

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
 ELLYN R. WEISS
 DIANE CURRAN
 DEAN R. TOUSLEY
 ANDREA C. FERSTER

TELEPHONE
 (202) 328-3500

February 23, 1988

John A. Hoyt, President
 Paul G. Irwin, Treasurer
 Patricia Forkan, Senior Vice President
 Murdaugh S. Madden, Esq. General Counsel
 Patrick P. Parkes, Exec. Vice President
 Dr. John W. Grandy, Vice President/Wildlife & Environment
 Phyllis Wright, Vice President/Companion Animals
 Dr. Michael W. Fox, Vice President/Farm Animals & Bioethics
 The Humane Society of the
 United States
 2100 L Street, N.W.
 Washington, D.C. 20037

Dear Messrs and Mesdame,

As you know, the Board of Directors of the HSUS at a special meeting held on December 12, 1987, established an audit committee composed of Susan Pepperdine, Robert B. Sorock and John W. Mettler to make a full report to the Board of Directors on the "management of the financial affairs" of the HSUS in advance of the April, 1988 Board meeting. The committee has hired our law firm to assist it with its work.

To enable the Board of Directors to exercise its fiduciary obligations for corporate oversight it must have certain information. Accordingly, I have prepared the enclosed questionnaire. Because there has been some resistance to providing such information I have explained below in detail why it is critically important to maintaining the financial and legal health of HSUS.

HSUS is classified as a charity under section 501(c)(3) of the Internal Revenue Code. Maintenance of this status is vitally important to the fundraising success of HSUS because only section 501(c)(3) charities can offer their donors the incentive of a tax deduction for their charitable contributions.¹

1 Legislation recently enacted requires that organizations which are not section 501(c)(3) charities disclose on their fundraising solicitations that gifts to them do not qualify for deductions as charitable contributions. This disclosure is likely to reduce the substantially receipts of non-charitable organizations.

February 23, 1988

Page 2

One of the requirements of section 501(c)(3) status is that no part of the net earnings inure to the benefit of any private shareholder or individual.² Private inurement includes the receipt of unreasonable compensation, or the receipt of funds or property for non-business purposes.

Moreover, sensitivity to the problems potential or perceived conflicts of interest is critically important for any multi-million dollar organization.³ More importantly the federal tax laws and Delaware corporate law prohibit self-dealing between charities and their insiders such as officers, directors, and senior staff.⁴

One significant problem of conflict of interest arises when an employee of HSUS (who owes a duty of loyalty to HSUS) assumes simultaneous fiduciary obligations to donors to HSUS or to their estates. Most charities prohibit employees from acting as executors, trustees or under powers of attorney for their donors, although this rule may be waived if the executor, trustee or attorney has no discretionary powers.

A few examples may help to demonstrate potential problems for HSUS. An executor is normally charged with making investment decisions during the period of administration of an estate. For large and complicated estates, such as those of HSUS major donors, the period of administration can be many years. If a will provides that \$100,000 will be given to A, B, C, and D and the residue to HSUS, then during the period of administration, A, B, C, and D are entitled to the income earned by their \$100,000 legacy. The conflict arises because any funds invested for maximum capital appreciation, (not income) will increase the residue going to HSUS and decrease the amount going to the individuals. Accordingly, the power to set investment goals runs the risk of angering individual beneficiaries who might sue the HSUS executor for violation of fiduciary duty and fraud.

2 26 U.S.C. 501(c)(3).

3 NCIB, the most influential of the watchdog groups which rate charities, require a conflict of interest policy for Board and Staff members.

4 See Phelan Non-Profit Enterprises § 4.05 and Johnson v. Greene, 35 Del. Ch. 479, 121A 2d 919 (1956) cited therein.

HARMON & WEISS

February 23, 1988

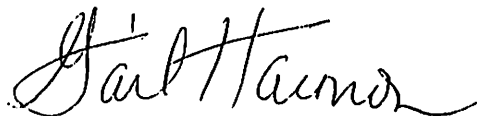
Page 3

To present a more dramatic human conflict, assume a HSUS employee with a power of attorney for a frail, elderly person who needs to be admitted to a nursing home and who has bequeathed all of his/her assets to HSUS. Should the employee put her in a luxury nursing home and decrease the funds to HSUS or should he maximize the donation by cutting a few corners? On a personal level, none of the directors would want to be faced with these problems; on an organizational level, it is legal and political suicide to be aware that these problems exist but to fail to inquire as to their magnitude. To set intelligent policies and give useful directions to its staff, the Board of Directors must know in how many cases its employees have undertaken and will be asked to undertake fiduciary obligations for donors, exactly how much discretion they have been asked to assume and what peculiar problems may arise because of unusual assets, disinherited relations, etc.

To enable the Board to exercise its fiduciary duties, it must be able to evaluate on the basis of complete and accurate information whether or not current problems of private inurement and/or conflicts of interest exist. Such information will also help the Board to set policies for the future. Therefore, please complete the enclosed questionnaire and return it to me by March 1, 1988.

If you have questions about how to answer the various questions, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gail M. Harmon".

Gail M. Harmon

cc: William Voorhees
audit committee
including Wiseman

GH/als

NATIONAL HUMANE EDUCATION CENTER
TRANSACTIONS ANALYSIS
FOR YRS 1983 - 1987

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
LINE No.	DATE	REFERENCE	DEPOSITS	DISBURSEMENTS	DESCRIPTIONS	LINE No.	
1						1	
2	1983		-0-	-0-	NO ACTIVITY OCCURED	2	
3						3	
4	1984		-0-	-0-	NO ACTIVITY OCCURED	4	
5						5	
6	1-9-85	2-1	18000. ⁰⁰			6	
7	1-11-85	2-2+2-2a	4000. ⁰⁰			7	
8	1-11-85	2-3		13000. ⁰⁰ *		8	
9	1-23-85	2-4+2-4a	51737			9	
10	1-23-85	2-3		9000. ⁰⁰ *		10	
11						11	
12	1-13-86	2-5	23000. ⁰⁰			12	
13	1-13-86	2-6		9000. ⁰⁰ *		13	
14	1-23-86	2-6+2-6a		14000. ⁰⁰ *		14	
15						15	
16	1-12-87	2-7+2-7a	24000. ⁰⁰			16	
17	1-12-87	2-8		14000. ⁰⁰ *		17	
18	1-20-87	2-8		10000. ⁰⁰ *		18	
19						19	
20						20	
21						21	
22						22	
23						23	
24						24	
25	* Since this is a saving account, any withdraw was proceeded by filing						25
26	out a withdraw slip. Then the bank would draw a cashier check						26
27	for the amount requested payable to the party indicated. Therefore						27
28	there is not cancelled checks to support these disbursements. However						28
29	a copy of the Passbook from "Columbia First" bank is attached (see 2-8)						29
30	to support all the transactions occurred for the last 3 years.						30
31						31	
32						32	

No.0233318

Mellon Bank N.A.
TRUST DEPARTMENT

81⁷⁵07/85

ACCOUNT NO. [REDACTED]

AMOUNT

PAYMENT REQUESTED 1/7/85

Dep 1/9/85

js 3745

\$18,000.00

DETACH AND RETAIN THIS STATEMENT

Mellon Bank

Mellon Bank N.A.
One Mellon Bank Center
Pittsburgh, PA 15258

January 7, 1985

Mrs. Moneta P. Morgan
Humane Society of the U.S
2100 L. Street, N.W.
Washington, DC 20037

Dear Mrs. Morgan:

Re: Humane Society of the U.S
Account Number [REDACTED]

Enclosed is a check for \$4,000 payable to
the National Humane Education Center which
John Wall requested that I send to you.

This check was inadvertently omitted from my
letter dated January 7, 1985.

Very truly yours,



Marilyn J. King
Charitable Trust Assistant

Enclosure

MJK/daw

No. 0233151

Mellon Bank
TRUST DEPARTMENT

DATE
01/04/85

ACCOUNT NO.



AMOUNT

PAYMENT REQUESTED 1/3/85

Dep 1/11/85

js 3745

\$4,000.00

DETACH AND RETAIN THIS STATEMENT

☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, and ZIP code National Humane Education Center 2100 L Street, N. W. Washington, D. C. 20037		1 Rents 2 Royalties	OMB No. 1545-0115 1985 Statement for Recipients of	Miscellaneous Income Copy C For Payer For Paperwork Reduction Act Notice and instructions for completing this form, see Instructions for Form 1099 Series, 1098, 5498, and 1096.
PAYER'S Federal identification number 54-6076066	RECIPIENT'S identification number 287- [REDACTED]	3 Prizes and awards	4 Federal income tax withheld	
RECIPIENT'S name (first, middle, last) John A. Hoyt		5 Fishing boat proceeds	6 Medical and health care payments	
Street address 14670 Seneca Road City, state, and ZIP code Germantown, Maryland 20874 Account number (optional)		7 Nonemployee compensation \$13,000.00	8 Substitute payments in lieu of dividends or interest	
		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		

Form 1099-MISC

Department of the Treasury - Internal Revenue Service

☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, and ZIP code National Humane Education Center 2100 L Street, N. W. Washington, D. C. 20037		1 Rents 2 Royalties	OMB No. 1545-0115 1985 Statement for Recipients of	Miscellaneous Income Copy C For Payer For Paperwork Reduction Act Notice and instructions for completing this form, see Instructions for Form 1099 Series, 1098, 5498, and 1096.
PAYER'S Federal identification number 54-6076066	RECIPIENT'S identification number 077- [REDACTED]	3 Prizes and awards	4 Federal income tax withheld	
RECIPIENT'S name (first, middle, last) Paul G. Irwin		5 Fishing boat proceeds	6 Medical and health care payments	
Street address 13109 Chestnut Oak Drive City, state, and ZIP code Gaithersburg, Maryland 20878 Account number (optional)		7 Nonemployee compensation \$9,000.00	8 Substitute payments in lieu of dividends or interest	
		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		

Form 1099-MISC

Department of the Treasury - Internal Revenue Service

☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, and ZIP code		1 Rents 2 Royalties	OMB No. 1545-0115 1985 Statement for Recipients of	Miscellaneous Income Copy C For Payer For Paperwork Reduction Act Notice and instructions for completing this form, see Instructions for Form 1099 Series, 1098, 5498, and 1096.
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RECIPIENT'S name (first, middle, last)		5 Fishing boat proceeds	6 Medical and health care payments	
Street address		7 Nonemployee compensation	8 Substitute payments in lieu of dividends or interest	
City, state, and ZIP code		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		
Account number (optional)				

Form 1099-MISC

Department of the Treasury - Internal Revenue Service

P.O. BOX 3597
ARLINGTON, VIRGINIA 22203

PAGE 1

HUMANE SOCIETY OF UNITED STATES
C/O MRS M MORGAN
2100 L ST NW
WASHINGTON DC 20037

0

LAST STATEMENT DATE	CURRENT STATEMENT DATE
12/04/84	02/04/85
FOR INFORMATION REGARDING YOUR ACCOUNT CALL	
(703) 642-3160	

REGULAR SAVINGS

TAXPAYER ID 530-22-5390

15 58 00

BALANCE LAST STATEMENT	WE HAVE ADDED			WE HAVE SUBTRACTED			RESULTING IN A BALANCE OF
	NO.	DEPOSITS TOTALING	INTEREST	NO.	ITEMS TOTALING	SERVICE CHARGE	
514.81	0	000	256	1	517.37	00	000

POSTING DATE	TRANSACTION DESCRIPTION	REFERENCE NUMBER	TRANSACTION AMOUNT	BAL. DATE	BALANCE AMOUNT
12-04	BEGINNING BALANCE			12-04	514.81
01-04	INTEREST PAID		2.56*	01-04	517.37
	ON AN AVERAGE BALANCE OF \$514			01-15	0.00
	FOR 33 DAYS AT ANNUAL RATE OF 5.500%			02-04	0.00
01-15	WITHDRAWAL	33057865	517.37		

* WHERE THIS ASTERISK IS SHOWN A PRECEDING CHECK (OR CHECKS) IS STILL OUTSTANDING OR HAS BEEN INCLUDED IN A PREVIOUS STATEMENT.

The total(s) represents the correct amount of money you have in the bank. Please examine at once. If no error is reported within 14 days, your account(s) will be considered correct.



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

January 7, 1985

OFFICERS

Coleman Burke
Chairman of the Board

K. William Wiseman
Vice Chairman

Dr. Amy Freeman Lee
Secretary

John A. Hoyt
President

Paul G. Irwin
Vice President/Treasurer

Murdaugh Stuart Madden
Vice President/
General Counsel

Patrick B. Parkes
Vice President/Field Services

Patricia Forkan
Vice President/Program
and Communications

Dr. John W. Grandy
Vice President/
Wildlife and Environment

Phyllis Wright
Vice President/
Companion Animals

Dr. Michael W. Fox
Scientific Director

DIRECTORS

Rosemary Benning
Samuel A. Bowman
Dr. Carol Browning
Coleman Burke
Jack Conlon
Irene Evans
Anna Fesmire
Regina B. Frankenberg
Harold H. Gardiner
Gisela H. Karlan
William Kerber
Dr. Amy Freeman Lee
Jack W. Lydman
Virginia Lynch
Cherie Mason
John W. Mettler, III
John G. Mosher
O.J. Ramsey
Susan Selby
Marilyn G. Seyler
Everett Smith, Jr.
Brook Speidel
Robert F. Welborn
K. William Wiseman

HONORARY DIRECTORS

Aida Flemming
Virginia Milliken
Andrew Wyeth

Sovran Bank
P. O. Box 3597
Arlington, Virginia 22203

Ref: Account [REDACTED] (Regular Savings)

Gentlemen:

Enclosed find a savings withdrawal form signed by two authorized officers on the above referenced savings account. Please compute the interest earned on the account and make a check for the full amount closing this account.

Please make the check payable to:

National Humane Education Center

and mail to the address above.

Sincerely,

MONETA P. MORGAN
Assistant Treasurer

MPM/wht
Enclosure

REGULAR SAVINGS WITHDRAWAL
HUMANE SOCIETY OF UNITED STATES
C/O M. MORGAN

OLD ACCOUNT NUMBER: 606804010-680108

DATE

1-7-85

SIGNATURE

Patrick B. Parkes *Moneta P. Morgan*

F&M FIRST & MERCHANTS
NATIONAL BANK
Northern Virginia 22203

010560073871

71

2-4a

Recd 37
517
1/18/85

Trust or Investment Department



0041552

5-26-40

Date

01/07/86

Amount

EXACTLY

\$****23,000.00**

Pay to the
order of

NATIONAL HUMANE EDUCATION
CENTER
2100 "L" STREET, N.W.
WASHINGTON, DC

Authorized Signature

Not negotiable after six months.

Mellon Bank, N.A.
Pittsburgh, PA

⑈0041552⑈ ⑈043000261⑈ 900⑈1237⑈

Trust or Investment Department



0041552

GRANT AUTHORIZED 01/06/85 BY THE
HUMANE SOCIETY OF THE
UNITED STATES
CHECK NUMBER 0000041552 PAYABLE
TO NATIONAL HUMANE EDUCATION

01/07/86 \$****23,000.00

MELLON BANK N.A.

THIS PORTION IS NON-NEGOTIABLE

TRANSACTION NO 00297 14

DEBBIE WRIGHT

Detach and Retain This Statement

☐ VOID☐ CORRECTED

PAYER'S name, street address, city, state, and ZIP code National Humane Education Center 2100 L Street, N. W. Washington, D. C. 20037		1 Rents 2 Royalties	OMB No. 1545-0115 1986 Statement for Recipients of	Miscellaneous Income Copy C For Payer For Paperwork Reduction Act Notice and instructions for completing this form, see Instructions for Forms 1099, 1098, 5498, 1096 and W-2G.
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		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		

Form 1099-MISC

Department of the Treasury - Internal Revenue Service

☐ VOID☐ CORRECTED

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PAYER'S Federal identification number 54-6076066	RECIPIENT'S identification number 077- [REDACTED]	3 Prizes and awards	4 Federal income tax withheld	
RECIPIENT'S name (first, middle, last) Paul G. Irwin Street address 13109 Chestnut Oak Drive City, state, and ZIP code Gaithersburg, Maryland 20878 Account number (optional)		5 Fishing boat proceeds 7 Nonemployee compensation \$9,000.00	6 Medical and health care payments 8 Substitute payments in lieu of dividends or interest	
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Form 1099-MISC

Department of the Treasury - Internal Revenue Service

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Form 1099-MISC

Department of the Treasury - Internal Revenue Service



WASHINGTON'S FIRST INSURED SAVINGS ASSOCIATION

15-55
540

WASHINGTON, D. C. 20001

09-014524

PAY

TO THE ORDER OF

COLUMBIA FIRST **I 40000000 CTS**

ACCOUNT NUMBER

DATE

*** John A. Hoyt ***

00-142446-7

January 23, 1986

AMERICAN SECURITY BANK, WASHINGTON, D. C.


