



**UNITED STATES EQUESTRIAN FEDERATION, INC.  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
MONDAY, JUNE 17, 2019  
3:00 P.M. EDT**

**MINUTES**

**Board Members Present:** Murray Kessler, Elisabeth Goth, Tom O'Mara, Tom Brennan, Allison Brock, Robert Costello, Margie Engle, Lisa Gorretta, Nancy Harvey, Beezie Madden, Joe Mattingley, Cindy Mugnier, Philip Richter, Judy Sloan and Judy Werner

**Board Members Absent:** Jane Clark, Catherine Haddad Staller, Valerie Kanavy, Joe Mattingley and Diane Pitts

**Senior Team Present:** Bill Moroney, David Harris, Sonja Keating and Stephen Schumacher

**1. Roll Call and Determination of a Quorum**

Mr. Kessler called the meeting to order at 3:02 p.m. EDT. Following a call of the roll, Ms. Adams noted that a quorum was present.

**2. Adoption of the Agenda**

Mr. Richter moved and Ms. Goth seconded the motion to adopt the agenda. There was no discussion and the motion carried unanimously.

**3. President's Opening Remarks**

Mr. Kessler stated that after this meeting adjourns, he would like to have a discussion on Safe Sport.

**4. Conflict of Interest Disclosure**

Ms. Keating requested that Directors declare conflicts with the item for discussion at this time. Ms. Goth declared that she was a donor to the University of Kentucky, but had not been involved in any conversations regarding the Laboratory.

**5. Approval of Resolution to Donate Laboratory Assets valued at \$971,000.00 to the University of Kentucky; Authorization for the Chief Executive Officer to negotiate the terms of a Services Agreement for the University of Kentucky to provide Equine Drug Testing Services in an amount up to \$2,235,750.00 per year for an Initial Term of 64 months, with two five-year renewable terms at \$2,530,000 per year; and Authorization to Pre-Pay up to \$500,000.00 toward the Initial Term of the Services Agreement**

Mr. O'Mara stated that since the Board decision to move forward with the transition of the Lab at the 2018 Mid-Year meeting, we had an agreement in principle with the University of Kentucky (UK) at the end of 2018. Over the past six months, staff have worked with UK to arrive at the deal points for a Service Agreement as outlined in the Resolution. By moving forward with this agreement, it removes

the perceived conflict of interest, increases the Lab quality as UK is a research institution and will save us \$250k annually plus relieving us of the added expense of \$500k in capital equipment investment. As Chair of the Task Force, Mr. O’Mara stated that is feels this is a great transaction and is happy to support it. Ms. Sloan moved and Ms. Mugnier seconded the motion to approve the Resolution as presented. There was no further discussion and the motion passed unanimously.

**6. Adjourn.**

There being no further business, the meeting adjourned at 3:13 p.m. EDT.

Signed and submitted:

A handwritten signature in cursive script that reads "Karen Adams".

Karen Adams, Recording Secretary

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
UNITED STATES EQUESTRIAN FEDERATION, INC.  
BOARD OF DIRECTORS**

At a properly noticed telephonic Special Meeting of the Board of Directors of the United States Equestrian Federation, Inc. ("USEF") on Monday, June 17, 2019 at 3:00 p.m., the following resolutions were proposed and approved:

WHEREAS, USEF owns and operates a laboratory in Lexington, KY for the purpose conducting research and testing equine blood and urine samples under USEF rules;

WHEREAS, pursuant to USEF Board approval, USEF entered into a Letter of Intent with the University of Kentucky ("UK") whereby the parties would negotiate an agreement for the transfer of all USEF laboratory assets to UK and enter into a services agreement for UK to provide USEF with research and testing services previously provided by USEF;

WHEREAS, USEF Board approval is required to dispose of the USEF lab assets and enter into a multi-year services agreement with UK whereby UK would provide research and testing services previously provided by USEF and USEF would terminate providing such services.

Therefore, IT IS HEREBY RESOLVED, that the USEF Board of Directors:

1. Approves the transfer and donation of laboratory assets valued at approximately \$971,000.00 to UK for the purposes set forth above;
2. Authorizes the Chief Executive Officer to negotiate the terms of, and execute, a Services Agreement with UK the latter providing Equine Drug Testing Services in an amount up to \$2,235,750.00 per year for an Initial Term of 64 months, with two five-year renewable terms at \$2,530,000.00 per year; and
3. Authorizes a payment to UK \$500,000.00 as a pre-payment for services toward the amount owed over the Initial Term of the Services Agreement.

**CERTIFICATION**

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution presented to and adopted by the USEF Board of Directors pursuant to USEF Bylaws on the date first written above.

Recording Secretary:



Karen C. Adams