

COURT OF MASTER SOMMELIERS - AMERICAS

MINUTES OF MEETING OF THE BOARD OF DIRECTORS

A meeting of the Board of Directors (the "Board") of Court of Master Sommeliers-Americas, a California nonprofit mutual benefit corporation, was held by telephone conference on the 5th day of October, 2018, at 2 p.m. CDT.

The following Board members participated by conference call:

Devon Broglie (Chair)
Matt Stamp (Vice Chair)
Peter Granoff (Treasurer)
Craig Collins (Secretary)
Steve Poe
Eric Entrikin
Thomas Price
Laura Williamson
Virginia Phillip
Scott Carney
Ron Edwards
Randy Bertao
Cameron Douglas

Brett Davis and Reggie Narito were absent.

The following were present as guests: Janet Grumer and David Lawson of Davis Wright Tremaine, LLP ("DWT"), as outside counsel for CMS; Bill Coletti of KITH, a subject matter expert retained by DWT; and Andrew McNamara and Greg Harrington, as non-director members of CMS's advisory Ethics Committee.

Devon Broglie presided as Chair of the meeting and Craig Collins served as Secretary. The Chair called the meeting to order, announced that the meeting was being held pursuant to a call by the Chair, that notice had been duly given to all directors (including Reggie Narito), that a quorum was present, and that the meeting was duly called and properly in session.

1. Irregularity in Tasting Portion of September Examination.

Devon stated that the meeting had been called to discuss an irregularity that took place at the tasting portion of the September 4, 2018 examination offered in St. Louis. He stated that CMS's founding principles of integrity had been compromised by the irregularity, and introduced CMS's outside legal counsel.

David Lawson introduced himself, Janet Grumer, and Bill Coletti to the Board.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Devon reminded Board members that the information presented was to be kept strictly confidential. Devon stated that there are two primary issues to consider: 1) how to impose appropriate discipline on Master Narito, and 2) how to handle the results of the examination. He asked for comments from the other members of the Ethics Committee.

Andy and Greg, in their capacities as Ethics Committee members, each expressed the opinion that the Court faced a very difficult decision and that it is vital to the Court that there be no question about whether any candidate's passage of the exam was deserved. They did not make a specific recommendation on either of the questions Devon posed.

Board members engaged in extensive discussion of the two questions Devon posed, as well as a third question: whether additional investigation would be useful to answering either of the first two questions. During this portion of the discussion, many points of view were raised, and the Board did not make final decisions on any of the questions.

2. Discipline of Master Narito.

Following the discussion, Devon asked board members to focus for the moment on the discipline of Master Narito.

[REDACTED]

All board members participating in the discussion favored suspension or termination of Master Narito. Devon pointed out that the European chapter of the Court has terminated a member for misconduct in the past. After discussion, Board members were in agreement that Master Narito could not participate in CMS activities, but some members wanted additional investigation before deciding on final discipline for Master Narito.

Matt Stamp moved that CMS bar Master Narito from participation in any CMS activities, pending his termination, and that Master Narito be recused from all Board meetings where either his status or the effects of his actions were to be discussed. Eric Entrikin seconded the motion, and it carried unanimously.

3. Further Investigation.

Devon asked Board members to consider the topic of further investigation. He proposed that the Board establish an advisory committee to make recommendations to the Board and to interface on a day-to-day basis with legal counsel conducting the investigation, because of the impracticality of having 15 directors supervise the investigation in a hands-on way. The committee would not have any delegated authority of the Board, but would make a report and recommendations to the Board. The members of the Advisory Committee would include the four Board officers and senior examination committee chair Steve Poe.

Devon noted that 7 to 9 candidates warranted further examination, specifically including those who called both Pinot Grigio & Chateaufeuf du Pape in the flight, Pinot Grigio for more than one of the wines in the flight and those with whom Master Narito had a known relationship, either because Master Narito had recused himself from proctoring those candidates' tasting portions or because there was a known mentorship relationship.

Randy Bertao moved that the Board establish a special advisory committee, comprising Devon Broglie, Matt Stamp, Craig Collins, Peter Granoff, and Steve Poe, to oversee continued investigation by legal counsel; to report the results of the investigation to the Board; and to make recommendations to the Board. Devon Broglie recused himself from consideration of the motion because the committee was his proposal. Cameron Douglas seconded the motion, which carried unanimously.

[REDACTED]

4. Expenses of Investigation.

The Board considered whether to authorize the payment of extraordinary expenses relating to the investigation of Master Narito's actions and CMS's communications needs in connection with the matter. After discussion, the Board asked the special committee to report on expected expenses at a future meeting. The Board took no action on expenses.

