THE AMERICAN CONTRACT BRIDGE LEAGUE INC.

IN-HOUSE COUNSEL LITIGATION REPORT

BLAKELY v. ACBL et. al.

<u>Facts</u>: In June 2016, former District Director Bruce Blakely filed a civil lawsuit in California state court, asking for 11 claims for relief. Named defendants included the ACBL, the late Peter Rank, former Counsel to the ACBL Board of Directors, Robert Hartman, former ACBL CEO, several named District Directors, including spouse Stan Subeck, plus Does 1 to 25.

<u>Procedural Posture</u>: Over the majority of 2018 the parties engaged in discovery, including document production and answering interrogatories and requests for admissions. During the first quarter of 2019, Blakely settled this matter with the Zurich Insurance Company, the insurer representing all Defendants in this matter. We recently adjusted the settlement to provide that, once Blakely completes a sexual harassment training course approved by the ACBL, he will be restored to good standing.

PETER MARCUS, et al v. ACBL

On June 23, 2017, Peter Marcus, a former ACBL Tournament Director, filed suit on behalf of himself and similarly situated plaintiffs against the ACBL seeking overtime pay for full-time Tournament Directors, damages and attorneys' fees. In late 2017, ACBL Tournament Directors Matthew Koltnow and Dianne Barton-Paine joined in the complaint. In addition, Marcus for himself alleges that the ACBL constructively discharged him in retaliation for his past complaints relating to Tournament Director pay. He seeks reinstatement, promotion, payment of lost wages, damages and costs. The ACBL denies these allegations and intends to vigorously defend itself against these charges. Our insurer is currently providing litigation defense. Depositions of all three Plaintiffs were taken in this matter during the first quarter of 2018. The parties engaged in a mediation of this matter in May 2018, but no agreement was able to be reached. Plaintiffs' motion to conditionally certify a collective action was granted at the end of the third quarter 2018. Notices were mailed during the first quarter 2019 to the affected Tournament Directors which opt-in period ended March 15, 2019, later extended for several Tournament Directors until April 15, 2019. Sixteen Tournament Directors opted-into the lawsuit in addition to the three named Plaintiffs. The ACBL has responded to Plaintiffs' document discovery requests.

Procedural Posture. Depositions of several ACBL current and former employees are currently in the process of being scheduled and will take place over the summer months. At the appropriate time, the ACBL plans to move for summary judgment on all claims. No trial date has yet been set.

Respectfully submitted,

Linda J. Dunn

Linda J. Dunn, Esq.

Dated: June 24, 2019