

**RULING BY THE REGISTRY RULES COMMITTEE**  
**OF THE**  
**AMERICAN SADDLEBRED HORSE AND BREEDERS ASSOCIATION, INC.**

IN THE MATTER OF:

DATE OF FOALING OF TEKTONEK'S BLUE WINE KPHSF (ASHBA #132045S),  
KATHY PETERSON, BREEDER/OWNER, RESPONDENT

A hearing before the Registry Rules Committee (the "Committee") of the American Saddlebred Horse and Breeders Association, Inc. (the "Association") was held via Zoom on April 17, 2023 at 5 p.m. to hear testimony and to consider the complaint against Kathy Peterson (a/k/a Kathy Peterson-Herbst). Notice of the hearing was sent on March 21, 2023.<sup>1</sup>

The members of the Committee present were Julie Behrends-Jones, Sandra Currier, Charles R. Herbert, Jr., and Kimberly Skipton.<sup>2</sup> Present on behalf of the Registry were: Katriona Adams, Registrar, and Rachel A. Seifert, who served as prosecutor. Additional witnesses on behalf of the Registry were Holly Armstrong and Heather Krug. David Mount, Executive Director of the Association was also present. The respondent, Kathy Peterson, did not appear either personally or through her counsel. The Hearing Officer was Judge Alan B. Rich.

**Background**

This matter began as a complaint filed under the Association's Code of Conduct on October 14, 2022, by Holly Armstrong, alleging that the date of foaling listed on the

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<sup>1</sup> The Hearing was originally noticed for February 9, 2023. A continuance was granted at the request of Stephen W. Scott, counsel to Ms. Peterson, and the hearing rescheduled for March 3, 2023. By letter dated March 14, 2023, Mr. Scott raised additional objections to the proceedings, and the hearing was again postponed and rescheduled to April 17, 2023.

<sup>2</sup> Rachel A. Seifert, a member of the Committee, recused herself from the deliberations out of an abundance of caution. See, Scott Letter dated March 14, 2023.

registration certificate of the bay and white pinto colt Tektonek's Blue Wine KPHSF (ASHBA #132045S) (the "Blue Wine Colt") was inaccurate. Ms. Armstrong alleged that the date of foaling was not January 2, 2022, but instead, the Blue Wine Colt was foaled on November 9, 2021.

On October 20, 2022, the Conduct Review Committee referred the matter to the Registry Rules Committee, which pursued the matter in the name of the Registry of the Association. The complaint was served on Ms. Peterson and she requested an extension, which was granted. The response due date of December 9, 2022 was met by Ms. Peterson.

In summary, Ms. Peterson responded in her submissions that there was a "dummy" pinto foal that was born on her farm to the mare "Born An Heiress" (ASHBA #140876) in the late fall of 2021, and that it was the Born an Heiress foal she sent pictures and videos of; according to Ms. Peterson, the Born An Heiress foal later died. She also asserted that all of her phone records (texts, photos, videos) had been destroyed; that Ms. Armstrong (or someone else) had altered photos they received; and that her Facebook Messenger account had been hacked. Ms. Peterson was asked to provide additional support for her assertions and the names of all witnesses. The only documentary evidence Ms. Peterson supplied were (a) a letter from a veterinarian opining on the approximate age of a foal he saw (but did not examine), (b) two photos of screenshots of a mobile phone showing the Blue Wine Colt with an apparent metadata date of January 2, 2022.

Ms. Armstrong was also asked to provide photos, videos, and witnesses in addition to the printed screenshots included in her original complaint and she complied.

### The Testimony

At the April 17<sup>th</sup> hearing, the Committee heard testimony from Katriona Adams regarding the registration application and photos submitted by Ms. Peterson with respect to the Blue Wine Colt and date of foaling included in the application. Ms. Adams also authenticated the Registry records (including markings) for the dam of the Blue Wine Colt (Frenchie in Blue, ASHBA #143662M) and the mare Born An Heiress (ASHBA #140876M).