AUTHORIZED SIGNATURE

⑈09014524⑈ ⑆054000551⑆43⑈

Approved by

Entered

Charge to

Paid

Mellon Bank N.A.
Mellon Square
Pittsburgh, PA 15230

John A. Wall
Assistant Vice President

Mellon Bank

December 21, 1987

Mr. Paul G. Irwin
Executive Vice President and Treasurer
The Humane Society of the United States
2100 "L" Street, Northwest
Washington, DC 20037

Dear Paul:

Re: Humane Society of the United States
Account No. [REDACTED]

After our phone conversation today concerning your request to have \$24,000 withdrawn and paid to the National Humane Association on January 2, 1988, I reviewed the portfolio. There is only \$13,031 in temporary funds available, so we need to raise approximately \$11,000. Since, we have more than a typical weighting in the consumer non-durable stocks I have recommended sale of a portion of the Kellogg holding to raise the needed funds. Listed below are the details.

<u>Sell:</u>	<u>Inventory</u>	<u>Approx. Price</u>	<u>Market Value</u>	<u>Est. Income</u>
200 shs. Kellogg Co. (lvs. 700 shs.)	\$7,812	54	\$10,800	\$272

If the amount raised is not quite sufficient, we will transfer additional funds from income to complete the \$24,000 withdrawal.

I hope this meets with your approval. Please sign and return the approval copy of this letter, if you are in agreement.

Best wishes for Christmas and a Happy New Year.

Sincerely,


John A. Wall
Assistant Vice President

Enclosure
JAW:vlr

*Start in to b
To: National Humane
Educational Ctr Inc.*

Trust and Investment Department



0074795

PAYMENT TO NATIONAL HUMANE EDUCATIONAL
CENTER, WASHINGTON, D.C., AS REQUESTED
BY PAUL IRWIN
CHECK NUMBER 0000074795 PAYABLE
TO NATIONAL HUMANE EDUCATIONAL

Date: 12/30/86 Amount: \$****24,000.00

MELLON BANK N.A.

TRANSACTION NO 02754 12

DEBBIE WRIGHT

Detach and Retain This Statement

THIS PORTION IS NON-NEGOTIABLE

Debbie Wright
1-14-87

Date	Deposits and Interest	Withdrawals	Balance
010985	NBK 18000.00		18000.00 C194
011185		13000.00	5000.00 C192
011185	4000.00		9000.00 C192
012385	517.37		9517.37 C191
012385		9000.00	517.37 C191
032785	INT 28.31		545.68 C000
062685	INT 7.64		553.32 C000
092685	INT 7.83		561.15 C000
122785	INT 7.94		569.09 C000
<hr/>			
011386	23000.00		23569.09 C191
011386		9000.00	14569.09 C191
012386		14000.00	569.09 C193
032786	INT 29.51		598.60 C000
062686	INT 8.38		606.98 C000
092686	INT 8.59		615.57 C000
123086	INT 8.71		624.28 C000
011287	24000.00		24624.28 C194
011387		14000.00	10624.28 C194
012387		10000.00	624.28 C193

ITEMS ARE CREDITED SUBJECT TO FINAL PAYMENT IN
 30 DAYS. HOLDS WILL BE PLACED ON CHECKS AS FOLLOWS.
 DC-MD-VA 5 BUSINESS DAYS; ALL OTHER STATES
 9 BUSINESS DAYS.

"Columbia First" Savings Account # 00- [REDACTED] 7
 (Passbook)



ACCOUNTS RECEIVABLE

GARDINER/HAL

HUMANE SOCIETY
C/O SAM TREVINO
2100 L ST NW
WASHINGTON DC 20037

INVOICES ARE DUE AND PAYABLE WITHIN 10 DAYS

DATE OF ISSUE SEP 08 1987

NO. 19171

AGENT CB

PAYMENT

15 SEP 87 - TUESDAY

NORTHWEST AIR 676 SPCL CLASS

LV: SALT LAKE CTY 907A

AR: MPLS/ST PAUL 1230P

SNACK

NONSTOP

SEAT- 7D

CONFIRMED

NORTHWEST AIR 743 SPCL CLASS

LV: MPLS/ST PAUL 100P

AR: DETROIT/METRO 335P

SNACK

NONSTOP

SEAT-14C

CONFIRMED

17 SEP 87 - THURSDAY

CONTINENTAL 527 SPCL CLASS

LV: DETROIT/METRO 645P

AR: DENVER 740P

DINNER

NONSTOP

SEAT- 9C

CONFIRMED

CONTINENTAL 1159 SPCL CLASS

LV: DENVER 835P

AR: SALT LAKE CTY 1004P

NONSTOP

SEAT- 6D

CONFIRMED

15 SEP 87 - TUESDAY

TOUR

THIS TKT TO BE BILLED TO HUMANE SOCIETY
HAL GARDINER OF GARDINER MARKETING

TICKET NUMBER/S:
GARDINER/HAL

1410530891

CHECK

460.00

AIR TRANSPORTATION

425.92

TAX

34.08

TTL

460.00

SUB TOTAL

460.00

AMOUNT DUE

460.00

Not on Hoyt's



OCT 30 1987

OFFICERS

Harold M. Hastings
Honorary Chairman of the Board
Robert B. Sorock
President
Ms. Marilyn Turner
First Vice President
Mrs. Jack Marx
Second Vice President
Daniel Minkus
Secretary
Paul Heneks
Treasurer
David K. Wills
Executive Director

October 26, 1987

DIRECTORS

Ms. Linda Fuhrmann
Mrs. Richard Greer
Mrs. James Grosfeld
Peter B. Johnstone
John Kelly
Frank Crouse
Ross Lerner
Eugene W. Lewis III
Mrs. Frank Scott Perkin
Mrs. Arthur Rodecker
James D. Ross
Mrs. Frederick Ruffner
Mrs. David Sparrow
Mrs. Lucius Theus
Frank R. Wheeler
Jon C. Whiteman

Humane Society of the United States
2100 L Street N.W.
Washington, DC 20037
ATTN: Paul Irwin

Dear Mr. Irwin:

Enclosed please find the receipts for the HSUS visit September 14 - 19 at the Dearborn Inn. The total of that visit came to \$4,714.72.

Please send the reimbursement check to David K. Wills 7401 Chrysler Dr. Detroit, MI 48211. Your prompt attention to this matter is appreciated.

Sincerely yours,

Denise L. Hopkins

Denise L. Hopkins
Accounting Manager

Encl.

ADVISORY COMMITTEE

Ms. Hadley Mack
Mrs. Oliver Dewey Marcks
Cleveland Thurber, Jr.
Mrs. Robert C. VanderKloot

HONORARY DIRECTORS

Addison D. Connor
Ms. Margaret Ferry
Mrs. George R. Fink
George Hatie
John P. O'Hara, Jr.

A NON-PROFIT
ORGANIZATION SERVING
WAYNE AND OAKLAND
COUNTIES.
CONTRIBUTIONS ARE FULLY
TAX DEDUCTIBLE.

CENTRAL SHELTER
7401 Chrysler Drive
Detroit, MI 48211
872-3400

WEST SHELTER
37255 Marquette Road
Westland, MI 48185
721-7300

NORTH SHELTER
3600 Auburn Road
Auburn Hts., MI 48057
852-7420

*was a personal
check sent to
Wills - not
Mich. Humane*

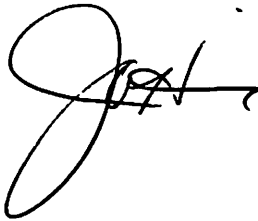
MEMORANDUM

CD April 86
Contribute to Org
4/21/86
22/83

TO: Dixie Morgan
FROM: John A. Hoyt
DATE: April 19, 1986

Please draw a check in the amount of \$5,000 payable to the Michigan Humane Society in support of their lawsuit affecting the mourning dove.

Please charge this to "gifts to other societies."



JAH/mg



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

August 28, 1985

OFFICERS

Coleman Burke
Chairman of the Board

K. William Wiseman
Vice Chairman

Dr. Amy Freeman Lee
Secretary

John A. Hoyt
President

Paul G. Irwin
Vice President/Treasurer

Murdaugh Stuart Madden
*Vice President/
General Counsel*

Patrick B. Parkes
Vice President/Field Services

Patricia Forkan
*Vice President/Program
and Communications*

Dr. John W. Grandy
*Vice President/
Wildlife and Environment*

Phyllis Wright
*Vice President/
Companion Animals*

Dr. Michael W. Fox
Scientific Director

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Virginia Milliken
Andrew Wyeth

Ms. Sienna LaRene
General Counsel
Director, Cruelty Investigations
Michigan Humane Society
7401 Chrysler Drive
Detroit, MI 48211

Dear Sienna:

Thank you very much for your letter of August 26. Congratulations on the recent victory on preventing the establishment of a mourning dove hunting season through the lawsuit in the Circuit Court for the County of Ingham. I am confident that your activity in this matter has been greatly instrumental in helping to effect this decision.

I am pleased to enclose a check from The Humane Society of the United States in the amount of \$5,000 to assist in this lawsuit. As I have already indicated to David, The HSUS will be happy to be as intimately and directly involved with you in this suit as you wish us to be. I have shared with Murdaugh Madden and Roger Kindler the Opinion and Order of the Honorable James T. Kallman.

I was pleased to have the opportunity to participate in the dedication of the Westland Charitable Animal Hospital. It is a magnificent facility.

Warm regards,

John A. Hoyt
President

JAH/mg
Enclosure

cc: Murdaugh S. Madden
David Wills



**THE HUMANE SOCIETY
OF THE UNITED STATES**

NATIONAL HEADQUARTERS
2100 L STREET, N. W.
WASHINGTON, D.C. 20037

AMERICAN SECURITY BANK, N.A.
Corporate Banking
1501 Pennsylvania Avenue N.W.
Washington, D.C. 20032

19813

Aug. 27 19 85

15-55
540

PAY HUMANE SOCIETY 5000.00 DOLLARS \$ 5,000.00
OF THE U. S.

TO
THE
ORDER
OF

Michigan Humane Society

VOID AFTER 90 DAYS

John A. Knight
Monte P. Morgan

⑈019813⑈ ⑆⑆054000551⑆43⑈

THE HUMANE SOCIETY
OF THE UNITED STATES

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE - FORM WVC-3 V-7

Aug. 27, 1985 Contribution to other society

5,000.00

4250-11

AUG 28 1985



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Executive Director

August 26, 1985

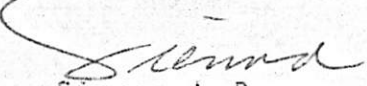
Mr. John Hoyt, President
Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear John:

I know David has been in close touch with you. This is just a personal note to thank you for your moral and financial support during the dove hunt issues. David and I are extremely pleased by the quickness and thoroughness of our circuit court success and are very optimistic for success throughout the appellate process. I look for the case to achieve final resolution in the Michigan Supreme Court. It is certainly a good day when issues which bear upon morality and the mechanisms of animal usage begin to ring in our country's highest courts.

You have my continuing best regards - hope to see you very soon.

Warm regards,


Sienna LaRene,
General Counsel
Dir. Cruelty Investigations
Michigan Humane Society
7401 Chrysler Drive
Detroit, MI 48211
(313) 872-3400

SL/tp

Main.180

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Mrs. James B. VanderLaan

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872-3400

WEST SHELTER
37255 Marquette Road
Westland, MI 48185
724-7300

NORTH SHELTER
3600 Auburn Road
Auburn Hts., MI 48057
652-7420

NEW YORK BOSTON

RMK & M

November 3, 1987

Samuel A. Bowman

Recommendations

- change auditors
- board approve Hoyt's salary + comp.
- Treas. a bd. position
- independent review of staff salaries -
mkt value, male-female
- consider hiring personnel rep.
- all transactions over — approved
by bd.
- bd. mbrs. who can't attend mtgs. sh. be honorary
- correct 990's + tax forms
- return excess funds
- require approvals of all travel expenses

TO: Paul G Irwin

FROM: Sam Trevino

RE: Letter dated November 20, 1987

In response to your direction to gather the information requested in the letter of November 20, 1987 the following is what I was able to find.

Pertaining to a detailed listing of expenditures relating to the HSUS/MHS merger I found that John Hoyt, Paul Irwin, Pat Forkan, Murdaugh Madden and Hal Gardiner all have submitted expense reports which relate to this matter. Also the HSUS has not paid for any of David Wills expenses.

I Found three direct payments to the Michigan Humane Society. One for \$4,714.12 on October 26, 1987 for reimbursement of expenses incurred by HSUS staff and board while in Detroit for a meeting on September 12 - September 19, 1987. A payment on April 19, 1986 to assist MHS with a lawsuit concerning the mourning dove and a contribution to MHS on August 28, 1985 also for the mourning dove lawsuit. During 1984 there were no payments to the Michigan Humane Society. To the best of my knowledge this is all the expenditures relating to the HSUS/MHS merger. However, I am further researching our records to see if there are anyother direct or indirect expenditures relating to this matter.

Addressing the request for a list of all bank accounts, corporations, pension funds and deferred income plans I have attached a list of such.

I have enclosed a copy of all the expense reports and other disbursements I mentioned above. If further detail is needed I can provide it.



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

December 3, 1987

OFFICERS

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Vice Chairman

Dr. Amy Freeman Lee
Secretary

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President

Paul G. Irwin
*Executive Vice President/
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Patricia Forkan
*Vice President/Program
and Communications*

Dr. John W. Grandy
*Vice President/
Wildlife and Environment*

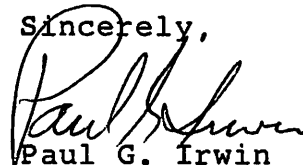
Phyllis Wright
*Vice President/
Companion Animals*

Dr. Michael W. Fox
Scientific Director

Dear Board Member:

I regret to inform you that John Hoyt is presently in the Cardiac Care Unit of Shady Grove Adventist Hospital, Rockville, Maryland. He was admitted on Wednesday afternoon, December 2. Preliminary reports suggest that if he has had another heart attack, no further major heart muscle damage has occurred to this point. His doctors are seeking to stabilize his condition and have yet to propose the plans for treatment. Obviously, we are concerned and anxiously hope for his recovery.

Sincerely,



Paul G. Irwin

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DEFERRED COMPENSATION PLAN

ARTICLE I

INTRODUCTION

The Humane Society of the United States ("Employer") hereby establishes the H.S.U.S. Deferred Compensation Plan, hereinafter referred to as the "Plan." The purpose of the Plan is to attract and retain certain officers, employees and contractors of the Employer by permitting them to enter into deferral agreements with the Employer to provide for the payment of deferred compensation on retirement or separation from service as well as death benefits in the event of death before or after retirement.

Nothing contained in this Plan shall be deemed to constitute and employment contract or agreement for services between the Participant and the Employer nor shall it be deemed to give a Participant any right to be retained in the employ of, or under contract to, the Employer. Nothing herein shall be construed to modify the terms of any employment contract or agreement for services between a Participant and the Employer as this Plan is intended to be a supplement thereto.

ARTICLE II

DEFINITIONS

- 2.01 Compensation: The total annual remuneration for employment or contracted services payable by the Employer that would be included in the federal gross income of the Participant but for the Participant's election to participate in the Plan.
- 2.02 Deferred Compensation: The amount of Compensation not yet earned, as designated in the Participation Agreement which is made a part hereof, which the Participant and the Employer mutually agree shall be deferred in accordance with the provisions of this Plan.
- 2.03 Retirement: Severance of the Participant's employment contract or agreement for services with the Employer on or after the Participant's 65th birthday by reason other than death whereby the Participant thereafter is not providing services for the Employer.
- 2.04 Separation from Service: Severance of the Participant's employment contract or agreement for services with the Employer prior to the Participant's 65th birthday by reason other than death whereby the Participant thereafter is not providing services to the Employer.
- 2.05 Beneficiary: Beneficiary or Beneficiaries of certain benefits of this Plan designated by the Participant in the Participation Agreement. Nothing herein shall prevent the Participant from designating more than one Beneficiary or primary and secondary Beneficiaries or changing the designation of a Beneficiary. If two or more or less than all designated Beneficiaries survive the Participant, payments shall be made equally to all such Beneficiaries, unless otherwise provided in the Beneficiary designation. Elections made by a Participant in the Participation Agreement shall be binding on any such Beneficiary or Beneficiaries.
- 2.06 Eligible Person: Any individual, corporation, partnership or other "person", as defined in the Internal Revenue Code of 1954, as amended ("Code") to include those appointed, elected or under contract, who performs services for the Employer as an employee or independent contractor for which Compensation is paid.

