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March 2, 2011

VIA OVERNIGHT MAIL

Roy C. Mayo, III, Clerk
Amherst Circuit Court
P.O. Box 462
113 Taylor Street
Amherst, Virginia 24521

Re: Academy of Veterinary Homeopathy v. American Association of
Veterinary State Boards
Case No. CL11-7955

Dear Mr. Mayo:

Enclosed are the following to be filed on behalf of the defendant, American Association of Veterinary State Boards, with the other papers in the above-referenced matter:

1. Motion to Disqualify Counsel for Plaintiff of American Association of Veterinary State Boards;
2. Objection to Venue and Motion to Dismiss or Abstain, or Alternatively for Change of Venue, of American Association of Veterinary State Boards;
3. Motion to Stay Pursuant to Virginia Code § 13.1-920 of American Association of Veterinary State Boards;
4. Motion Craving Oyer of American Association of Veterinary State Boards;
5. Demurrer of American Association of Veterinary State Boards; and
6. Answer of American Association of Veterinary State Boards.

MINNEAPOLIS

PHOENIX

DETROIT

SAN JOSE

LOS ANGELES

RICHMOND

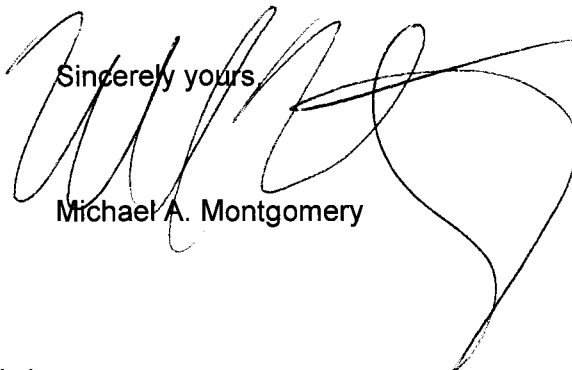
COLUMBIA

DALLAS

AUSTIN

Thank you for your assistance in this matter. Feel free to contact me if you have any questions.

Sincerely yours

A handwritten signature in black ink, appearing to read "Michael A. Montgomery". The signature is stylized with large, sweeping loops and a long, trailing flourish that extends downwards and to the right.

Michael A. Montgomery

MAM/nlr
Enclosures

cc: Dale J. Atkinson, Esquire (w/encls.)
Ms. Robyn Kendrick, AAVSB (w/encls.)
Sidney H. Storozum, Esquire (w/encls.)

VIRGINIA:

IN THE CIRCUIT COURT OF THE COUNTY OF AMHERST

ACADEMY OF VETERINARY HOMEOPATHY,)	
)	
Plaintiff,)	
)	
v.)	Case No. CL11-7955
)	
AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

**MOTION TO DISQUALIFY COUNSEL FOR PLAINTIFF
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS**

COMES NOW defendant American Association of Veterinary State Boards (“AAVSB”),
by counsel, and for its Motion to Disqualify states as follows:

1. Plaintiff is represented in this action by Sidney H. Storozum, Esquire.
2. Rule 3.7 of the Virginia Rules of Professional Conduct states in pertinent part as

follows:

A lawyer shall not act as an advocate in an adversarial proceeding
in which the lawyer is likely to be a necessary witness except where:

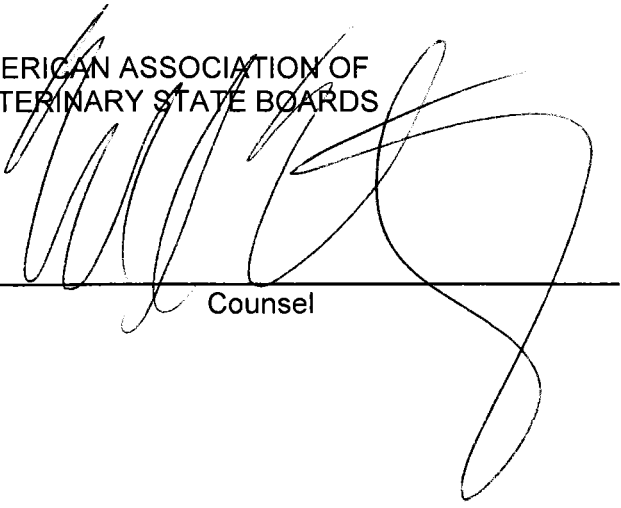
- (1) the testimony relates to an uncontested issue;
- (2) the testimony relates to the nature and value of legal services rendered in the case; or
- (3) disqualification of the lawyer would work substantial hardship on the client.

3. Based on the allegations in the Complaint, and in particular those allegations related to plaintiff’s claims of fraud in the inducement and punitive damages, Mr. Storozum likely will be a necessary witness in this adversarial proceeding whose testimony likely will relate to issues that are contested and unrelated to the value of legal services.