[REDACTED]

There being no further business to come before the meeting, it was adjourned upon motion of Ron Edwards, seconded by Randy Bertao and approved unanimously, at 5:15 p.m. CDT.

Craig Collins
Secretary

ATTEST:

Devon Broglie
Chair

DRAFT

COURT OF MASTER SOMMELIERS - AMERICAS

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS**

A meeting of the Board of Directors (the "Board") of Court of Master Sommeliers-Americas, a California nonprofit mutual benefit corporation, was held by telephone conference on the 8th day of October, 2018, at 2 p.m. CDT.

The following Board members participated by conference call:

Devon Broglie (Chair)
Matt Stamp (Vice Chair)
Peter Granoff (Treasurer)
Craig Collins (Secretary)
Steve Poe
Eric Entriakin
Thomas Price
Laura Williamson
Virginia Phillip
Scott Carney
Randy Bertao
Cameron Douglas
Brett Davis
Ron Edwards (joined the meeting late, during the discussion of invalidation)

Reggie Narito was absent.

The following were present as guests: Janet Grumer and David Lawson of Davis Wright Tremaine, LLP ("DWT"), as outside counsel for CMS; and Bill Coletti, Jeff Blalock, and Megan Skiles of KIFH, as subject matter experts retained by DWT to assist in advising CMS.

Devon Broglie presided as Chair of the meeting and Craig Collins served as Secretary. The Chair called the meeting to order, announced that the meeting was being held pursuant to a call by the Chair, that notice had been duly given to all directors except Reggie Narito (whom the Board voted on October 5, 2018 to recuse from this meeting), that a quorum was present and that the meeting was duly called and properly in session.

1. Examination Investigation Progress.

[REDACTED]

[REDACTED]

Devon explained to the Board that the Special Committee recommended against further investigation, because the investigation to date had established conclusively that it was impossible to determine who might have received or spread the information. There is now proof that multiple recipients received the information, and there is no way to establish that they did not communicate the information to additional candidates before the exam. Further investigation will not change this reality.

[REDACTED]

Several directors asked questions about various aspects of the examination, which Devon answered on behalf of the Special Committee.

[REDACTED]

2. Discipline of Master Narito.

Devon conveyed the Special Committee's recommendation that Master Narito's membership be terminated, subject to the process set out in the bylaws. The Board discussed the recommendation at length.

[REDACTED]

Matt Stamp moved that the Board initiate the process of terminating Master Narito's membership following the procedure laid out in Section 2.11 of the Bylaws. Cameron Douglas seconded the motion, and it carried unanimously. With the assistance of legal counsel, Devon will prepare the notice of termination for Master Narito.

3. Invalidation of Test Results.

Devon conveyed the Special Committee's recommendation that, because it is impossible to establish with certainty who ultimately received the information disclosed by Master Narito, the test results must be invalidated for all candidates who took the exam. The Special Committee further recommended that all 54 candidates be permitted to retest.

Devon acknowledged that Board members had not had any time to consider the recommendation, and asked Board members for their input and thoughts before the Board took action. The Board discussed the recommendation at considerable length. Every director to speak was concerned about the integrity of the Master Sommelier credential in the event that the examination results stood. Following the discussion, Devon took a non-binding straw poll on the Special Committee's recommendation, and every director supported the recommendation [Steve Poe left the meeting during this discussion.]

[REDACTED]

Peter Granoff moved that the Board invalidate the results of the tasting portion of the September 2018 Master examination due to clear evidence of a breach of confidentiality by Master Narito with respect to the wines presented. Ron Edwards recused himself from consideration of the motion because he had not been present for some of the discussion. Matt Stamp recused himself from consideration of the motion because of a prior relationship with one of the affected candidates. Randy Bertao seconded the motion, which carried unanimously.

4. Expenses of Investigation.

Based on initial estimates from legal counsel, the Board discussed finances related to the examination and necessary communications work. After discussion of the appropriate amount,

Peter Granoff moved that the Board approve a preliminary budget of \$100,000 to address legal and public relations costs related to the matter of the September 2018 Master examination. Cameron Douglas seconded the motion, which carried unanimously. Board members agreed that this motion would not foreclose approval of further expenses if needed.

5. Communication Strategy.

[REDACTED]

Devon will prepare a comprehensive list of individuals who should receive one-on-one phone calls from a member of the Board, and will provide general messaging materials.

There being no further business to come before the meeting, it was adjourned upon motion of Scott Carney, seconded by Cameron Douglas and approved unanimously, at 5:40 p.m. CDT.

Craig Collins
Secretary

ATTEST:

Devon Broglie
Chair