The Committee heard testimony and examined exhibits submitted by Ms. Armstrong regarding Ms. Armstrong's telephone, text (words and photographs), and Facebook Messenger conversations (words and videos) with Ms. Peterson in which Ms. Peterson stated that the colt (subsequently registered as the Blue Wine Colt) was born on November 9, 2021 (the evening after Ms. Armstrong was a visitor at Ms. Peterson's Sherrill, Iowa farm). Ms. Peterson said (confirmed in two separate text messages) that she was going to keep the foal a secret until after January 1, 2022. Ms. Armstrong identified the Blue Wine Colt by markings in the photos and videos sent to her by Ms. Peterson in November and December 2021 as the same colt as in the photos submitted by Ms. Peterson with the registration application for the Blue Wine Colt. Ms. Armstrong also testified that the markings of the mare shown with the colt in question in certain of the photos and videos were consistent with the markings of Frenchie in Blue, and not with those of Born An Heiress. Ms. Armstrong also testified about the mild weather conditions in Sherrill, Iowa in November 2021 during her visit and stated that the landscape was consistent with the backgrounds in the photos sent by Ms. Peterson in November 2021. Ms. Armstrong had not heard of a second, dummy pinto foal born at Ms. Peterson's farm in the fall of 2021 until it was raised in defense to the complaint.

The Committee also heard testimony from Ms. Heather Krug, who was in a motor vehicle with Ms. Armstrong on November 10, 2021, when Ms. Peterson told Ms. Armstrong about the colt born the night before and that it was a secret. She also stated that she had

seen the photos of the pinto colt on Ms. Armstrong's phone in November and December 2021. Ms. Krug had not heard of a second, dummy pinto foal born at Ms. Peterson's farm in the fall of 2021.

### Findings

The facts and issues raised by the complaint properly set forth allegations of violations of the Registry Rules as follows:

1. Making a false, misleading, or fraudulent statement with regard to the age, sex, markings, foaling State or Country, breeding, pedigree, ownership, or transfer of a horse; and
2. Refusing upon reasonable request to assist the Registry in locating or answering promptly and truthfully any inquiry concerning a horse or its ancestors which such person owns or controls and which has been registered with the Registry or for which an Application for Registration has been made.

**The Committee finds that the complainant has met its burden of proof and that Ms. Peterson committed the violations listed above. The Committee finds the evidence that the violations occurred to be overwhelming and that the defense was unsubstantiated and concludes that Ms. Peterson intentionally falsified the date of foaling of the bay and white pinto colt registered as Tektonek's Blue Wine KPHSF (ASHBA #132045S).**

### Imposition of Penalties

1. Peterson is assessed a monetary fine of \$10,000.00.
2. Until such time as the monetary fine is paid in full, Peterson is suspended from registering or transferring horses or from having any business with the Registry,

including without limitation issuing or transferring any Registration Certificate in Peterson's name or any other person affiliated with Peterson. For purposes of this suspension, the term "affiliated with" means related to (parent (including step), child (including step), spouse, or sibling (including step or half), and any entity owned by or under common control with, such person (see, Registry Rule XIII.B.1.e.). The following exceptions to the suspension shall apply: the suspended person(s)' signature may be honored, however, on registration applications, Breeder's Certificates, Stallion Service Reports, transfer reports, and bills of sale for the purpose of allowing such suspended person(s) to transfer horses to bona fide purchasers and not made with the intention of circumventing the penalty; and written leases filed with the Registry prior to the time of suspension covering horses owned by the suspended person shall be valid and the signature of the lessee shall be accepted during the term of such lease for all purposes other than renewal of the lease or transfer of the registration (see, Registry Rule XIII.B.1.b.).

3. The Board of Directors of the Association shall be requested to suspend Peterson's membership in the Association, with such suspension to end upon the payment of the monetary fine.
4. The Certificate of Registration for Tektonek's Blue Wine KPHSF (ASHBA #132045S) shall be returned to the Registry for issuance of a corrected certificate showing the date of foaling of November 9, 2021; the records regarding this horse within the Registry shall be corrected by the Registrar.
5. For every foal born after the date of this Ruling that is owned by Peterson, Peterson shall submit the following with each application for registration: (a) certificate of a licensed veterinarian certifying the foaling date, (b) DNA sample for testing, and (c) four (4) color photographs (views of front, rear, left side, and right side).

Further Proceedings


In accordance with the Registry Rules, the Registrar shall serve a copy of this ruling on each of Holly Armstrong and Kathy Peterson. The Registrar shall also send a copy of this ruling to the Executive Director, who shall in turn notify the membership of the Association.

Any party may appeal the action of the Registry Rules Committee to the Registry Council of the Association. A party wishing to appeal must file a written appeal with the Registrar within fifteen (15) days after service upon such person of this ruling; the appeal must be accompanied by a filing fee of \$200.00 made payable to the Association and specify the reasons for appeal and relief sought.

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The undersigned hearing officer presided over the hearing and taking of evidence, but did not (1) participate in any deliberations or fact-finding, or (2) participate or deliberate regarding the penalties imposed.

Signed this 29<sup>th</sup> day of April, 2023.

  
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Alan B. Rich, Hearing Officer