- 2.07 Participant: Any Eligible Person who fulfills the eligibility and enrollment requirements of Article IV.
- 2.08 Participation Agreement: A written agreement between the Employer and a Participant setting forth certain provisions and elections relative to the Plan, establishing the amount of Deferred Compensation and the manner and method of paying benefits under the Plan, incorporating the terms and conditions of the Plan and establishing the Participant's participation in the Plan.
- 2.09 Plan Year: The calendar year.
- 2.10 Maximum Retirement Age: The Participant's 75th birthday.

ARTICLE III

ADMINISTRATION

- 3.01 This Plan shall be administered by a committee ("Committee") of one or more individuals under contract to or in the employment of the Employer as appointed by the Employer. The Committee shall represent the Employer in all matters concerning the administration of this Plan. The Employer may remove a Committee member for any reason by giving such member ten (10) days written notice and may thereafter fill any vacancies thus created.
- 3.02 The Committee shall have full power and authority: to adopt rules and regulations for the administration of the Plan, provided they are not inconsistent with the provisions of this Plan; to interpret, alter, amend, or revoke any rules and regulations so adopted; to enter into contracts on behalf of the Employer with respect to this Plan; to make discretionary decisions under this Plan such as called for in Article VII; and to perform any and all administrative duties under this Plan.
- 3.03 A Committee member shall be eligible to participate in the Plan, but such a member shall not be entitled to participate in discretionary decisions under Article VII relating to such member's own participation in the Plan.
- 3.04 The Employer or the Committee acting on behalf of the Employer may contract with the Aetna Life Insurance and Annuity Company to issue to the Employer an annuity contract as described in Article V of the Plan and to

provide services under the Plan for the convenience of the Employer including, but not limited to, the enrollment of Eligible Persons as Participants on behalf of the Employer, the maintenance of individual or other accounts and other records, the making of periodic reports and the disbursement of benefits to Participants and Beneficiaries.

ARTICLE IV

PARTICIPATION IN THE PLAN

4.01 Any Eligible Person who performs services for the Employer for which Compensation is paid and who executes a Participation Agreement with the Employer is eligible to participate in the Plan; provided however, such Eligible Person must also meet any additional eligibility standards imposed by the Committee, to include, but not limited to, the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") for unfunded plans of deferred compensation.

4.02 Enrollment in the Plan:

- (a) An Eligible Person may become a Participant and agree to defer Compensation not yet earned by entering into a Participation Agreement prior to the first day of the calendar month for which it is to become effective. With respect to a new Eligible Person, the Participation Agreement may be effective for Compensation not yet earned at any time during the first month such person becomes an Eligible Person provided the Participation Agreement was entered into on or before the first day on which the person became an Eligible Person.
- (b) At the time of entering into or modifying the Participation Agreement hereunder to defer Compensation or at the time of re-entry following a withdrawal under Article VII, a Participant must agree to defer the greater of an amount determined by reference to the minimum provided in the annuity contract described in Article V of the Plan or an amount specified by the Committee.
- (c) A Participant who agrees to defer Compensation may not modify such agreement to change the amount deferred except with respect to Compensation to be earned in a subsequent calendar month or except as provided in Article VII hereof with respect to withdrawals;

provided however, notice of such modification must be given prior to the beginning of the calendar month for which such modification is to be effective.

- (d) A Participant may at any time revoke the Participation Agreement to defer Compensation with respect to any calendar month, and the Participant's full Compensation will be thereupon restored in the month subsequent to the effective date of such revocation; provided however, the Participant must notify the Committee in writing of such revocation prior to the beginning of the calendar month for which such revocation is to be effective. However, amounts previously deferred shall be paid only as provided in this Plan.
- (e) A Participant who has withdrawn from the Plan, as set forth in Article VII, or a Participant who has revoked the Participation Agreement, as set forth in subsection (d) above, or a Participant who returns to perform services for the Employer after a Separation from Service, may again become a Participant in the Plan and agree to defer Compensation not yet earned by entering into a new Participation Agreement prior to the first day of the calendar month for which it is to become effective.

ARTICLE V

CALCULATION OF BENEFITS

5.01 The amount of any benefit payment to a Participant or Beneficiary made pursuant to this Plan shall be determined by the value at the time of such payment of the annuity contract described below in accordance with elections in the Participation Agreement and the provisions of the Plan:

- (a) An amount equal to the amount which would have been payable to the Employer under an annuity contract issued by the Aetna Life Insurance and Annuity Company ("Annuity Contract") with the Participant included as the annuitant thereunder, and had the manner and method of payment selected been as specified in the Participation Agreement, and had the time of commencement of such payment selected been as provided in the Plan pursuant to elections made in the Participation Agreement, and had the premium been equal to the Participant's Deferred Compensation as if such Deferred Compensation had been applied as a

premium to such Annuity Contract within a reasonable time subsequent to the actual deferral and as specified in the Participant's Participation Agreement.

- 5.02 The Employer at its discretion may acquire the Annuity Contract and invest amounts of Deferred Compensation in the Annuity Contract in order to provide a fund from which it can satisfy its obligation to make benefit payments pursuant to this Plan. Any Annuity Contract so acquired for the convenience of the Employer shall be the sole and exclusive property of the Employer with the Employer named as owner and beneficiary; provided further, such Annuity Contract shall not be held in trust or collateral security for the benefit of any Participant or Beneficiary.
- 5.03 All amounts of Compensation deferred under this Plan, all property and rights which may be purchased by the Employer with such amounts and all income attributable to such amounts, property or rights to property shall remain the sole property and rights of the Employer without being restricted by the provisions of this Plan, subject only to the claims of the Employer's general creditors. The obligation of the Employer under this Plan is purely contractual and shall not be funded or secured in any way.
- 5.04 The Employer shall be liable to pay benefits under this Plan only to the extent of amounts that would have been available under the Annuity Contract as measured by elections made in the Participation Agreement, and the Employer shall not be responsible for the investment or performance results of such Annuity Contract. Furthermore, if the Annuity Contract is so acquired to measure benefits payable under this Plan, the value of any benefit shall be determined by the actual value of the Annuity Contract at the time of a benefit payment unaffected by any independent or arbitrary standard of calculation with respect to such Annuity Contract.

ARTICLE VI

BENEFITS

GENERAL

6.01 General Benefit Terms:

- (a) Benefit payments to a Participant or Beneficiary shall be made according to the manner and method of payment

as elected in the Participation Agreement, which election may be changed by a Participant or a Beneficiary as appropriate at any time prior to the commencement of such benefit payments pursuant to the execution of a revised Participation Agreement.

- (b) In the absence of an election in the Participation Agreement as to the manner and method of such benefit payments as provided in Section 6.01(a), the Employer shall make monthly payments on a fixed basis to the Participant or Beneficiary as a continuous lifetime annuity with one hundred twenty (120) payments guaranteed.
- (c) At the time benefits commence the present value of all payments to be made to a Participant must exceed one-half of the present value of the total payments to be made to the Participant and the Beneficiary as if no Beneficiary were designated based on the life expectancy of the Participant according to the mortality tables of Aetna Life Insurance and Annuity Company.
- (d) Benefit payments to a Participant or Beneficiary shall commence at the time provided in the Plan, subject to an election by the Participant or Beneficiary as appropriate, prior to the time such benefits first become payable, to defer the beginning of such payments to a later date as allowed by the Plan and pursuant to the Participation Agreement.
- (e) For purposes of interpreting the provisions of the Plan, the Committee shall only consider a Participation Agreement signed by the Participant or Beneficiary as appropriate and submitted to the Committee.

6.02 Benefits Upon Retirement: Beginning no earlier than thirty-one (31) days and no later than sixty (60) days following the Participant's Retirement, the Employer shall begin benefit payments to the Participant; provided however, the Participant may elect prior to the time such benefits become payable to defer the beginning of any portion of such payments to a later date not later than the Retirement Age as provided in the Participation Agreement.

6.03 Benefits Upon Separation from Service:

- (a) If, upon Separation from Service, the Participant continues to receive remuneration for employment or contracted services and such remuneration is deemed by

the Committee to be substantially equivalent to the Participant's Compensation, benefit payments shall be delayed until the Participant attains age 65 at which time benefits shall be payable according to the terms of Section 6.02 of the Plan as if Retirement occurred at age 65.

- (b) If, upon Separation from Service, the Participant does not satisfy the provisions of 6.03(a), benefit payments shall not be deferred but shall rather commence no earlier than thirty-one (31) days and no later than sixty (60) days following Separation from Service. However, the Participant may elect prior to the time such benefits become payable to defer the beginning of any portion of such payments to a later date not later than the Retirement Age as provided in the Participation Agreement.

6.04 Benefits Upon Death After Commencement of Benefits:

- (a) Should the Participant die at any time after benefit payments have commenced, the Employer shall commence payment to the Beneficiary of the balance remaining of such payments within thirty (30) days of receipt of satisfactory proof of death of the Participant and according to the manner and method selected by the Participant in the Participation Agreement.
- (b) If no Beneficiary is designated as provided in Section 2.05 or if no Beneficiary survives the Participant for a period of thirty (30) days, the Employer shall pay to the estate of the Participant a single lump sum amount equal to the current value of such remaining payments. If a Beneficiary does not survive the period after the Participant's death during which such payments to the Beneficiary are to be made, the Employer shall pay to the estate of that Beneficiary a single lump sum amount equal to the current value of such remaining payments to that Beneficiary.

6.05 Benefits Upon Death Prior to Commencement of Benefits:

- (a) Should the Participant die at any time before benefit payments have commenced, the Employer shall commence benefit payments to the Beneficiary no earlier than sixty-one (61) days and no later than ninety (90) days subsequent to the Participant's death, subject to satisfactory proof of death of the Participant and according to the manner and method provided in the Participation Agreement or as selected by the Beneficiary pursuant to a revised Participation

Agreement submitted to the Committee prior to the commencement of such benefit payments.

- (b) However, at the discretion of the Employer the Beneficiary may elect within the sixty (60) day period subsequent to the death of the Participant to defer the beginning of such payments to a later date not later than the date the Participant would have attained Retirement Age. The Beneficiary may also elect, prior to the date when such deferred benefits are to commence, pursuant to Section 6.05(b) of the Plan, the manner and method of benefit payments as allowed under the Plan.
- (c) If no Beneficiary is designated as provided in Section 2.05 or if no Beneficiary survives the Participant for a period of thirty (30) days, the Employer shall pay to the estate of the Participant a single lump sum amount equal to the current value of any remaining payments. If a Beneficiary does not survive the period after the Participant's death during which such payments to the Beneficiary are to be made, then the Employer shall pay to the estate of that Beneficiary a single lump sum amount equal to the current value of such remaining payments to that Beneficiary.

ARTICLE VII

WITHDRAWALS

- 7.01 In the case of an unforeseeable emergency prior or subsequent to the commencement of benefit payments, a Participant may apply to the Committee for withdrawal of an amount reasonably necessary to satisfy the emergency need. If an application for emergency withdrawal is approved by the Committee, the withdrawal will be effective at the later of the date specified in the Participant's application or the date of approval by the Committee, and the approved amount shall be payable in a lump sum within thirty (30) days of such effective date or in some other manner consistent with emergency need as determined by the Committee.
- 7.02 For the purposes of this Plan, the term "unforeseeable emergency" means a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of a dependent (as defined in the Code) of the Participant, loss of the Participant's property due to casualty, or other similar

extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Withdrawals for foreseeable expenditures normally budgetable, such as a down payment on a home or purchase of an auto or college expenses, will not be permitted. The Committee shall not permit withdrawal for unforeseeable emergency to the extent that such hardship is or may be relieved:

- (1) through reimbursement of compensation by insurance or otherwise;
- (2) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship; or
- (3) by cessation of deferrals under the Plan.

7.03 In no event shall the amount of a withdrawal for an unforeseeable emergency exceed the total amount of benefits which would have been available to the Participant at the time of withdrawal. Notwithstanding any other provision of this Plan, if a Participant makes a withdrawal hereunder, the value of benefits under the Plan shall be appropriately reduced to reflect such withdrawal, and the remainder of any benefits shall be payable in accordance with otherwise applicable provisions of the Plan.

ARTICLE VIII

LEAVE OF ABSENCE

A Participant on an approved leave of absence with or without Compensation may continue to participate in the Plan subject to all the terms and conditions of the Plan; provided further, Compensation may be deferred for such Participant if such Compensation continues while the Participant is on an approved leave of absence.

ARTICLE IX

NON-ASSIGNABILITY CLAUSE

Neither the Participant nor any other person shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which

payments and rights thereto are expressly declared to be unassignable and non-transferrable. Nor shall any unpaid benefits be subject to attachment, garnishment or execution for the payment of any debts, judgments, alimony or separate maintenance owed by the Participant or any other person or be transferrable by operation of law in the event of bankruptcy or insolvency of the Participant or any other person.

ARTICLE X

AMENDMENT OR TERMINATION OF PLAN

- 10.01 The Employer may terminate or amend the provisions of this Plan at any time; provided however, that no termination or amendment shall affect the rights of Participants or their Beneficiaries to the receipt of payment of benefits to the extent of any Compensation deferred before the time of the termination or amendment, as adjusted for investment experience under the Annuity Contract prior to or subsequent to the amendment or termination.
- 10.02 Upon termination of the Plan, the Participants in the Plan will be deemed to have withdrawn from the Plan as of the date of such termination. The Participant's full Compensation on a non-deferred basis will be thereupon restored, and the Employer shall pay such benefit or benefits as otherwise provided by and according to the terms of the Plan.

ARTICLE XI

APPLICABLE LAW

The Plan shall be construed under the laws of the state of the Employer.

IN WITNESS WHEREOF, the Employer has caused this Plan to be signed and attested to by its duly authorized officers on the 2nd day of December, 19 83.

ATTEST:

The Humane Society of the United States
(Employer)

Coleman Burke

Title: Chairman

K. William Wiseman

Title: Vice-Chairman

The Humane Society of the United States
Deferred Compensation Committee
Thursday, September 13, 1984
Washington, D.C.

The meeting of the Deferred Compensation Committee was called to order by Chairman Coleman Burke. Other committee members present were K. William Wiseman and Jack W. Lydman. Also present were HSUS President John A. Hoyt and HSUS Vice President/Treasurer Paul G. Irwin.

Mr. Hoyt reviewed with the committee proposed deferred compensation plans for Patricia Forkan, HSUS Vice President, Program and Communications; John W. Grandy, HSUS Vice President, Wildlife and Environment; and Patrick B. Parkes, HSUS Vice President, Field Services. In lieu of salary increases for 1985, deferred compensation in the amount of \$5,000 for each of the above-named persons was approved to be paid annually to the Aetna Life Insurance and Annuity Company until either the retirement or termination of the employee.

The committee also approved an additional payment of \$2,000 annually to the Aetna Life Insurance and Annuity Company for Paul G. Irwin, HSUS Vice President/Treasurer.

The committee unanimously voted to amend previous deferred compensation agreements with John A. Hoyt, HSUS President; Paul G. Irwin, HSUS Vice President/Treasurer; and Phyllis Wright, HSUS Vice President, Companion Animals, to authorize and approve the payment of the full cash value or death benefit resulting from those policies to any of the above employees or his or her beneficiary over a ten-year period, commencing with either the retirement of the employee or his or her death, whichever occurs first. Each of these policies is funded annually with Connecticut Mutual Life Insurance Company at the following fixed premiums:

John A. Hoyt	-	\$4,196.00
Paul G. Irwin	-	\$2,877.00
Phyllis Wright	-	\$2,588.00

The previous agreements specified a fixed amount to be paid each employee or his or her beneficiary annually for a ten-year period as follows:

John A. Hoyt	-	\$10,000.00
Paul G. Irwin	-	\$10,000.00
Phyllis Wright	-	\$5,000.00

These amounts will now be determined by the cash value of the policy plus accrued interest over the ten-year period

following retirement. In the event of the death of the employee, the beneficiary shall receive the entire death benefit plus accrued interest paid over the ten-year period.

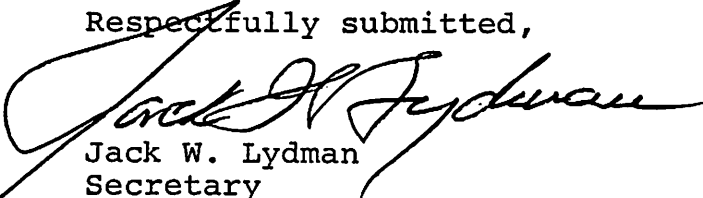
As regards this agreement, retirement shall be at the option of the employee with approval of The HSUS Board of Directors or upon the employee's termination by the Board.

