

March 27, 2007

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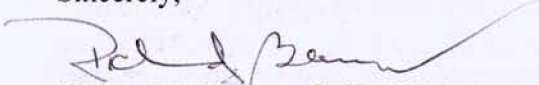
Again this year, ASHI has bound coverage of Directors and Officers Liability (D&O) insurance for its Chapters. ASHI has provided this valuable coverage for its Chapters for the past several years. The D&O coverage protects each Chapter's Board of Directors in the event legal action is brought against the Chapter for a decision or action of its Board. The coverage is for one year, from February 8, 2007 to February 8, 2008. The policy has a limit of \$1 million with a deductible of \$2,500. This year's premium for the insurance policy this year is nearly \$7,300. This averages roughly \$90 per ASHI Chapter. We are asking the chapters to reimburse ASHI for this coverage.

Because of the depressed real estate market, our membership recruitment and retention numbers are down. The most significant drop is in Candidate members (now ASHI Associates). ASHI is facing a significant budget shortfall this year, which is causing the Board of Directors to make some serious and unpopular decisions to reduce costs. The proposed cost reductions go across all areas of ASHI operations. No area has been spared in our review of income and expenses. Therefore, we are asking for your help in making up this budget shortfall. Please reimburse ASHI \$90 for the Chapter's D&O insurance by sending a check payable to ASHI as soon as you are able.

You will soon be contacted by ASHI's Director of Chapter Relations Bob Kociolek in an effort to hear how your chapter is doing. We understand many chapters are facing declines in their own membership numbers as well. Bob will be available to discuss any concerns you may have and to offer any assistance that ASHI can provide you. Bob will also be addressing some of the other areas where we have had to cut expenses including our outside monitoring and reporting of state legislative activities. Like I said above, there were some very difficult decisions that had to be made in light of the income shortfall.

On behalf of the entire Board of Directors, we ask for your understanding and support during this initiative to keep ASHI financially profitable. We are working to overcome this decline and turn ASHI toward a more prosperous position.

Sincerely,

  
Richard B. Bennett, CAE, IOM  
Director of Finance and Administration

