

**LEAGUE COUNSEL REPORT**  
**Peter Rank- June30, 2008**

**1. 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 (Previously reported): 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. The League was served in this matter.

The League's insurance counsel is determining if the service was proper and timely under relevant law. Appointed counsel was preparing to answer by means of a Motion to Dismiss based on improper service and statute of limitations when the matter was transferred to the Delaware Court of Chancery upon motion of another defendant. As soon as the Court of Chancery accepts the case the League's Motion to Dismiss will be filed.

STATUS (Previously reported): League Counsel has filed the Motion to Dismiss in the Chancery Court and is waiting for the Court to set a date for oral argument.

**2. Peter Marcus and Susan Patricelli v. American Contract Bridge League**

FACTS: On November 15, 2007, Mr. Marcus and Ms. Patricelli filed a complaint in the United States District Court, District of Connecticut alleging that (1) the ACBL failed to pay overtime to the plaintiffs as required by Federal law; and (2) that the ACBL retaliated against Mr. Marcus for his efforts to obtain overtime. Relief requested by the plaintiffs includes unpaid overtime, liquidated damages, attorney's fees and interest.

The ACBL has retained Connecticut counsel recommended by its insurer. Counsel has accepted service on behalf of the ACBL and, on January 15, 2008, filed Motions to Dismiss and to Transfer the case to Tennessee. On February 26, 2008 Plaintiffs filed a Memorandum in Opposition to the league's Motions.

STATUS: On June 26, 2008, the ACBL counsel in Connecticut was informed that the Court denied the League's Motions to Dismiss and to Transfer Venue. Counsel expects that discovery will now begin.

Signed:

A handwritten signature in black ink, appearing to read "Peter Rank", written in a cursive style. The signature is positioned above a horizontal line.

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Peter Rank, Esq.