The committee approved a direct payment of these benefits by Connecticut Mutual Life Insurance Company to each of the above employees, or his or her beneficiary, over the ten-year period following retirement or death.

The committee takes this action to increase the retirement and/or death benefit of the above employees recognizing that deferred compensation benefits currently being paid in lieu of salary increases do not credit the employee's basic pension program. The committee also wishes to acknowledge that the long, faithful and devoted service of each of these employees merits this action.

Copies of the original agreements are attached.

Respectfully submitted,



Jack W. Lydman
Secretary



ASSOCIATES

6410 Rockledge Drive
Suite 408
Bethesda, Maryland 20817
301-530-9400

George K. Reese, Jr., CLU, ChFC
Howard M. Soltoff, CLU, ChFC
John E. Foster, CLU, ChFC
Paul F. Love, CLU, ChFC
Stephen C. Brooks, Sr., CLU
S. Joseph LoPresti, CLU, ChFC
Lynne Kuhmerker
Harry M. Ritsch

February 1, 1985

Mr. John Hoyt
Humane Society of United States
2100 L Street, NW
Washington, DC 20037

Dear John:

Enclosed are the Deferred Compensation Agreements. They are ready to be signed by the interested parties.

Please send me copies of the signed documents for my files. If I can be of any further assistance, don't hesitate to call.

Sincerely,

John E. Foster, CLU, ChFC

JEF/ged

enclosures:

REPRESENTING THE CONNECTICUT MUTUAL COMPANIES.

DEFINED CONTRIBUTION DEFERRED COMPENSATION
AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and John A. Hoyt, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 65 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

\$ 4,196.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy used to purchase One Year Term Insurance on each policy anniversary equal to the guaranteed cash value of the policy at the end of the following year and the balance, if any, of the dividends used to purchase Paid up Additional Insurance.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

(Retirement Benefits)

2.(A) In the event the Employee retires from employment upon attaining the retirement age of 65 years, he shall be entitled to receive from the Society a retirement benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's retirement shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after retirement for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of such retirement or until death, whichever first occurs.

(B) If the Employee should die during said 10 year period, the Society shall continue to pay such monthly installments until the expiration of said 10 year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Severance Benefits)

3.(A) In the event the Employee terminates employment for reasons other than death or retirement, he shall be entitled to receive from the Society a severance benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's termination shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after severance for a period of 5 (five) years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of termination or until death, whichever first occurs.

(B) If the Employee should die during said 5 (five) year period, the Society shall continue to pay such monthly installments until the expiration of said 5 (five) year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Claims Procedure)

4. If any benefits become payable under this Agreement, the Employee (or designated beneficiary in the case of the Employee's death) shall file a claim for benefits by notifying the Society orally or in writing. If the claim is wholly or partially denied, the Society shall provide a written notice within 90 days specifying the reason for the denial, the plan provisions on which the denial is based, and additional material or information necessary to receive benefits, if any. Also, such written notice shall indicate the steps to be taken if a review of the denial is desired.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any written issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect between the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agreement.

(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretation)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

Coleman Burke
(Witness)

Coleman Burke, Chairman
Board of Directors

THE HUMANE SOCIETY OF THE

UNITED STATES

(Society)

By

Jack W. Lydman
Jack W. Lydman, Secretary
Deferred Compensation Committee

DEFINED CONTRIBUTION DEFERRED COMPENSATION
AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and Paul G. Irwin, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 60 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

\$ 2,877.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy used to purchase Paid up Additional Insurance.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

(Retirement Benefits)

2.(A) In the event the Employee retires from employment upon attaining the retirement age of 60 years, he shall be entitled to receive from the Society a retirement benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's retirement shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after retirement for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of such retirement or until death, whichever first occurs.

(B) If the Employee should die during said 10 year period, the Society shall continue to pay such monthly installments until the expiration of said 10 year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Severance Benefits)

3.(A) In the event the Employee terminates employment for reasons other than death or retirement, he shall be entitled to receive from the Society a severance benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's termination shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after severance for a period of 5 (five) years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of termination or until death, whichever first occurs.

(B) If the Employee should die during said 5 (five) year period, the Society shall continue to pay such monthly installments until the expiration of said 5 (five) year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Claims Procedure)

4. If any benefits become payable under this Agreement, the Employee (or designated beneficiary in the case of the Employee's death) shall file a claim for benefits by notifying the Society orally or in writing. If the claim is wholly or partially denied, the Society shall provide a written notice within 90 days specifying the reason for the denial, the plan provisions on which the denial is based, and additional material or information necessary to receive benefits, if any. Also, such written notice shall indicate the steps to be taken if a review of the denial is desired.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any written issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect between the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agreement.


(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretation)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.


(Witness)

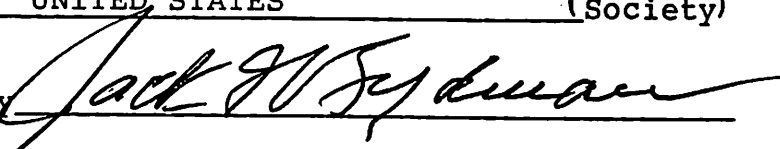
Coleman Burke, Chairman
Board of Directors

THE HUMANE SOCIETY OF THE

UNITED STATES

(Society)

By


Jack W. Lydman, Secretary
Deferred Compensation Committee

DEFINED CONTRIBUTION DEFERRED COMPENSATION
AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and Phyllis E. Wright, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 65 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

\$ 2,588.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy accumulated at interest with the Insurance Company.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

(Retirement Benefits)

2.(A) In the event the Employee retires from employment upon attaining the retirement age of 65 years, he shall be entitled to receive from the Society a retirement benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's retirement shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after retirement for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of such retirement or until death, whichever first occurs.

(B) If the Employee should die during said 10 year period, the Society shall continue to pay such monthly installments until the expiration of said 10 year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Severance Benefits)

3.(A) In the event the Employee terminates employment for reasons other than death or retirement, he shall be entitled to receive from the Society a severance benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's termination shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after severance for a period of 5 (five) years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of termination or until death, whichever first occurs.

(B) If the Employee should die during said 5 (five) year period, the Society shall continue to pay such monthly installments until the expiration of said 5 (five) year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Claims Procedure)

4. If any benefits become payable under this Agreement, the Employee (or designated beneficiary in the case of the Employee's death) shall file a claim for benefits by notifying the Society orally or in writing. If the claim is wholly or partially denied, the Society shall provide a written notice within 90 days specifying the reason for the denial, the plan provisions on which the denial is based, and additional material or information necessary to receive benefits, if any. Also, such written notice shall indicate the steps to be taken if a review of the denial is desired.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any written issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect between the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agreement.

(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretation)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

THE HUMANE SOCIETY OF THE

UNITED STATES

(Society)

Coleman Burke
(Witness)

Coleman Burke, Chairman
Board of Directors

By

Jack W. Lydman
Jack W. Lydman, Secretary
Deferred Compensation Committee



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

Memo to: File

From: Coleman Burke, Chairman

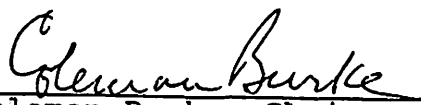
Date: January 2, 1985

Over the past several years the HSUS has been providing automobiles to John A. Hoyt, Paul G. Irwin and Phyllis E. Wright as a part of their annual compensation. These automobiles have been purchased and maintained by the Society for both personal and business utilization.

Because of changes in the Internal Revenue Service codes relating to Society owned vehicles and upon recommendations of our auditors, it is advisable that the Society discontinue providing automobiles for Mr. Hoyt, Mr. Irwin and Miss Wright.

In light of this change, I hereby authorize that a travel allowance in the amount of \$9,000.00 be paid to Mr. Hoyt and Mr. Irwin. I further authorize that a travel allowance be paid to Miss Wright in the amount of \$5,000.00

It is understood that the travel allowance for Mr. Hoyt and Mr. Irwin will be paid from funds in the account of The National Humane Education Center, Inc. Miss Wright's travel allowance will be paid from HSUS funds.


Coleman Burke, Chairman

OFFICERS

Coleman Burke
Chairman of the Board
William Wiseman
Vice Chairman
Amy Freeman Lee
Secretary
John A. Hoyt
President
Paul G. Irwin
Vice President/Treasurer
Murdough Stuart Madden
Vice President/General Counsel
Patrick B. Parkes
Vice President/Field Services
Patricia Forkan
Vice President/Program and Communications
John W. Grandy
Vice President/Wildlife and Environment
Phyllis Wright
Vice President/Companion Animals
Michael W. Fox
Scientific Director

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Lyn G. Seyler
Brett Smith, Jr.
Mark Spedel
Robert F. Welborn
William Wiseman

ADHOC DIRECTORS

Flemming
Linda Milliken

The Humane Society of the United States
Deferred Compensation Committee
July 24, 1986
New York, New York

The meeting of the Deferred Compensation Committee was called to order at 12:30p.m. by the chairman, Coleman Burke. Other committee members present were K. William Wiseman, vice-chairman and Jack Lydman, secretary. John A. Hoyt, HSUS president and Paul G. Irwin, HSUS executive president and treasurer were also present.

Mr. Hoyt reviewed in detail Mrs. Oliver Evans' gift of her residence at 3045 P Street NW, Washington, D.C. to the HSUS on January 10, 1980 and her desire that it become a residence for The HSUS president, (copy attached). Mr. Hoyt noted that in deeding this residence to the HSUS, Mrs. Evans retained a life interest in the house in which she continues to reside. Mr. Hoyt further noted that in expressing her desire that her home at 3045 P Street be used as a residence, such had in no way been made a condition of the gift.

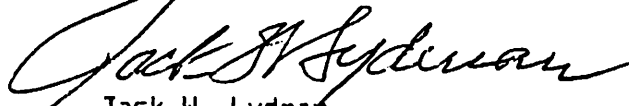
The committee discussed in detail the appropriateness of providing a residence for the HSUS president and explored the various ways in which such a residence would serve to enhance the work and activities of HSUS directly.

Upon motion, duly seconded and approved unanimously, it was voted to purchase a property to serve as a residence for The HSUS president no later than May 1, 1987, details of such purchase to be approved by the committee at a later date. It was further noted that when the house located at 3045 P Street N.W., becomes available further consideration will be given to using this house as the president's home. Mr. Irwin was designated to work with Mr. Hoyt in recommending a suitable residence for purchase by The HSUS.

The committee also approved the transfer of ownership of personal life insurance policies currently owned by The HSUS to Mr. Hoyt and Mr. Irwin respectively, with the understanding that The HSUS will continue to pay the premiums for both policies until the retirement or termination of employment of either individually. In so authorizing this transfer, the committee noted with appreciation the outstanding leadership and extraordinary efforts of both men on behalf of The HSUS.

The committee noted for the record that it is empowered by the Board of Directors of The HSUS to act on its behalf in matters pertaining to compensation and benefits for HSUS staff personnel. (Minutes of the Meeting of the Board of Directors, September 9, 1983.)

Respectfully submitted,



Jack W. Lydman
Secretary

Mrs. Oliver Marshall Evans
3045 P Street N. W.
Washington, D. C. 20007

AUG 12 1983

Dear Coleman -

As you are aware, on January 10th 1980, I deeded to the H.S.U.S my home located at 3045 P. Street N.W., Washington D.C., subject to a life estate. It was very much the desire of my beloved Oliver and equally mine that, if at all possible that this house be maintained as a residence for the president of the H.S.U.S. I especially hope this request can be honored so long as John Hoyt serves.

Mrs. Oliver Marshall Evans
3045 P Street N. W.
Washington, D. C. 20007

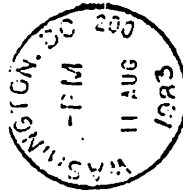
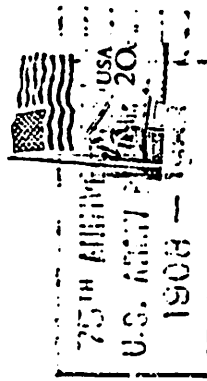
as president as I am
particularly grateful for his
leadership of our great H.S.U.S.

While I recognize that
the Board of Directors is not
obliged to honor this request,
such use would fulfill a dream
shared by both Oliver and
myself.

Most sincerely
Irene Evans

cc: H. Jerome Webb
cc: John Hoyt

July 31, 1983



Mr. John Hoyt, Pres.
Humanware Society of The U.S.
2100 L. Street
Washington

D.C. 20037

The Humane Society of the United States

Deferred Compensation Committee

Washington, D.C.

April 22, 1987

The meeting of the Deferred Compensation Committee was called to order at approximately 5:00 p.m. by the chairman, Coleman Burke. Other committee members present were K. William Wiseman, vice-chairman, and Jack Lydman, secretary. John A. Hoyt, HSUS president and Paul G. Irwin, HSUS executive vice-president and treasurer were also in attendance.


Mr. Irwin reported to the committee regarding the purchase of a property to serve as a residence for HSUS president John A. Hoyt in lieu of other compensation at this time. He indicated that for the present time Mr. Hoyt would prefer to continue residing at this present residence at 14670 Seneca Road, Germantown, Maryland. By unanimous consent, the committee authorized Mr. Irwin to act as agent for the Board of Directors in arranging for the purchase of the house currently owned by Mr. Hoyt, the amount of that purchase to be \$310,000 based on an appraisal made by the Long and Foster Real Estate Inc., estimating the value of the Hoyt residence to be in the range of \$310,000 - \$335,000.

It was noted that the purchase of Mr. Hoyt's home was being undertaken in part due to the fact that Mrs. Irene Evans had transferred as a gift to The HSUS a note in the amount of \$100,000 owed by Mr. Hoyt. It was the opinion of the committee that it was not desirable that this indebtedness to The HSUS by Mr. Hoyt should continue to exist. It was, therefore, the wish of the committee that the purchase of Mr. Hoyt's home be expedited and the note now due The HSUS by Mr. Hoyt be paid in full at the earliest possible date.

It was agreed that Mr. Hoyt and his family will occupy this residence rent free in lieu of other compensation except that The HSUS auditors will establish a monthly rental figure for the purpose of IRS reporting. All utilities and minor maintenance will be paid by Mr. Hoyt. Capital improvements and property taxes will be paid by The HSUS.

The committee also approved the payment of Mr. Irwin's salary increase for 1987 in the amount of \$5,000 from the National Association for the Advancement of Humane Education account.

Respectfully submitted,


Jack W. Lydman
Secretary



GILBERT LIM
REALTOR®



G & FOSTER L ESTATE, INC.

EXECUTIVE OFFICES
3918 PROSPERITY AVENUE
FAIRFAX, VIRGINIA 22031
(703) 849-1000

RESIDENTIAL SALES
COMMERCIAL SALES & LEASING
MORTGAGE PROCESSING
ADVERTISING/MARKETING
RELOCATION DEPARTMENT
RESIDENTIAL PROPERTY MANAGEMENT
TRADE-IN DEPARTMENT

LONG & FOSTER, REALTORS®
Germantown/Darnewtown Office
12850 Middlebrook Road, Suite 100
Germantown, Maryland 20874

Office: (301) 540-0500
Res.: (301) 540-8894

ANTOWN/DARNESTOWN OFFICE
OAD, SUITE 100/GERMANTOWN, MARYLAND 20874
(301) 540-0500

March 9 1987
Mr & Mr John Hoyt
14670 Seneca Road,
Germantown,
Maryland 20874

Dear Mr & Mrs John Hoyt:

Thank you for showing me your property and asking for my professional opinion on the market value of your property.

After researching and compiling data on properties that have been sold recently and also properties that are presently on the market, it is my opinion that your property can be price at a range of \$310,000.00 to \$335,000.00 in today's market taking into consideration of financing terms and property condition.

It is also my advice when there is a buy-out situation that you should have more than one appraisal done on your property by a professional appraiser in order to set a fix amount of your property value.

Attached is a copy of my market analysis of properties within a 3 miles radius of your property.

Once again I want to thank you and I'll be looking forward to be of further service to you and your friends in any real estate needs you may have.