WHEREFORE, defendant American Association of Veterinary State Boards, by counsel, respectfully requests that its Motion to Disqualify be granted, that Mr. Storozum be disqualified

as an attorney for plaintiff in this matter, and that Defendant be awarded such further relief as this Court may deem just and appropriate.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS


By:  _____
Counsel

Michael A. Montgomery (VSB No. 40297)
Nathan A. Colarusso (VSB No. 72840)
BOWMAN AND BROOKE LLP
1111 E. Main Street, Suite 2100
Richmond, Virginia 23219
Telephone: (804) 649-8200
Facsimile: (804) 649-1762

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Motion to Disqualify Counsel for Plaintiff was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storzum, Esq.
362 Peters Hollow Road
Monroe, VA 24574

 _____

VIRGINIA:

IN THE CIRCUIT COURT OF THE COUNTY OF AMHERST

ACADEMY OF VETERINARY HOMEOPATHY,)	
)	
Plaintiff,)	
)	
v.)	Case No. CL11-7955
)	
AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

**OBJECTION TO VENUE AND MOTION TO DISMISS OR ABSTAIN,
OR ALTERNATIVELY FOR CHANGE OF VENUE,
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS**

COMES NOW Defendant American Association of Veterinary State Boards (“AAVSB”), by counsel, and subject to and without waiving its positions stated within its simultaneously filed Demurrer, Answer and Motion to Stay, objects to venue of this action being laid in this Court and moves that the action be dismissed, or that this Court abstain from exercising jurisdiction, or, in the alternative, that the case be transferred to a permissible and more convenient forum in this Commonwealth.

Motion to Dismiss or Abstain

Defendant moves the Court to dismiss this action or to abstain from exercising jurisdiction on the following grounds:

1. Virginia Code § 8.01-257 provides in part: “It is the intent of this chapter that every action shall be commenced and tried in a forum convenient to the parties and witnesses, where justice can be administered without prejudice or delay.”

2. Virginia Code § 8.01-265 empowers the Court to “dismiss an action brought by a person who is not a resident of the Commonwealth without prejudice under such conditions as the Court deems appropriate if the cause of action arose outside of the Commonwealth and if

the Court determines that a more convenient forum which has jurisdiction over all parties is available in a jurisdiction other than the Commonwealth.”

3. The plaintiff it is not a resident of the Commonwealth. See Complaint, ¶ 1.

4. Regardless of the theory of recovery, the entirety of plaintiff’s alleged causes of action arose outside of the Commonwealth of Virginia.

5. A more convenient forum exists in the State of Missouri where defendant maintains its offices.

a. Missouri would have jurisdiction over the parties for purpose of litigating the claims set forth in the Complaint.

b. The defendant is amenable to process in state and federal courts in the State of Missouri.

c. Plaintiff’s alleged causes of action and damages as set forth in the Complaint did not arise out of any of the affairs or business activities of the defendant within the County of Amherst or elsewhere in the Commonwealth of Virginia, and no connection exists between the plaintiff’s alleged causes of action and damages and any business of defendant within the jurisdiction of this Court.

d. Maintenance of this action in this Court will be substantially inconvenient to the parties and witnesses for a number of reasons. Persons having knowledge of the allegations in the Complaint who may be called upon to give a deposition are not located in Amherst County or elsewhere in the Commonwealth of Virginia. Likewise, many of the records pertinent to the plaintiff’s claims are not located in the County of Amherst or in the Commonwealth of Virginia. Therefore, preparation of the case for trial in this Court would be inconvenient and burdensome to defendant.

e. Trial of this action in this Court will result in substantial prejudice to defendant for the very same reasons stated above. Moreover, the defendant would be subjected to substantial costs in transporting and lodging all witnesses who would voluntarily

agree to come to Amherst County, Virginia for trial. Similarly, the defendant may be prejudiced in presenting its side of the case as persons capable of rebutting unexpected trial testimony presented by plaintiff's witnesses may not be accessible to Court.

WHEREFORE, Defendant American Association of Veterinary State Boards, by counsel, respectfully requests that the Court sustain its motion to dismiss or abstain, dismiss the action or abstain from exercising jurisdiction, pursuant to Virginia Code § 8.01-266 award defendant an amount necessary to compensate defendant for the inconvenience and expense caused by the commencement of this action in this Court, pursuant to Virginia Code § 8.01-266 award defendant those attorney's fees deemed just and reasonable which were occasioned by the commencement of this suit and by this motion to dismiss or abstain, and award such further relief as this Court may deem just and appropriate.

Alternative Motion to Transfer

6. If the foregoing motion to dismiss or abstain is denied, and without waiving the same, pursuant to Virginia Code § 8.01-264 defendant moves the Court to transfer this case to the Circuit Court of the City of Richmond on the following grounds:

a. Without conceding that jurisdiction or any venue is proper within the Commonwealth, AAVSB states that, by operation of law, its statutory agent to receive process is the Secretary of the Commonwealth. Virginia Code § 8.01-329. As a result, should jurisdiction and any venue be proper within the Commonwealth, the City of Richmond is the only permissible venue available under Virginia Code § 8.01-262 (2).

b. The trial of this case in the City of Richmond would be more convenient to the parties and witnesses than trial in this Court for some or all of the reasons stated above.

c. Trial in the City of Richmond would be less prejudicial to the defendant than trial in this Court for some or all of the reasons stated above.

