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, among other things, damages plus his legal fees, an injunction prohibiting the ACBL barring him from tournaments, elimination of his probationary period and his restoration as a member in good standing, as well as a declaration that the ACBL's Code of Disciplinary Regulations is unfair – in total, 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.

Procedural Posture: Defendants filed a request for a stay of the Superior Court action, lodged objections to Mr. Blakely's requests for admissions and for the production of documents and interrogatories. Defendants motion to compel binding arbitration was denied as was its appeal. Mr. Blakely filed a Motion to Sever the Individual [Defendants] from the ACBL on the basis that the issues pertaining to the people are different than those involving the ACBL and a motion for reimbursement of his attorneys' fees and both motions were denied. The ACBL then filed an answer to the original complaint. 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. As long as Blakely completes a sexual harassment training course approved by the ACBL, he will be restored to good standing as of January 1, 2020.

SCHREIBER v. M.A. LIGHTMAN BRIDGE CLUB, ACBL UNIT 144, et. al.

Status: The ACBL is not a party to this matter. No update will be provided until something of note has occurred. (See previous Litigation Reports for a description.)

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, he was joined in his complaint by ACBL Tournament Directors Matthew Koltnow and Dianne Barton-Paine. 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 fourth quarter 2018 to the affected Tournament Directors which opt-in period ended March 15, 2019. Seven Tournament Directors, who were deemed to be related to the lawsuit or who did not receive the original notice mailing, will have until April 15, 2019 to respond. The ACBL is in the process of responding to Plaintiffs' document discovery requests.

Procedural Posture. 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: March 3, 2019