Sincerely,


Gilbert Lim





COMPETITIVE MARKET

OBJECTIVE: Help determine selling price of home by reviewing for homes on the market today that are similar to you

14670, SENECA RD, GERMANNTOWN

PROPERTY DATA

SUBJECT PROPERTY

Bedrooms	Baths	Dining Room	Eat-In Kitchen	Family Room	Rec. Room	Basement	Parking	Lot Size	Style	Porch/Deck	# of Fireplaces	Pool	Hardwood Floors
6	4	✓	✓	✓	✓	✓	2 CAR GAR	3.7K	R	SUN	4	N/A	✓

RECENTLY SOLD PROPERTIES

12905 ESWORTHY RD, DARNESTOWN	4	3 1/2	✓	✓	✓	-	NONE	2 CAR GAR	2.1	R	NO	2	✓	✓
18712 MAIDENS POWER DR, POTOMAC	4	2 1/2	✓	✓	✓	-	FULL	2 CAR	2	C	NO	1	NONE	✓
18307 QUERRY MILL RD	4	3 1/2	✓	✓	✓	✓	FULL FIN	2 CAR	2.26	C	✓	3	NONE	✓
13931 ESWORTHY RD	5	4	✓	✓	✓	✓	FULL FIN		7.6	R	NO	2	✓	✓

COMPETITIVE PROPERTIES

16110 GERMANNTOWN RD	6	4 1/2	✓	✓	✓	✓	FULL FIN.	2	3.45	C	✓	1	NO	✓
13901 ESWORTHY RD	4	3	✓	✓	✓	✓	FULL FIN	2	2.11	C	NO	1	NO	✓
14601 SENECA RD	5	4 1/2	✓	✓	✓	✓	FIN	2	3.5	R	NO	1	NO	✓
13305 QUERRY MILL RD	4	3 1/2	✓	✓	✓	✓	FULL FIN	2	2.25	C	✓	2	NO	✓
13404 HADDENFIELD LA	4	3 1/2	✓	✓	✓	✓	FULL	2	2	C	✓	1	NO	✓

COMMENTS:

Selling Time: 30

The report was prepared for you by LONG & FOSTER

The Humane Society of the United States

Deferred Compensation Committee

August 25, 1987

Washington, D.C.

The meeting of the Deferred Compensation Committee was called to order at approximately 4:00 p.m. by the vice-chairman K. William Wiseman. Other committee members present were Jack Lydman, secretary. John A. Hoyt and Paul G. Irwin were also in attendance.

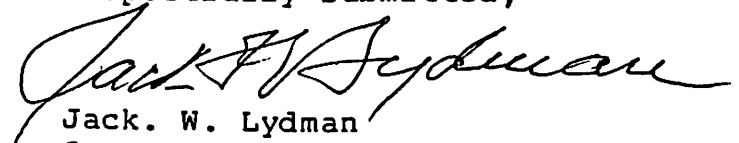
Mr. Irwin reviewed in great detail the circumstances and complexities relating to a property in Maine being donated to The HSUS by Mr. and Mrs. [REDACTED]. Because of a special restriction preventing an organization from becoming the owner of record, Mr. Irwin, choosing not to jeopardize significant other benefits being realized by The HSUS from Mr. and Mrs. [REDACTED] and Mr. [REDACTED] sister Dr. [REDACTED], proceeded to become the owner of this property in deference to Mr. [REDACTED] insistence.

Since Mr. Irwin does not have a personal interest in the ownership of this particular property, it was the consensus of the committee that The HSUS should reimburse Mr. Irwin his personal financial investment in this property in the amount of \$85 - \$90,000 and that he continue to be the owner of record and serve as agent for The HSUS.

Mr. Irwin was instructed to seek counsel for effecting the above and review the same with the Society's auditors and to prepare a memorandum detailing the history surrounding this property which shall be made a part of these minutes.

It was noted that Mr. Irwin had reviewed this matter in great detail with committee chairman Coleman Burke who has indicated his support of The HSUS accepting the financial responsibility for the expenditures made by Mr. Irwin in purchasing this property and remodeling the small cabin located thereon.

Respectfully submitted,


Jack. W. Lydman
Secretary

NOTE: NAMES HAVE BEEN

REMOVED TO RESERVE
PRIVACY. THEY HAVE BEEN
DISCLOSED TO COMMITTEE
AND MR. METTLER.

PGI

MEMORANDUM FOR FILE

FROM: Paul G. Irwin

DATE: September 3, 1987

RE: [REDACTED] / [REDACTED] Relationship with The Humane Society
of the United States

In 1983, Mr. Hoyt and I were contacted by the Reverend [REDACTED] (present age 80) of [REDACTED], [REDACTED], regarding estate planning for himself and his sister, Dr. [REDACTED] (present age 82). Up to that point the HSUS has had some involvement with Mr. [REDACTED] because of his involvement with the [REDACTED] County Humane Society. Mr. [REDACTED] was a member of the HSUS at that time and had made small financial contributions in support of our efforts over the years. Dr. [REDACTED] was not known to us at that time and had not been a supporter of our work.

Mr. [REDACTED] informed us that his sister had an eighty-five acre tract of land in Seabrook, Maryland, and asked us if we might have an interest in establishing a national headquarters facility in Prince George's County area. We did not indicate interest in the establishment of such a facility in that geographical area. However, we did inform Mr. [REDACTED] that we would be more than pleased to discuss the situation with Dr. [REDACTED] because there were ways in which she could give a tract of land to the HSUS and receive a benefit through a planned gift. I then proceeded to have extensive conversations with Dr. [REDACTED] regarding the possibility and did succeed in setting up an irrevocable unitrust involving land. That land has now been liquidated for \$800,000 and is funding a unitrust for the benefit of HSUS and for Dr. [REDACTED] and her beneficiaries.

Over the course of a long period of time, I was able to win Dr. [REDACTED] confidence to the extent that she has made me executor of her will. Further, she has provided a revocable trust of \$350,000 held by the HSUS. Furthermore, the HSUS is a significant beneficiary in her will. Also, she has executed documents in her resident state of [REDACTED] providing me with a general power of attorney regarding her affairs.

While these negotiations were in progress, and beginning in 1983, Mr. [REDACTED] stated that he was interested in providing his property in [REDACTED] for utilization by HSUS. He envisioned an environmental training center being established in the [REDACTED] setting. Through very careful negotiations, and certainly

tenuous at times, we have succeeded in convincing Mr. [REDACTED] to will his property in [REDACTED] to the HSUS with the provision that it may be sold and the proceeds used for general operational expenditures. However, he is asking in his will that we consider the utilization of that property for an environmental education program if it is feasible. Mr. [REDACTED] has also suggested that the HSUS will be a general beneficiary of his estate beyond the [REDACTED] holding.

At the beginning part of this whole process Mr. [REDACTED] introduced the idea to Mr. John Hoyt and myself that he would like to donate his summer property in the vicinity of Bath, Maine to the HSUS. He has been the owner of a ninety-nine year lease of that property since 1931. It is a part of a 125-acre tract of land which was purchased by a number of divinity students. Mr. [REDACTED] leased portion of the property amounts to approximately eleven acres and has 750 feet of ocean frontage. There is a general statement in the lease agreement that the individual leases would pass from generation to generation and at each point of passing a new 99-year lease would be established. Consequently, the leases were designed to remain in the possession of the various lessors in perpetuity. Mr. [REDACTED] approached the association of lessors, known as Brightwater, Inc., with the proposition, that since he did not have children, he wished to donate his property to the HSUS. The Brightwater group unanimously disagreed. Mr. [REDACTED] then approached John Hoyt and myself and encouraged us as individuals to buy the Brightwater property for \$50,000. In return he would make an annuity gift to the HSUS in the amount of \$50,000. He in fact completed this gift in 1986. The Hoyt and Irwin families visited the site in the summer of 1984. The Hoyt's were totally convinced that they had no interest in utilizing the property. The Irwin family was not vigorously interested either although we have had a desire to have a place in Maine again. I sought to utilize the situation to suggest to [REDACTED] that it did not seem possible nor feasible that the Hoyt and Irwin families could share equity participation in the Brightwater situation. Mr. [REDACTED] was unable to accept the notion that we would not want to be involved in this haven. Consequently, he vigorously pressed me to pursue the possibility of gaining the leasehold. At this point, it became evident, and subsequently far more evident, that [REDACTED] had an irrational mental attachment to the Brightwater scene. Because we were dealing in a situation that stood to benefit the HSUS with approximately \$2,000,000, I was not willing to jeopardize a complex series of gifts over the minor situation that the Brightwater represented.

Mr. [REDACTED] again approached the Brightwater group and proposed the Irwin family as successor to his leasehold. The fact of the matter is the Brightwater group did not want interlopers but rather wanted to have the leasehold passed down "inside the family." This reluctance on the part of Brightwater only served to intensify Mr. [REDACTED] strong intention that he would have his way. He retained legal counsel and proceeded with action against Brightwater to force the Irwin qualification. In point of fact Brightwater did not have legal standing to refuse the Irwin family membership. After an acrimonious twenty months, the Brightwater group finally agreed to accept the Irwins but, I may add, with extreme reluctance. To say the least, the Irwin family found itself in an unpleasant environment.

To help you better understand Mr. [REDACTED] frame of mind in this entire process, he proposed that he would adopt me. I, then becoming an adopted son, would be automatically qualified for the continuing of the lease. The only way I was able to turn Mr. [REDACTED] from this idea was to inform him that my father, who was living at the time, would be unable to accept such an act and, therefore, I would have to refuse such a proposition. Mr. [REDACTED] then proposed that he would adopt one of my children and pass him the leasehold. That issue was also skirted. I finally had to insist that the only way the process could come to fruition would be through our acceptance on our own merits by the Brightwater group.

Our leasehold in Brightwater carries no possibility for financial appreciation. A person can only sell his property for the money expended plus an inflation factor. Obviously, therefore, I did not involve myself in the situation with the notion of any financial gain.

The problems at Brightwater have been legion. When the leasehold was transferred to us, the cabin was marginally habitable. It had no foundation under it, it was sagging dangerously, and provided none of the physical comforts that most of us would desire. We proceeded to have the cabin remodeled with an adequate foundation placed under it. Brightwater has succeeded in creating enormous hassles with the town authorities, has sought to thwart building permits and has generally tried to make this into a situation as uncomfortable as possible. I suppose a normal person would have walked away from the situation a long time ago. However, I was and remain convinced that my involvement in the Brightwater situation is an important factor in a significant asset possibility for the HSUS.

I want to clearly state that John Hoyt never instructed me to involve myself in this proposition. He certainly

understood my sentiments in the venture and knew of the risks involved if I had let it alone.

Mr. Hoyt discussed the whole situation with a committee of the Board of Directors of the HSUS who are responsible for acting upon such situations. The committee said that they would be amenable to seek a means whereby I could become the agent for the HSUS in Brightwater and that the property through an agency agreement could become the property of the HSUS and would be held as an asset until the death of Mr. [REDACTED]. The matter was tabled for further discussion until the entire committee could meet and agree upon a course of direction.

Moved and seconded that the Board of Directors authorize the establishment of a Deferred Compensation Plan to be administered by a Deferred Compensation Committee comprised of the Chairman of the Board, Coleman Burke; the Vice Chairman, K. William Wiseman; and director Jack Lydman.

As regards matters relating to the establishment and administration of the Deferred Compensation Plan, the Committee is empowered to act in all matters on behalf of the Board of Directors.

This Committee may also from time to time be constituted a Compensation Committee to consult with and advise the President regarding staff compensation as the need may arise.

Adopted by Executive Committee,
HSUS Board of Directors,
September 9, 1983

The Humane Society of the United States
Deferred Compensation Committee
Friday, December 2, 1983
New York, New York

The initial meeting of The Humane Society of the United States Deferred Compensation Committee was convened at 12:30 p.m. in the law offices of Burke and Burke, 529 Fifth Avenue, December 2, 1983. Present were committee members Coleman Burke, William Wiseman, and Jack Lydman; also HSUS president John A. Hoyt and HSUS Vice President/Treasurer Paul G. Irwin. The following officers of the committee were chosen: Chairman, Coleman Burke; Vice-Chairman, William Wiseman; Secretary, Jack Lydman.

Mr. Hoyt reviewed with the committee members the need for a deferred compensation plan for senior staff personnel. Following discussion, Mr. Hoyt reviewed with the committee a Deferred Compensation Plan submitted by Aetna Life Insurance and Annuity Company. Upon a motion by William Wiseman, seconded by Jack Lydman, the Aetna Deferred Compensation Plan was unanimously approved and adopted.

Upon recommendation of Mr. Hoyt, the following amounts were approved for deferred compensation for three senior staff persons: \$5,000, John A. Hoyt; \$5,000, Paul G. Irwin; \$5,000, Phyllis Wright. These amounts will be paid to Aetna Life Insurance and Annuity Company annually until either the retirement or termination of employment of each of the three above employees.

The committee also approved unanimously the payment by the Aetna Life Insurance and Annuity Company of benefits becoming due or to become due directly to any HSUS employee, his or her beneficiary, executor, or assigns receiving benefits under this Deferred Compensation Plan unless otherwise notified by action of The HSUS Board of Directors. A copy of the authorization letter to the Aetna Company is attached.

Mr. Hoyt reminded the committee that it was also created to "consult with and advise the President regarding staff compensation as the need may arise."

There being no further business, the meeting was adjourned.

Respectfully submitted,


Secretary



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

November 30, 1987

OFFICERS

Coleman Burke
Chairman of the Board

K. William Wiseman
Vice Chairman

Dr. Amy Freeman Lee
Secretary

John A. Hoyt
President

Paul G. Irwin
*Executive Vice President/
Treasurer*

Murdaugh Stuart Madden
*Vice President/
General Counsel*

Patrick B. Parkes
Vice President/Field Services

Patricia Forkan
*Vice President/Program
and Communications*

Dr. John W. Grandy
*Vice President/
Wildlife and Environment*

Phyllis Wright
*Vice President/
Companion Animals*

Dr. Michael W. Fox
Scientific Director

DIRECTORS

Samuel A. Bowman
Dr. Carol Browning
Coleman Burke
Irene Evans
Regina B. Frankenberg
Harold H. Gardiner
Alice R. Garey
Gisela H. Karlan
John W. Kelly
William Kerber
Dr. Amy Freeman Lee
Jack W. Lydman
Virginia Lynch
Cherie Mason
John W. Mettler, III
John G. Mosher
Susan Pepperdine
O.J. Ramsey
Marilyn G. Seyler
Everett Smith, Jr.
Brook Speidel
Robert F. Welborn
K. William Wiseman

HONORARY DIRECTORS

Aida Flemming
Virginia Milliken
Andrew Wyeth

Dear Directors:

You have already been notified of a special meeting of the Board to be held on December 12, 1987. I have now received another letter signed by four of the five Directors who called for the special meeting. A copy of their letter, together with my reply, is attached for your information.

Also, please find enclosed a copy of the Society's Bylaws which several Directors have recently told me they do not have in their possession.

Sincerely,

K. William Wiseman
(mg)

K. William Wiseman
Chairman of the Board

kww/mg

Enclosures: 3

HUMANE SOCIETY OF THE UNITED STATES
SALARIES OF THE VICE PRESIDENT'S
FOR THE YEAR 1987

	<u>Forkan</u>	<u>Fox *</u>	<u>Grandy</u>	<u>Madden*+</u>	<u>Parkes</u>	<u>Wright</u>
HSUS Compensation	\$57,000	\$57,000	\$56,500	\$53,333	\$48,500	\$41,000
Bonus	4,000	3,500	4,000	5,000	3,500	3,500
Insurance 1/	0	0	0	0	659	2,558
Auto/Travel Allow. & Add'l Comp.	0	0	0	0	5,000	5,000
Deferred Compensation 2/	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>
Total	<u>\$66,000</u>	<u>\$60,500</u>	<u>\$65,500</u>	<u>\$58,333</u>	<u>\$62,659</u>	<u>\$57,058</u>
1/ <u>Insurance</u>						
Massachusetts Casualty	0	0	0	0	659	0
Connecticut Mutual	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,558</u>
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>659</u>	<u>2,558</u>
2/ <u>Deferred Compensation</u>						
Aetna Plan	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>

*Dr. Fox is allowed certain royalties from publications written while on HSUS time.

Mr. Madden is allowed to keep outside clients and use office resources of the HSUS.

+Mr. Madden receives retirement income from retirement benefits earned to age 65. The actuarial benefit to Mr Madden is approximately \$20,000 per year although the form in which the benefit is received yields less in actual dollars.

