from carrier that it will cover these legal expenses.

Counsel for League has filed a motion for summary judgment. Counsel for Mr. Logan did not file a timely answer to this motion. League counsel has requested that the judge dismiss the action with prejudice to Mr. Logan. This request is pending.

The Judge granted our motion for summary judgment. However, subsequently, Mr. Logan moved to reopen the case claiming that he was not properly represented. We opposed his motion in the basis that the summary judgment was entered by the judge after reviewing evidence in the case. On October 21, 2004, the judge agreed with us and denied Mr. Logan's motion.

STATUS: Mr. Logan appealed the granting of the ACBL summary judgment motion to the United States Court of Appeal. In an eight page decision dated March 9, 2006, the appellate court sustained the decision of the lower court which granted the League's motion for summary judgment. It is important to note that the court distinguished this case from the Casey Martin case in which a disabled professional golfer was granted relief which provided him with a golf cart during tournament play. The appellate court stated that in our case the use of the "Logan Deck" was not necessary for Logan to compete - as was the situation with the golf cart in the Casey Martin case. This matter is over unless Mr. Logan seeks relief from the United States Supreme Court.

### **3. Lyddon v. ACBL (Number 2)**

FACTS (Previously Reported): On June 13, 2005, Mr. Lyddon filed a second and almost identical lawsuit against the League in the same court as his previous lawsuit, but in a different New York county. Through Mr. Singer, the League's attorney in the first Lyddon case, the League has filing a motion to dismiss based on the fact that this matter has already been adjudicated in the same State Court. The League has asked for sanctions, court costs and legal fees. This matter is being tendered to the League's insurance company for coverage.

STATUS: The Court granted the League's Motion to Dismiss, but without sanctions, court costs or legal fees. The period of appeal has expired and this court matter has ended.

### **4. Baron Barclay Bridge Supplies v. ACBL**

FACTS: On December 1, 2005 Baron Barclay Bridge Supply filed a complaint in Federal District Court against the League alleging various antitrust and restraint of trade violations. Service on the League was made. The League's insurance carrier has agreed to cover legal costs and has appointed legal counsel. The League's Memphis counsel believes that the complaint has little merit.

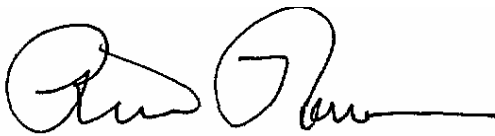
STATUS: After preliminary negotiations with Baron Barclay, it appears that plaintiff's goal is to establish its position as principal bookseller at the NABCs. Negotiations continue and time for the League's response has been extended by Baron Barclay.

**5. Elizabeth Maloney-Rafaie v. Bridge at Schools, Inc., American Contract Bridge League, American Contract Bridge League Educational Foundation, Barbara Heller, Nadine Wood, Charity Sack and Joan Gerard**

FACTS: On December 28, 2005, Ms. Maloney-Rafaie filed a complaint in the Delaware Superior Court alleging breach of her employment agreement by her employer, Bridge at Schools. The League is not a party to the employment agreement. However, Plaintiff alleges that the League was the alter ego of Bridge at Schools, despite the fact that the League had no legal relationship to or control of Bridge at Schools. The Educational Foundation is also alleged to be the alter ego of Bridge at Schools, and the individual defendants are alleged to have improperly induced Bridge at Schools to breach the employment agreement. The League's insurance carrier has agreed to cover legal costs and has appointed legal counsel.

STATUS: The League has not been served in this matter.

Signed:

A handwritten signature in black ink, appearing to read "Peter Rank", written over a horizontal line.

Peter Rank, Esq.