

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

BRUCE D. SCHOBEL,

Plaintiff,

v.

AMERICAN ACADEMY OF ACTUARIES,

Defendant.

Civil Action No.: 1:09-cv-01664-EGS

FOURTH DECLARATION OF BRUCE D. SCHOBEL

I, Bruce D. Schobel, hereby declare, pursuant to 28 U.S.C. § 1746, as follows:

1. I am a professional actuary, and the President-Elect/Director of the American Academy of Actuaries (the "Academy").

2. I have reviewed Defendant's Supplemental Memorandum in Opposition to Plaintiff's Motion for Temporary Restraining Order and Preliminary Injunction and offer this Declaration to respond to the allegations in that submission and in further support of my Motion for a Temporary Restraining Order and Motion for a Preliminary Injunction. Unless otherwise indicated, the information contained in this declaration is based upon my personal knowledge.

3. As I already stated in my previous Declarations, it is simply untrue that I expected that removal as President-Elect would be considered at the August 5 meeting, or that the Board would (or could) vote on such an action.

4. At most, I understood that the Board might discuss *suspension* pending the outcome of the ABCD proceedings because suspension had been requested in the Hartman Letter, and the sole purpose of the special meeting of directors on August 5, 2009 was to discuss the Hartman Letter. I had no expectation that removal would be considered. The Hartman Letter

had specifically ruled it out, and all other communications from the Academy and its President indicated that no disciplinary action was to be considered, and none of the Academy's communications mentioned the possibility of removal. Neither did I expect that a suspension would be imposed in light of Mr. Parks's indication that there would be no disciplinary action. Indeed, I was comforted by Mr. Park's July 31 email when he said that no disciplinary action would be considered, which I understood to mean that the Board would not consider either removal or suspension, which is a form of a discipline. Also, I was not aware of any provision in the Bylaws that permitted suspension of an officer/director and I was not aware of it ever occurring, much less being discussed, in the Academy's entire history.

5. I have never conceded that the Board has the actual authority or ability to "suspend" me from my role on the Board and as President-Elect. Such purported power is discussed nowhere in the Bylaws, *except as a disciplinary act by the ABCD*. See Article X, Section 5 at Part G. Although the question of suspension ultimately was never discussed at the August 5 meeting, I was prepared to argue that the Board did not have the authority to do so.

6. Moreover, it is self-serving and entirely speculative for the Academy to now argue that suspension is the equivalent of removal because the ABCD process would have taken "many months or more," especially since suspension was never even discussed at the August 5 meeting. In addition, it was (and remains) possible that the ABCD would summarily dismiss the complaints to the ABCD in short order, as it often does, and prior to the October meetings.

7. Mr. Parks and two former presidents argued that the issues raised in the Hartman Letter were either irrelevant to my fitness to serve as the President-Elect and future President of the Academy, or "should be referred to the profession's Actuarial Board for Counseling and Discipline (ABCD), where due process can be afforded to him in an orderly prescribed way." Attached to this Declaration as Exhibit 1 is a true and correct copy of the July 1, 2009 letter sent

in response to the Hartman Letter by the current Academy President, John Parks, the Immediate Past President, William F. Bluhm, and the Penultimate Past President, Steven G. Lehmann.

8. These arguments in support of me were echoed in a subsequent letter by Messrs. Parks, Bluhm and Lehmann to the Academy Board, urging that “the Academy Board should not preemptively and precipitously act” with respect to the allegations raised in the Hartman Letter. Attached to this Declaration as Exhibit 2 is a true and correct copy of the July 8, 2009 letter sent to the Academy Board by fellow Board members John Parks, William F. Bluhm, and Steven G. Lehmann. This letter also urged that if the Board were to consider any of the matters raised in the Hartman Letter, it must be “done in a way that protects Bruce’s rights” and “to avoid subjecting ourselves or the Academy to liability risks.”

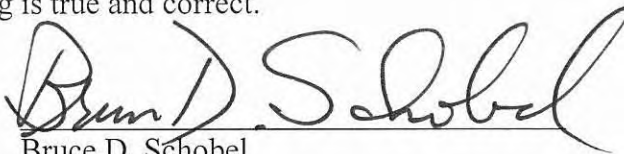
9. As the Academy admitted at the September 9 hearing, “It was not known when notice was given whether there would be a vote to remove Mr. Schobel.” This is consistent with what I understood in speaking with Board directors after the August 5 meeting. No director I spoke with about this issue said that, going into to the meeting, he or she had expected that the subject of removal, much less a motion or vote to remove me as President-Elect, would be discussed. Mr. Parks has also expressed to me on multiple occasions that he did not anticipate that the Board would consider removal at the August 5 meeting.

10. The Academy argues without any support that I lack the widespread support and respect necessary to continue to lead the Academy. To the contrary, I have received countless messages of support from Academy members, some of whom will be serving with me on the incoming Board after the October meetings. The actions that the Academy took on August 5 is to blame for any disruption and harm to the Academy, which I can help repair if the Academy is compelled to follow its own established procedures and the law, and allows me to continue serving the Academy as its President-Elect/Director and future President/Director.

11. The Academy's assertion that I could not meet my fiduciary obligations if permitted to continue as President-Elect and ascend to the office of President is completely unfounded. I have sought injunctive relief because my present dispute with the Academy is a matter of principle, and one for which I have no adequate remedy at law. Moreover, by seeking to compel the Academy to honor the law and its own governing documents, I am in fact upholding my fiduciary duties to the Academy.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 12, 2009


Bruce D. Schobel