POWER OF ATTORNEY AND APPOINTMENT OF AGENT

SAMUEL A. BOWMAN ("Bowman"), the undersigned, a member and a director of THE HUMANE SOCIETY OF THE UNITED STATES, a Delaware corporation ("HSUS"), does hereby, pursuant to Title 8, Section 220 of the General Corporation Law of Delaware, nominate, constitute and appoint BARDYL R. TIRANA, of Washington, D. C. ("Tirana"), as Bowman's attorney and agent to make any of the following demands and to take any of the following actions which are for any proper purpose reasonably related to Bowman's interest as a member of HSUS or Bowman's position as a director of HSUS:

(1) Tirana, as Bowman's attorney and agent, shall have the power upon written demand under oath stating the purpose thereof, during the usual hours of HSUS for business, to inspect HSUS' membership dues ledgers, member lists, and other books and records, and to make copies or extracts therefrom, wherever they may be located;

(2) Tirana, as Bowman's attorney and agent, shall have the power upon written demand under oath stating the purpose thereof, during the usual hours of HSUS for business, to inspect, and to make copies or extracts of, any and all documents of any nature, electronic recordings, photostats, photographs, financial instruments or other records in the custody, control or possession of HSUS, wherever they may be located;

(3) Tirana, as Bowman's attorney and agent, shall have the right upon written demand under oath stating the purpose thereof, during the usual hours of HSUS for business, to discuss with any directors, officers or employees of HSUS any of the business of HSUS;

(4) Tirana, as Bowman's attorney and agent, shall have the power upon written demand under oath stating the purpose thereof, during the usual hours for business of THOMAS HAVEY & CO., the public accountants of HSUS ("Havey"), to inspect, and to make copies or extracts of, any and all books, records or other documents in Havey's custody, control or possession pertaining to HSUS, and to discuss any of the business of HSUS with any of the partners, officers or employees of HAVEY; and

(5) Tirana, as Bowman's attorney and agent, shall have the power upon written demand under oath stating the purpose thereof, to do any and all other acts which Bowman could himself do for a proper purpose as a member, or in his position as a director of HSUS.

This Power of Attorney and Appointment of Agent shall expire on the 31st day of January, 1988.

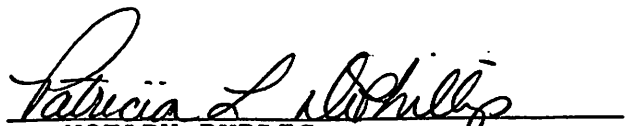


SAMUEL A. BOWMAN

DISTRICT OF COLUMBIA, ss:

On this 2nd day of December, 1987, before me personally appeared the said SAMUEL A. BOWMAN, who under oath acknowledged and executed the foregoing Power of Attorney and Appointment of Agent as his free act and deed.

My Commission Expires July 31, 1989



NOTARY PUBLIC



The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

December 8, 1987

OFFICERS

Coleman Burke
Chairman of the Board

K. William Wiseman
Vice Chairman

Dr. Amy Freeman Lee
Secretary

John A. Hoyt
President

Paul G. Irwin
*Executive Vice President/
Treasurer*

Murdaugh Stuart Madden
*Vice President/
General Counsel*

Patrick B. Parkes
Vice President/Field Services

Patricia Forkan
*Vice President/Program
and Communications*

Dr. John W. Grandy
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*Vice President/
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Scientific Director

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John W. Kelly
William Kerber
Dr. Amy Freeman Lee
Jack W. Lydman
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Cherie Mason
John W. Mettler, III
John G. Mosher
Susan Pepperdine
O.J. Ramsey
Marilyn G. Seyler
Everett Smith, Jr.
Brook Speidel
Robert F. Welborn
K. William Wiseman

HONORARY DIRECTORS

Aida Flemming
Virginia Milliken
Andrew Wyeth

Dear Board Member,

I have received on behalf of the Society the enclosed letter from Mr. Bowman which was hand delivered by his attorney, Bardyl R. Tirana. Mr. Tirana also presented the enclosed Power of Attorney. We are in the process of providing the requested material and will make all data available for directors.

I welcome the opportunity to fully disclose to the board, and individual members of the board, a recitation of the Society's operations over the many years of activity. It is my opinion that all effort has been expended within the bounds of precedent and proper authorization.

Sincerely,

Paul G. Irwin
Executive Vice President
and Treasurer

*Director (Barnes)
asked me who was
to be in the meeting
noted down*

**Amended Minutes of HSUS Board of Directors Meeting
October 15, 1987, Phoenix, Arizona**

Michigan Humane Society/HSUS Union

Insert after first #:

Amy Freeman Lee then denounced her peers, lecturing them on their misunderstanding of the proper role of trustees or directors. (Ms. Lee had not attended either of the two previous meetings concerning the proposed merger.)

President Hoyt then informed the Board that he was ashamed of them, was distressed and disheartened, and that the Board was out of line in questioning him about David Wills, since the By-laws gave him, as President, the sole authority in dealing with the staff and personnel. He suggested that if they didn't like the way he was doing things, they could do without him, and implied that several members of the staff would go with him. This attack was supported with enthusiasm by Paul Irwin.

Brook Speidel then stated that she was offended by the remarks of President Hoyt and Ms. Lee and that had been given legal advice that it was not only her right but her duty to raise the questions that had been brought up.

*Brook
Hoyt only
+
never
returned*

RESOLUTION ESTABLISHING OVERSIGHT COMMITTEE

BE IT RESOLVED, that the Board of Directors of HSUS does hereby establish pursuant to Section 2 of Article VII of the By-Laws a special committee (the "Oversight Committee"), whose members shall be Susan Pepperdine, Robert B. Sorock and John W. Mettler, and does further delegate to the Oversight Committee full power and authority: (A) to investigate, for the period from January 1, 1980 to the date of the final report of the Oversight Committee, (1) any potential or actual conflicts of interest of any director; (2) the compensation, benefits, receipts, any potential or actual conflicts of interest and the terms and conditions of employment of the President, the Executive Vice President and any other officer or employee, (3) any relationships between donors having contributed \$1,000 or more in their lifetime to HSUS and any director, officer or employee of HSUS, (4) any relationships between vendors having received \$1,000 or more since January 1, 1980 from HSUS, its subsidiaries and trusts, funds or other entities which HSUS controls directly or indirectly, (5) the expenditure of funds donated by or at the request or through the influence of HSUS, and (6) the reporting of financial information to the Board of Directors, including both receipts and expenditures, for all corporations, trusts, funds or other entities which HSUS controls directly or indirectly; (B) to engage a "big eight" firm of certified public accountants, or other nationally prominent firm if a "big eight" is not available, to perform an audit and examination and report to the Board of Directors; (C) to obligate up to \$100,000 of the funds of HSUS as and for the expenses of the investigation, audit and examination, in addition to the time and internal expense of HSUS staff directed to assist by the Oversight Committee; and (D) to do any and all other acts necessary to make a full report to the Board of Directors on the management of the financial affairs of HSUS, with recommendations for such action, if any, as may be appropriate;

FURTHER RESOLVED, that the Oversight Committee is directed to consult with and seek the advice of Murdaught Stuart Madden, General Counsel, and Silverstein and Mullens, counsel to certain individual directors, and that the final opinions and advice of counsel shall be included in the report of the Oversight Committee to the Board of Directors; and

FURTHER RESOLVED, that the Oversight Committee shall report to the Board of Directors in writing by March 31, 1988, so that the directors may have adequate opportunity to consider the report in advance of their April, 1988 meeting.

December 21, 1987

Thomas Havey & Co.
4301 Connecticut Avenue, N.W.
Washington, D.C. 20008

Re: **The Humane Society of the United States**
Gentlemen:

This letter is written on behalf of John W. Mettler, III, Susan Pepperdine and Robert B. Sorock, members of the Audit Committee of HSUS. Pursuant to authorization of the board of directors at its December 12, 1987 meeting, the Audit Committee requests that Thomas Havey & Co. furnish the three members of the Audit Committee, in writing, the initial information on the attached schedule, together with supporting documents, as promptly as practicable. Since the Audit Committee wishes to report to the board of directors by March 31, 1988, we hope to have the information as it becomes available to you, so that hopefully all information requested will be in hand by the end of January.

We will be periodically requesting additional information from you. The Audit Committee will not have a chairman, and accordingly the requests may come from any of the three of us. Replies should be sent to all three of us, so that we will all have the same information at the following addresses:

John W. Mettler, III
Seminole Asset Management, Inc.
950 Third Avenue
New York, New York 10022
(212)752-1855

Susan Pepperdine
Marketing Resources, Inc.
8310 Nieman Road
Lenexa, Kansas 66214
(913)492-9494

Robert B. Sorock
Stone & Simons Advertising, Inc.
24245 Northwestern Highway
Southfield, Michigan 48075
(313)358-4800

Thomas Havey & Co. should maintain a separate billing for any fees incurred by this committee. Please call if you have any questions.

Sincerely,

John W. Mettler, III
Susan Pepperdine
Robert B. Sorock

December 21, 1987

Mr. K. William Wiseman
Post Office Box 120
Woolwich, Maine 04579

Dear Bill:

The Audit Committee requests that the HSUS board of directors furnish the three members of the Audit Committee, in writing, the initial information on the attached schedule pertaining to the Deferred Compensation Committee, together with supporting documents. Since the Audit Committee wishes to report to the board by March 31, we hope to have received the information by January 15.

We will be periodically requesting additional information. The Audit Committee will not have a chairman, and accordingly the request may come from any of the three of us. Replies should be sent to all three simultaneously, so that we will all have the same information. Please call if you have any questions.

Sincerely,

John W. Mettler, III
Susan Pepperdine
Robert B. Sorock

January 25, 1988

Ms. Gail M. Harmon
Harmon & Weiss
2001 South Street, N.W.
Suite 430
Washington, D.C. 20009

Dear Gail:

This letter is in regard to our meeting last Thursday, January 21. Based on the agreement at that meeting, the Audit Committee of The Humane Society of the United States has engaged Harmon & Weiss to investigate and report on the management of the financial affairs of The HSUS, from 1980 thru 1987.

Although you were not able to provide us with an estimate for this assignment, you did give us the hourly rates for various individuals in your firm.

As we discussed, all correspondence should be sent to all Audit Committee members, which includes the three people present at the January 21 meeting, plus Bill Wiseman, Chairman of The HSUS and ex-officio member of the Audit Committee. Correspondence should be sent to all committee members as follows:

Mr. John W. Mettler, III
Seminole Asset Management, Inc.
950 Third Avenue
New York, New York 10022
(212)752-1855

Ms. Susan Pepperdine
Marketing Resources, Inc.
8310 Nieman Road
Lenexa, Kansas 66214
(913)492-9494

Mr. Robert B. Sorock
Stone & Simons Advertising, Inc.
24245 Northwestern Highway
Southfield, Michigan 48075
(313)358-4800

Mr. K. William Wiseman
P.O. Box 120
Woolwich, Maine 04579
(207)443-3979

-continued-

Page 2
January 25, 1988
Ms. Gail M. Harmon

As you are aware, the Audit Committee wishes to report to the Board of Directors by March 31, 1988. We look forward to working with you in order to provide The HSUS Board of Directors an accurate and professional assessment of the management of the financial affairs of The HSUS.

Very sincerely yours,



The Audit Committee
John W. Mettler, III
Susan Pepperdine
Robert B. Sorock

K. William Wiseman, ex-officio

RBS:wr

January 26, 1988

Messrs. John Hoyt and Paul Irwin
The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear John and Paul:

As per the resolution at the December 12 Board of Directors meeting, an Audit Committee was established. The resolution charged the Audit Committee with the specific task of preparing a full report for the Board of Directors on the management of the financial affairs of The HSUS.

In order to perform the assigned task, the Audit Committee has engaged the help of the law firm of Harmon and Weiss. Ms Gail Harmon will be contacting both of you in order to arrange meetings. She will want to discuss and obtain relevant and complete information pertaining to various subject matter.

The Audit Committee anticipates an accurate, unbiased and professional report containing the pertinent facts for all matters in question. Upon acceptance of this report, the Board can then proceed with the important matters facing The HSUS in regard to the betterment of animal welfare.

If you have any questions at any time, please call.

Very sincerely yours,



The Audit Committee
John W. Mettler, III
Susan Pepperdine
Robert B. Sorock

K. William Wiseman, ex-officio

RBS:wr

cc: Ms. Gail M. Harmon



4301 Connecticut Avenue, N.W.
Washington D.C. 20008
202/966-6602

Members of the American Institute of
Certified Public Accountants

February 5, 1988

Ms. Susan Pepperdine
Marketing Resources, Inc.
8310 Nieman Road
Lenexa, Kansas 66214

Re: The Humane Society of the United States

Dear Ms. Pepperdine:

Enclosed is the information requested as per your letter dated December 21, 1987. The additional information will be forwarded as soon as it becomes available to us.

Sincerely,



William V. Voorhees, III

WV:lls
Enclosure

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 11, 1988

John Hoyt, President
Paul Irwin, Treasurer
Murdaugh Madden, Esq. General Counsel
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

William Voorhees
Thomas Havey and Co.
4301 Connecticut Avenue, N.W.
Washington, D.C. 20008

Dear John, Paul, Murdaugh and Bill,

As you know, the Board of Directors of the HSUS at a special meeting held on December 12, 1987, established an audit committee composed of Susan Pepperdine, Robert B. Sorock and John W. Mettler to make a full report to the Board of Directors on the "management of the financial affairs" of the HSUS in advance of the April, 1988 Board meeting. The committee has hired our law firm to assist it with its work.

One of the matters which the committee is looking into concerns the payment of compensation and other sums to John Hoyt and Paul Irwin by at least two other corporations associated with HSUS. In that connection, the committee has received the following sets of documents: minutes of the deferred compensation committee from its creation in 1983 through August 1987; financial records on payments into and out of NHEC and NAHEE which relate to payments to John and Paul (provided by Bill Voorhees) corporate minutes of NAHEE from 1982 through 1987.

To prepare an accurate and complete report for the Board, it is important that we have all the relevant information as soon as possible. Therefore I am requesting that you provide us with any additional documents or information concerning these payments, these corporations, or other corporations which may have made similar payments.

If you believe that the documents described above represent all relevant documents and information, please so indicate by _____

HARMON & WEISS

February 11, 1988

Page 2

signing below and returning to me by February 17, 1988. (If you need more information on exactly what has been provided, please let me know.) If you have or are aware of additional information, please provide it to the committee as soon as possible and let me know the schedule for providing it by February 17.

It is in everyone's interest that this committee conclude its work as soon as possible. Therefore your prompt response is necessary.

Sincerely



Gail M. Harmon

cc: John Mettler
Susan Pepperdine
Bob Sorock
William Wiseman

John Hoyt, President

HARMON & WEISS

2001 S STREET, N.W.

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GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 11, 1988

K. William Wiseman,
Chairman of the Board HSUS
Post Office Box 120
Woolwich, Maine 04579

Dear Mr. Wiseman,

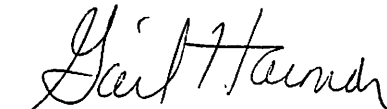
The audit committee appointed by the Board of Directors of HSUS at its December meeting has hired our law firm to assist it. You can reach me at the above address and telephone number.

The committee has scheduled a meeting for March 10, 1988 at 9:00 at our office to discuss the preparation of its report. As an ex officio member of the committee you are invited to attend. Please let me know if you will be there.

The committee has regular weekly conference calls, but as I understand it, you are vacationing in an area which makes your participation in these calls impossible. Please let me know when you return and we will include you in these calls.

Please call if you have any questions or need any further information.

Sincerely,



Gail M. Harmon

cc: John Mettler, III
Susan Pepperdine
Robert Sorock

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2001 S STREET, N.W.

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GAIL MCGREEVY HARMON
ELLYN R. WEISS
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DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 23, 1988

William Voorhees
4301 Connecticut Avenue, N.W.
Washington, D.C. 20008

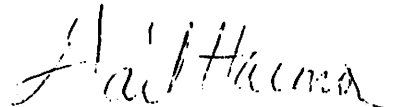
Dear Bill,

As you will see from the enclosed questionnaire, I am soliciting important financial information from employee - officers and senior staff of HSUS.

On the basis of your auditing work for HSUS and its affiliated organizations, and any other knowledge that you have, please provide the information requested for each employee.

In the course of other professional or social relationships, you may have learned information that is relevant to our inquiry. If you feel you are faced with a conflict of interest and cannot make full disclosure please bring this conflict to the committee's attention as soon as possible, explaining it in writing.

Sincerely,



Gail M. Harmon

cc: audit committee
including Wiseman
Murdaugh S. Madden, General Counsel

GH/als

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 23, 1988

William Voorhees
4301 Connecticut Avenue, N.W.
Washington, D.C. 20008

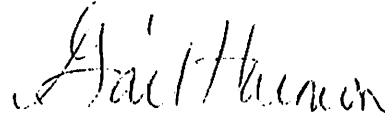
Dear Bill,

While you certified to me that you had provided me with all of the information on NHEC and the payments to Hoyt and Irwin, I still need some information.

The cover sheet prepared by your firm in January of 1988 and the copy from the passbook do not include any information on the January 1988 payments. Please provide me with current deposit and withdrawal records and a description of the purposes for which the funds were authorized and used.

There appear to be two letters of January 7, 1985 from the Mellon Bank. Please provide the second one. You have provided no written authorization for the Mellon Bank to make these checks payable to NHEC, an organization which presumably has been inactive for many years. Do you audit this account? Do they often make transfers of over \$20,000 without a written confirmation of telephone request? Please explain.

Sincerely,



Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, General Counsel
Mr. Wiseman

QUESTIONNAIRE

1. List all payments and gifts if any received by you or by any member of your family in the last ten years from HSUS, or from any other corporation or fund associated with HSUS. Exclude your compensation which is reported on the HSUS Form 990, (normally your regular HSUS paycheck) and reimbursement to you as an employee for travel within the U.S. on HSUS business). List the source and amount of such gift, or payment and the date it was made or received by you.

2. List all loans if any received by you or by any member of your family in the last ten years from HSUS, or from any other corporation or fund associated with HSUS. List the amount, source, interest rate, complete information as to whether or not interest has been paid and the date the loan was made or received by you.

3. List all payments and gifts if any to you or to a member of your family since 1980 from grantees of HSUS and of its associated trusts and organizations. Include source, amount and date.

4. List all loans if any to you or to a member of your family since 1980 from grantees of HSUS and of its associated trusts and organizations. Include source, amount, date, interest rate and complete information as to whether or not interest has been paid.

5. List all payments if any made by HSUS, or any of its related organizations, or any of its grantees on your behalf, or on behalf of a member of your family. This includes but is not limited to payments of travel expenses, educational expenses and tuition.

6. Enumerate and describe fully all financial transactions in the last 10 years between you and any people who have been donors, directors or officers of HSUS within the last 10 years. This includes loans, gifts, of a value exceeding \$100 payments of fees, investments, investment opportunities, receipt of honoraria and all other payments.

7. List all payments, gifts and loans made to or on behalf of you or a member of your family by all companies, partnerships, firms, and individuals who contract with HSUS or any of its related organizations for goods or services or in any manner engage in business with them. Include payments which may be for services rendered, such as bona fide compensation, fees for consulting services, or directors' fees.

8. Please list or describe any business or financial relationship (including but not limited to acting as an officer, director, trustee, shareholder or partner within the last 10 years) that you have with any business, organization, or other entity with which HSUS or its related organizations has had a business relationship in the last 10 years.

9. List all cases in which you have been named or have reason to think you may have been named to act in a fiduciary relationship with regard to an current or potential HSUS donor, officer or Director. This includes but is not limited to appointment as an Executor, Trustee, or being given a power of attorney. List the name of the donor, director, officer, the position to which you may have been named, the authority and discretion which you may be called upon to exercise.

10. Please identify any other situations or information that the committee might be interested in or related to this inquiry.

I certify that the above
information is current,
correct, complete and true
to the best of my knowledge

Date: _____

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 24, 1988

Samuel Trevino
Paul Irwin, Treasurer
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Trevino and Mr. Irwin,

Please identify in writing names of signatories on the account and any identifying numbers of each and every bank account of HSUS, and of its related or subsidiary organizations, or persons acting on its behalf, existing now or at any time during the past ten years. Include the name of the bank, the type of account, the branch if any and where the account is located

"Bank account" should be broadly construed to include checking, savings, or investment accounts.

With regard to NHEC, I have a copy of one page from a passbook from Columbia First for Savings account number 00-██████-7; the page starts with a date of 01/09/85 and finishes with 01/20/87.

1. Please provide me with earlier pages of the passbook going back eight years and with a copy indicating any and all activity since January 1, 1987.
2. Give me the date that the account was established and if it was established after 1976, please provide me with copies of the corporate resolutions and signature cards filed with the bank.

It appears that the funds for NHEC were provided out of Account no. ██████ at the Mellon Bank.

3. Please describe this account.
4. Explain its purpose, size, the signatories, why it is located in Pittsburgh and any other relevant information. The materials provided by Bill Voorhees do not show any

HARMON & WEISS

Mr. Samuel Trevino

Mr. Paul Irwin

February 24, 1988

Page 2

written requests for the large (over \$20,000) checks which were issued to what I expect would be an unfamiliar corporation.

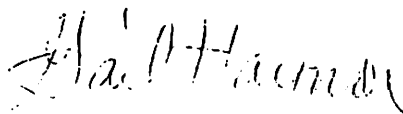
5. Please explain the system under which the HSUS authorizes payments from this account.

6. When, if ever, do the Mellon bank procedures require that a telephone request be confirmed in writing?

I note that the Mellon account was omitted from the list of bank accounts which Mr. Tirranna had in his file and which appear to have been provided to the Board at its December meeting.

Please answer in writing as soon as possible and with the exception of information or bank accounts which have not been open during the last 3 years, provide the information by March 1. Information on the older bank accounts should be provided by March 7.

Sincerely



Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, General Counsel

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WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 25, 1988

John Hoyt, President
Paul Irwin, Treasurer
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Hoyt and Mr. Irwin,

As you know, members of the HSUS Board have serious concerns about the payment by HSUS to Mr. Irwin of \$85,000 in connection with residential recreational real estate in Maine.

While you might prefer to regard this as a private, confidential matter, it has become HSUS business. The "deferred compensation committee" in its discussion of the matter referred to you as "serving as an agent for the HSUS"; HSUS has transferred to you a substantial amount of money in connection with this transaction even though it seems to be conceded that the property which produces no income and cannot be sold at a profit is not an appropriate investment; finally, in the words of your memo the episode has been the subject of litigation, an "acrimonious twenty months", "legion" problems, and "enormous hassles with the town authorities." All of this could possibly reflect badly on HSUS if it were publicized that you were acting as its agent.

Accordingly, it is critically important that HSUS have a complete picture of the economic, legal, and public relations aspects of the transaction. Please provide the documents requested and written answers to the questions listed below by March 3, 1988.

- (1) Precisely where is this property located. Give town and county and any other identifying information.
- (2) Please supply copies of the acquisition papers, including contracts, appraisals, deeds, etc. related to the Irwin purchase of the property.
- (3) Please supply copies of any correspondence you have concerning the property and its attempted purchase.

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John Hoyt, President
Paul Irwin, Treasurer
February 25, 1988
Page 2

(4) Please supply copies of any court documents which you have, including the information on the suit itself, the name of attorney, if any, representing Mr. Irwin, the name of the attorney representing the person who then owned the property and copies of all correspondence related to or mentioning the litigation.

(5) Please supply copies of the back up material presented to HSUS in connection with establishing the amount of the reimbursement of your personal financial investment.

(6) Please provide copies of any agreement entered into with HSUS under which you are to act as its partner or agent for this property.

Sincerely,



Gail M. Harmon

cc: Audit Committee
Mr. Wiseman
Murdaugh S. Madden

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2001 S STREET, N.W.

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WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

February 25, 1988

Paul Irwin
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

RE: Humane Society of the United States Account No. [REDACTED]
at the Mellon Bank

Dear Mr. Irwin,

One of the matters about which the Board committee is seeking more information is transfers out of the above captioned account. Please provide or ask the Mellon Bank to provide a list of each withdrawal or payment from this account for years 1985, 1986 and 1987. For each withdrawal or payment provide the documentation authorizing and categorizing the withdrawal. If some withdrawals are made on the basis of telephone authorization, please indicate whether and at what dollar level written confirmation is required.

Please provide this information by March 5, 1988.

If you have any questions or cannot meet this schedule, please let me know immediately.

Sincerely,


Gail M. Harmon

cc: Audit Committee
Mr. Wiseman
Murdaugh S. Madden

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 2, 1988

Paul Irwin, Treasurer
Samuel Trevino
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Messrs,

A review of the 1986 federal Form 990 prompts some questions. Please answer each in writing.

1. On page 2, line 31 "Accounting Fees" is blank. Why was no amount disclosed? I understand that the number on line 31 should have been \$45,000. Please explain why it was more than twice as large as the average of the previous three years.

2. Part II, line 43 detailed on Schedule 3 lists \$60,990 as an expense captioned "taxes-other." Since HSUS is tax exempt, please list and describe the taxes paid. The projected 1987 and proposed 1988 Budgets submitted to the HSUS Board contain an entry of \$72,458 for other taxes. Please identify the taxes and explain the reason for the increase.

3. Payments to annuitants on the same schedule is listed as \$103,714 while on the 1986 financial statements it is listed as \$99,553. Please explain the reason for the discrepancy.

4. The Audit Committee needs to have a complete listing of compensation, and fringe benefits paid to John Hoyt and Paul Irwin over the last 5 years. Unfortunately the information we have received so far is incomplete and inconsistent. Please provide a complete listing of the amounts received by or paid on behalf of each of them for years 1983-1987 in each of the following categories.

compensation
expense account
other allowance
travel allowance
pension plan contribution

HARMON & WEISS

Messrs Irwin & Trevino

March 2, 1988

Page 2

life insurance
health insurance
deferred compensation
other

What payments were included as "contribution to employee benefit plan" on Schedule 4 of the Form 990.

6. With regard to health insurance for Messrs Hoyt and Irwin, please explain whether HSUS pays for individual benefits or family benefits; for high option or low option coverage; for any special services or benefits. Please provide the amounts paid on behalf of each (and their families if paid) for the past five years and compare it to the average and median amount paid for those employees who are not officers.

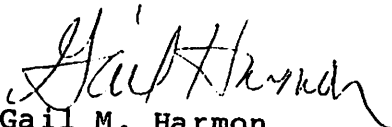
7. The Minutes of the July 24, 1986 meeting of the Deferred Compensation Committee indicate that HSUS transferred to Messrs Hoyt and Irwin the ownership of certain life insurance policies. Please describe the policies giving name of company, policy number, beneficiaries, annual premiums, face amounts and cash surrender values. Explain what is meant by transfer of ownership and how (if at all) the value of the transfer was reported for tax purposes.

8. If HSUS continues to hold other insurance policies on the life of Messrs Hoyt and Irwin, please give the same information requested in question 7 for each policy.

9. Please identify the components of the \$73,114 listed for insurance in Schedule 3. For each, give the name of the insurance company, the account number, the owner of the policy, the beneficiary of the policy, and a description of its purpose (e.g. life, auto, etc.) the limits of the policy, the face amounts of the policy and the cash surrender value.

Please provide the answers to the questions by March 8, 1988.

Sincerely,


Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden
Mr. Wiseman

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 3, 1988

Paul Irwin
The Humane Society of
the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Paul

I have received your signed questionnaire but since some questions were not answered fully, I need to repeat some questions.

Question 1. Because of the confusion surrounding the NHEC and NAHEE payments, you were requested to list all payments from HSUS-associated corporations in the last ten years. Please list them and any other payments other than your HSUS compensation. Payments to reimburse you for a spouse's travel expenses would be listed here. I was under the impression that HSUS made a payment of \$85,000 to you in 1987 which was not normal compensation. A complete and accurate list of payments from HSUS should include this one.

Question 5. Please list any payments for trips which are asked for here including the date, duration, destination of the trips and the amount paid. Please explain what you mean by "related expenses have been reported...." Please explain who or what organization paid the expenses of your children's trips to Africa.


Question 9. When I interviewed you on February 4, 1988, you stated that you were executor of the estates of about a half a dozen people who are HSUS donors; in addition you said you had power of attorney for HSUS donors in two to three instances. Please give the names and explain the inconsistencies between your statement to me and the answer to the questionnaire. In addition there seems to be an inconsistency between two of your written statements on these matters. In your September 3, 1987 memo to the file regarding the Maine property you were definite regarding certain fiduciary relationships stating "I was able to win Dr. _____'s confidence to the extent that she has made me executor of her will. Also she has executed documents in her

HARMON & WEISS

Paul Irwin
March 3, 1988
Page 2

resident state of _____ providing me with a general power of attorney regarding her affairs; in contrast in the questionnaire you sound less certain, in each case saying only "there may be." Please explain.

Sincerely

A handwritten signature in cursive script, appearing to read "Gail Harmon".

Gail M. Harmon

cc: John Mettler, III
Susan Pepperdine
Robert Sorock
K. William Wiseman
O.J. Ramsey, Esq.
Murdaugh S. Madden

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 3, 1988

John Hoyt, President
The Humane Society of
the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Hoyt,

I have received your signed questionnaire but since some questions were not answered fully, I need to repeat some questions.

Question 1. With regard to travel expenses paid by HSUS for trips outside of the United States, please provide a list of the trips and the amounts reimbursed during the last ten years.

Question 2. We have been told that HSUS held a note from you for \$100,000; while there is little clarity about it, I gather that Mrs. Evans, the original holder of the note, donated it to HSUS. Please provide the date the note was given to HSUS (if at all) and whether or not interest was paid to HSUS.

Question 5. It was my impression that WPSA, a grantee of HSUS, has paid for travel for yourself and your wife. List all amounts paid by WPSA, and by any other HSUS grantees, to you or on your behalf or travel or other purposes

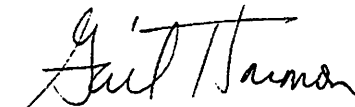
Question 6. While the audit Committee has some information on loans made to you by a trust of which Mr. Burke was a trustee and by Mrs. Evans, it does not have complete information on these or on any other transactions which may come within the terms of this question. For example, when I met with you on January 26, 1988, you declined to tell me whether or not you had paid interest to Mrs. Evans during the life of the loan. As originally requested, please enumerate and describe fully the financial transactions referred to in question 6.

HARMON & WEISS

John Hoyt, President
March 3, 1988
Page 2

Please provide the information necessary to complete the questionnaire by March 7, 1988. Complete your response with a certification that the information provided is current, correct, complete and true to the best of your knowledge.

Sincerely



Gail M. Harmon

cc: John Mettler, III
Susan Pepperdine
Robert Sorock
K. William Wiseman
O.J. Ramsey, Esq.
Murdaugh S. Madden

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 4, 1988

Paul Irwin, Treasurer
Samuel Trevino
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Sirs,

The HSUS has received donations of personal property such as gold coins, and perhaps Georgian silver and jewelry. Please explain the system used by the HSUS for accounting for these items. Specifically list those items of tangible personal property which have been donated to the HSUS in the last ten years, the date they were given, their value at the time, and the disposition made of them, if any.

Please list each piece of real estate given to the HSUS in the last ten years, the date given, its value at the date of gift, its disposition, if any.

Please list by date and amount gifts made by Regina Frankenberg to HSUS since 1983.

The Federal Form 990 for National Association for Advancement of Humane Education indicates a substantial contraction during calendar year 1986; the fund balance at the end of the year shows 0. In 1987 and 1988, \$5,000 was paid out of this organization to Mr. Irwin. Please explain where the money to make these payments came from, who approved it and when.

Please provide the w-2's and 1099's issued to John Hoyt and Paul Irwin by HSUS and its associated organizations for 1987

The Financial Statements and Independent Audit Reports for 1986 include in the asset category "Notes Receivable" but apparently fail to include a note for \$100,000 which was received on December 31, 1986 from Mrs. Evans. Please explain the reason for this omission.

Please provide promptly any amendments to the Deed of Trust dated 04/09/62 between the HSUS and the Mellon Bank. Please pro-

HARMON & WEISS

Paul Irwin, Treasurer
Sam Trevino
March 4, 1988
Page 2

vide any written instructions which may have led the Mellon Bank to believe that Paul Irwin or other employees of HSUS were authorized to direct distributions of income and principal.

The Note to Mrs. Evans appears to have been assigned to the Irene C. Evans Trust U.T.D. August 17, 1978 and amended September 18, 1978. Please provide a copy of this trust, if available.

Sincerely,


Gail M. Harmon

cc: Audit Committee
O.J. Ramsey, Esq.
K. William Wiseman
Murdaugh S. Madden

Ramsey, Morrison, Keddy & Wallis

GENERAL LITIGATION

O.J. RAMSEY
THEODORE H. MORRISON
MICHAEL F. KEDDY
DAVID A. WALLIS
MARK R. KASSENBRICK
JOANN GEORGALLIS
VERA SANDRONSKY
MARC E. ABRAMSON

PROFESSIONAL CORPORATION • ATTORNEYS AT LAW

10399 OLD PLACERVILLE ROAD
SACRAMENTO, CALIFORNIA 95827

P.O. BOX 26124
SACRAMENTO, CALIFORNIA 95826-0214
TELEPHONE (916) 362-8800

BUSINESS LAW & TAXATION

JERRY M. KUPERSTEIN, L.L.M.

WORKER'S COMPENSATION

THEODORE H. MORRISON

March 14, 1988

Paul Irwin
The HSUS
2100 L Street, N.W.
Washington, D.C. 20037

UPS Next-Day Air

Re: Audit Committee--expenditures of \$5,000.00 and more

Dear Paul:

Among many other matters, the audit committee at its meeting of Thursday, March 10, 1988, considered a printout provided by Sam Trevino/Bill Vorhees listing expenditures in excess of \$5,000.00 made by the HSUS in 1987 and so far in 1988.

The printout did not include checks totaling \$85,000.00 paid out in October of 1987 on the Brightwater property in Maine. Sam Trevino told me by phone that these checks were made for \$35,000.00 on October 22 and \$50,000.00 on October 26, 1987.

The committee is not so concerned about the two checks specifically, since the fact the payments were made is well-known. The disturbing thing is that, knowing at least these two relatively large checks did not appear on the printout, the question arises why not and whether there might be other checks which for some reason or another are not printing out.

At the time the printouts were delivered last Thursday, March 10, Bill Vorhees advised us that there were two other accounts for which much shorter printouts were being prepared and would be made available. We thought at first that perhaps the Brightwater checks were on these other accounts. However, Sam Trevino advised me that the Brightwater checks were written on the main HSUS account for which we had the printout which did not show them.

Paul, would you please look into this matter? In my own view, I think the committee should have a brief statement of the best opinions of Bill Vorhees, Sam Trevino, and/or yourself as to how major payments of this type would have been deleted from the printout and also what we should do or receive to be as certain as reasonably possible that we have been able to review all expenditures exceeding \$5,000.00.

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 15, 1988

Roger Kindler, Esq.
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Roger,

Since Mr. Madden is on vacation, I am directing this request for information to you.

Please provide the Audit Committee with all records, letters, memoranda etc. concerning gifts by Mrs. Evans to The HSUS in the last eight years. We are particularly interested in documents concerning her gift(s) of tangible personal property and the gift of a promissory note. If some information is readily available while other information requires time to locate, please provide that which is immediately accessible as soon as possible.

Please provide all records, letters, memoranda etc. concerning gifts to the HSUS by Miss Regina Frankenburg in the last eight years.

The Annuity Trust with the Mellon Bank which was executed in 1962 confers certain rights and responsibilities on the members of the HSUS Investment Committee. Please provide us with information on this committee, including its authority and its composition, based on the minutes of the meetings of the Board of Directors and the Executive Committee and any other materials which you think are relevant.

As I understand it, your office has started a process to identify some of the recent gifts of tangible personal property,

HARMON & WEISS

Roger Kindler, Esq.
March 15, 1988
Page 2

but we cannot expect complete information until Mr. Madden returns from vacation. Please convey to him that we would like this information as soon as possible.

Thank you very much.

Sincerely,


Gail M. Harmon

cc: Audit Committee

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GAIL MCGREEVY HARMON
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TELEPHONE
(202) 328-3500

March 15, 1988

Jack W. Lydman
2815 Q St., N.W.
Washington, D.C. 20007

Dear Mr. Lydman,

As you know, the Board of Directors of the HSUS voted at its meeting held in December of 1987 to appoint a special committee to report to the Board on "the management of the financial affairs" of the corporation. My law firm has been hired to assist the committee with its work.

One of the matters about which the committee is seeking to gather more information is the operation of the Deferred Compensation Committee.

The minutes of the July 24, 1986 meeting of the Deferred Compensation Committee, which you signed as Secretary, report on a decision to purchase a property to serve as a residence for the HSUS President and to transfer ownership of personal life insurance policies to Mr. Hoyt and Mr. Irwin and conclude with the following language: "The committee noted for the record that it is empowered by the Board of Directors of the HSUS to act on its behalf in matters pertaining to compensation and benefits for HSUS staff personnel."

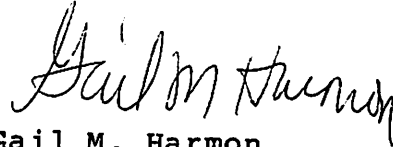
Please explain on what basis the committee reached this conclusion concerning its authority. Did it review any documents? Did it consult with the general counsel of the HSUS? Did it rely on representations from anyone?

HARMON & WEISS

Jack W. Lydman
March 15, 1988
Page 2

Since the committee is trying to conclude its task as promptly as possible, I would appreciate your reply by March 21, 1988.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gail M. Harmon".

Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, Esq.

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

CONFIDENTIAL

March 15, 1988

Paul Irwin, Treasurer
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Irwin,

During the meeting of the Audit Committee held March 10, 1988, Mr. Madden was asked certain questions concerning the role of HSUS employees as executors and trustees for donors to the HSUS. In answer to a question, he said that he was under the impression that you were a co-executor of the estate of Viola Weber. Please explain fully whether you are, or were, the co-executor of her estate, or have held any other position with fiduciary responsibilities for her or her assets.

Please provide evidence of the appointment by the Board of directors of the HSUS of Joe Ramsey to the Deferred Compensation Committee.

When you spoke to the Audit Committee on March 10, you indicated that you had seen Mr. Trevino prepare a list of HSUS safe deposit boxes for me. Since I never received it, please provide it immediately. In addition, provide a reasonably current inventory of the contents of the boxes and a list of who has access to each box. (Since the inventory is to be completed each year as part of the audit, the one completed in 1987 for the 1986 audit should be easy to obtain.)

As you know, the Committee needs to know about communications with the Mellon Bank regarding which individuals are authorized to direct it regarding transactions in the annuity account. Assuming that you would prefer that I not correspond with them, please write them today requesting all records of communications, both written and oral, concerning which individuals connected with the HSUS have authority under Article 3 of the Annuity Trust to direct distributions of income and principal and to approve investments. Please send me a copy of your letter for my files.

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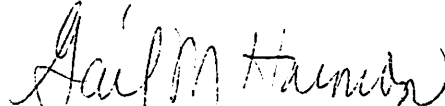
Paul Irwin, Treasurer
March 15, 1988
Page 2

Please provide a list of the members of the Investment Committee and the dates that they were elected by the Board of Directors of the HSUS.

Finally, we have not received answers to the nine questions asked in my letter dated March 2, 1988 nor have we received answers to some of the questions asked in the March 4, 1988 letter. Although the date by which we requested the information, is now passed, we continue to need the information as soon as possible.

Please provide all of the information by March 21.

Sincerely,


Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, Esq.

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
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TELEPHONE
(202) 328-3500

CONFIDENTIAL

March 18, 1988

David Theil
Deloitte Haskins & Sells
1001 Pennsylvania Avenue, N.W.
Suite 350
Washington, D.C. 20004

Dear David

I am writing to ask you to perform some targeted, limited auditing services for a client of mine. I realize that this is a very busy season for you, but I hope that the interest and importance of the project, as well as its limited nature, will lead you to decide to undertake it.

The Board of Directors of the Humane Society of the United States recently appointed a special audit committee to prepare a report on the management of the financial affairs of the corporation. I am acting as special counsel to that committee and seek to hire you to assist me with this task.

The HSUS is one of the major U.S. charitable organizations devoted to animal welfare. Its annual income for the calendar year ending 1986 was in excess of \$10,000,000 and I believe that it was even larger for 1987.

I have been working on this project for several months and have learned alot about the organization and some of its problems. I have detailed files which I would share with you and which would make your task easier.

The principal areas of concern are:

private inurement or unreasonable compensation for the senior employees;

wasting of corporate assets by purchasing residential and recreational real estate for principal employees;

failure to account for gifts of tangible personal property on financial statements and tax returns;

HARMON & WEISS

David Theil
March 18, 1988
Page 2

failure to file accurate reports with government agencies including federal Forms 990, W-2, and New York State Charities reports;

failure to inform the Board of or seek approval for major transactions.

To determine the most efficient way to proceed, I would like to start by sharing with you a notebook of materials which I have prepared for the committee. On the basis of this we could agree on a work plan.

As you may have surmised, we have not received adequate information from either the outside auditor or the internal comptroller. One basic piece of information which the committee has been seeking for almost two months is a list of disbursements of \$5,000 or over during 1986, 1987, and 1988. I would hope that a member of your staff could help complete that task. In addition, we need a review of the system by which the organization accounts for gifts of tangible personal property, a review of the fringe benefits paid to the senior employees, perhaps a brief analysis of the travel and entertainment accounts; after we discuss my notebook of materials you may have other ideas. When you and I spoke on the telephone we discussed other tasks including an analytical review of the financial statements and a review of the independence of the current auditor. While these are very important issues, on reflection, I think that the committee's principal concern is the internal financial management for which the staff is primarily responsible; the adequacy of the performance of the current auditor, while important, is of secondary concern except as it relates to the actions of the staff.

I hope that you will be able to work with me on this project. I will try to call you tomorrow (Saturday). If you have any questions, feel free to call me at my office until about 6:00 or at home on Saturday (726-2385).

HARMON & WEISS

David Theil
March 18, 1988
Page 3

I am sure that you understand that this Board review is a very sensitive and confidential matter.

I look forward to hearing from you.

Sincerely,


Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, Esq.

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2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 22, 1988

Paul Irwin
Executive Vice President, Treasurer
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Irwin,

In your letter of March 17, you state that "Mr. Burke, Mr. Hoyt and Mr. Irwin have been on the (Investment) Committee as long as they have held their respective titles." Since I have only recently become immersed in HSUS history, it would help to have a more complete answer. Please explain. When did you and Mr. Hoyt start to hold your respective titles? Were you elected by the Board of Directors to the Investment Committee? if so, when?

At your request, Mr. Madden is conducting a review of his files of the testamentary transfers of tangible personal property to HSUS. The general counsel's office does not have complete files, however, of gifts by people who are still living. To proceed with the analysis of the gifts of tangible personal property and real property, please review the files which your office has access to concerning gifts by major donors. In particular, I gather that Mrs. Evans has made significant gifts of tangible personal property in the last several years. Please provide the Committee with a complete list of the items donated in the last eight years, their value, and the date of the donation. If recent records are immediately available, please furnish them as soon as possible.

In addition, the committee is seeking more information concerning gifts by Regina Frankenberg. Please provide any documents concerning those gifts in the last three years.

HARMON & WEISS

Paul Irwin
March 22, 1988
Page 2

The audit committee is trying to wrap up its work, so I would appreciate hearing from you by March 25.

Sincerely,


Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden, Esq.

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WASHINGTON, D.C. 20009-1125

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DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 22, 1988


K. William Wiseman
The Humane Society of the
United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Wiseman,

There seems to be some confusion about the membership of the Deferred Compensation Committee. Joe Ramsey believes that he may be a member of the committee, but we do not seem to be able to find any documentation of his election. In the enclosed letter, Paul Irwin suggested that I ask you for further information.

I look forward to hearing from you.

Sincerely,



Gail M. Harmon

cc: Audit Committee

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WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

March 24, 1988

Paul Irwin, Treasurer
The Humane Society of
the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear Mr. Irwin,

Please ask the assistant treasurer, Mr. Trevino to provide you with all HSUS travel documents, including all standard forms used to account for cash advances for travel expenses and for reimbursement for travel expenses, necessary for you to provide the audit committee with a complete listing of trips by yourself and Mr. Hoyt from October 1, 1987 to the present.

Please list all of the trips taken by either of you in this period and provide a brief explanation of the purpose of the trip. Indicate each instance in which you met with a member of the Board of Directors of HSUS and describe the substance of the meeting.

Since you and Mr. Hoyt work so closely together, I assume that you can provide most of the information regarding his trips since he is not available to do this himself.

Please provide this information within one week, by March 31, 1988.

Please call me before 2:00 tomorrow, Friday, March 25, and indicate when you will be able to provide the other information which has been requested and not provided.

HARMON & WEISS

Paul Irwin, Treasurer
March 24, 1988
Page 2

One of the missing items is the percent return and average gift for all 1986 and 1987 mailings. This information was requested from Bill Voorhees in a letter dated March 1, 1988; in his reply dated March 15, 1988 he stated that this was to be provided to us by HSUS. Please do so.

Sincerely,



Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden

HARMON & WEISS

2001 S STREET, N.W.

SUITE 430

WASHINGTON, D.C. 20009-1125

GAIL MCGREEVY HARMON
ELLYN R. WEISS
DIANE CURRAN
DEAN R. TOUSLEY
ANDREA C. FERSTER

TELEPHONE
(202) 328-3500

By Messenger

March 25, 1988

David Theil
Deloitte Haskins & Sells
1001 Pennsylvania Avenue, N.W.
Suite 350
Washington, D.C. 20004

Dear David,

I am delighted that you are undertaking this special project on behalf of the Audit Committee of the HSUS.

Enclosed is a copy of my letter of March 2 concerning fringe benefits and a copy of the list which I was provided of safe deposit boxes.

I am also enclosing materials on transfers, or potential transfers, of tangible personal property to HSUS. I am not certain whether or not the 1986-7 gifts from Mrs. Evans were ever made; that is one of our questions. The lifetime gift from Ms. Kitchen and the transfer from the Nye, Truelson, and Chichester estates were made.

Please also check on the Sea Island property and the mineral rights from Mrs. Evans

I'll call you next week.

Sincerely,

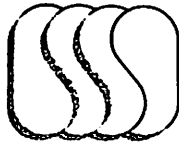


Gail M. Harmon

cc: Audit Committee
Murdaugh S. Madden

Stone & Simons Advertising, Inc.
24245 Northwestern Highway
Southfield, Michigan 48075
/313/358-4800

****Revised****



March 28, 1988

Mr. David Theil
Deliotte Haskins & Sells
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2505

Dear Mr. Theil:

Attached is the signed letter authorizing you to proceed with the Humane Society of the United States assignment.

I have contacted Paul Irwin. Either Mr. Irwin, or Sam Trevino, will be expecting you on Monday morning at the HSUS offices in Bethesda.

If you need anything else, please let me know.

Very sincerely yours,

A handwritten signature in dark ink, reading "Robert B. Sorock". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent. It is positioned directly above the printed name.

Robert B. Sorock

RBS/wr

cc: Audit Committee
Gail Harmon

Deloitte Haskins Sells

Suite 350
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2505
(202) 879-5600
ITT Telex: 4995732

Mr. Robert B. Sorock
Director of the Humane Society of the United States
c/o Stone & Simons Advertising, Inc.
24245 Northwestern Highway
Southfield, MI 48075

March 24, 1988

Dear Mr. Sorock:

At the request of Ms. Gail Harmon, special counsel to the audit committee of the Humane Society of the United States (HSUS), we will perform certain procedures to assist your audit committee in evaluating specific areas relating to the internal financial management of HSUS. These special procedures were determined through discussion with Ms. Harmon and will include the following:

1. Completion of a list of disbursements of \$5,000 or over during 1986, 1987, and 1988 to the date of the most recent bank statement.
2. Other procedures as requested by Ms. Harmon for the purposes of evaluating other financial management matters.

Our procedures will not constitute an examination of HSUS financial statements or any financial statement element or account in accordance with generally accepted auditing standards and, therefore, we will not be in a position to express and will not express, an opinion as of any date. Further, our procedures will not comprehend an investigation of internal accounting controls, to any extent, and as such our procedures cannot be relied upon to detect errors that might exist but we will report to you any significant matters that we believe should be brought to your attention. Upon completion of our work, we will render our report documenting the detail of the procedures we were requested to perform and the results of such procedures. These procedures have been documented under a separate letter of agreement with Ms. Harmon. Additionally, we will keep you informed of our progress as we perform the work.

Mr. Robert B. Sorock

March 24, 1988

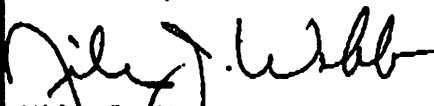
2

We estimate that the above procedures will require 15 to 20 hours of management time at the rate of \$100 per hour and 70 to 80 hours of a staff accountant's time at the average rate of \$70 per hour. If it appears that our charges will exceed this, we will discuss our charges with you before proceeding. Our out-of-pocket expenditures will be separately itemized on the billings.

Please advise us if the proposed services as described above are in accordance with your wishes. You may do so by indicating your approval in the space provided below on the enclosed copy of this letter and returning it to us in the accompanying self-addressed stamped envelope.

Please call me if you have any questions.

Sincerely,


Nile J. Webb
Partner

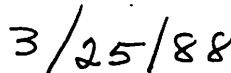
APPROVED BY THE AUDIT COMMITTEE OF
THE HUMANE SOCIETY OF THE UNITED
STATES:



Name



Title



Date

MM

- not a lot of diff. tw Dela. + Calif.
- depression
 - commit resources?
 - expensive proposition
 - imp. policy reason
 - Mr. Lundgren
- done all analysis -
 - bus. judgment case
 - dis. - breach of trust
 - entitled to indemnity
 - wd corp.
- gens. counsel
 - threat of legal action
 - corrective action taken on Brightwater
- Harmon & Weis - had better side of argument
- talk to pro bono

not more liberal than

Van Gorkum -
make
reas.
inquiry

wd to
recog.
respons.

4-H Image**Strongest Association with:**

- Farm/Country
- Animals/Livestock
- County Fair

4-H Image

*City Desk
or Daniel Rosenheim
415-512/8196 fax*