WHEREFORE, in the event its motion to dismiss or abstain is denied, Defendant American Association of Veterinary State Boards, by counsel, respectfully requests that the

Court grant its motion to transfer venue, pursuant to Virginia Code § 8.01-264 transfer this matter to the Circuit Court of the City of Richmond, pursuant to Virginia Code § 8.01-266 award defendant an amount necessary to compensate defendant for the inconvenience and expense caused by the commencement of this action in this Court, pursuant to Virginia Code § 8.01-266 award defendant those attorney's fees deemed just and reasonable which were occasioned by the commencement of this suit and by this motion to transfer, and award such further relief as this Court may deem just and appropriate.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS

By: _____

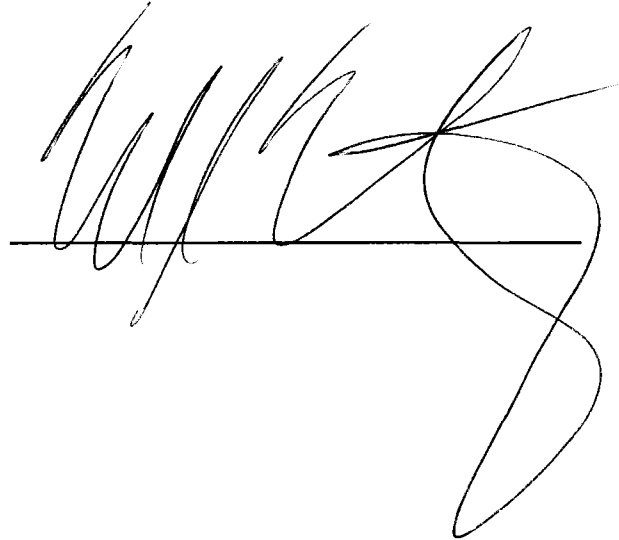
Counsel

Michael A. Montgomery (VSB No. 40297)
Nathan A. Colarusso (VSB No. 72840)
BOWMAN AND BROOKE LLP
1111 E. Main Street, Suite 2100
Richmond, Virginia 23219
Telephone: (804) 649-8200
Facsimile: (804) 649-1762

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Objection to Venue and Motion to Dismiss or Abstain, or Alternatively For Change of Venue, of American Association of Veterinary State Boards was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storozum, Esq.
362 Peters Hollow Road
Monroe, Virginia 24574

A handwritten signature in black ink, appearing to read 'S. Storozum', is written over a horizontal line. The signature is highly stylized and cursive.

VIRGINIA:

IN THE CIRCUIT COURT OF THE COUNTY OF AMHERST

ACADEMY OF VETERINARY HOMEOPATHY,)	
)	
Plaintiff,)	
)	
v.)	Case No. CL11-7955
)	
AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

**MOTION TO STAY PURSUANT TO VIRGINIA CODE § 13.1-920
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS**

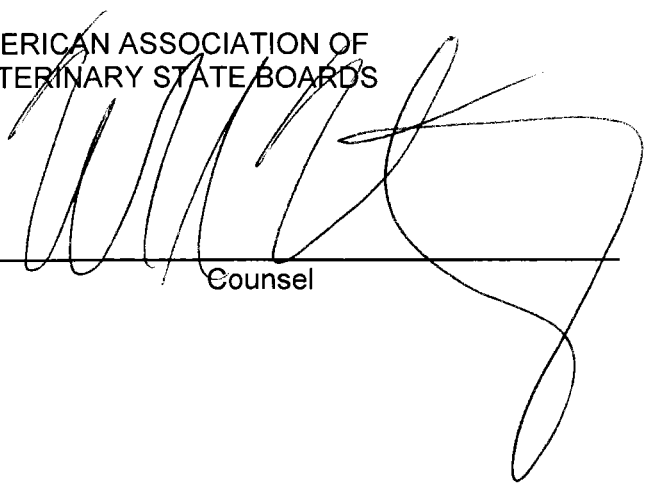
COMES NOW defendant American Association of Veterinary State Boards (“AAVSB”), by counsel, and for its Motion to Stay Pursuant to Virginia Code § 13.1-920 states as follows:

1. The plaintiff alleges in its Complaint that it is a Florida registered not-for-profit corporation.
2. As evidenced by the allegations in the Complaint, at all times relevant to these proceedings the plaintiff has been transacting business in the Commonwealth of Virginia.
3. Upon information and belief, however, the plaintiff does not have a certificate of authority to transact business in the Commonwealth.
4. Virginia Code § 13.1-920 provides in relevant part as follows:
 - A. A foreign corporation transacting business in the Commonwealth without a certificate of authority may not maintain a proceeding in any court in the Commonwealth until it obtains a certificate of authority.
5. Despite not having a certificate of authority, the plaintiff now seeks to maintain the present case against AAVSB in a court of the Commonwealth of Virginia.

WHEREFORE, defendant American Association of Veterinary State Boards, by counsel, requests that these proceedings be stayed pursuant to Va. Code. § 13.1-920 until the Court

determines whether the plaintiff requires a certificate of authority, and if so determined, until the plaintiff obtains a certificate of authority.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS

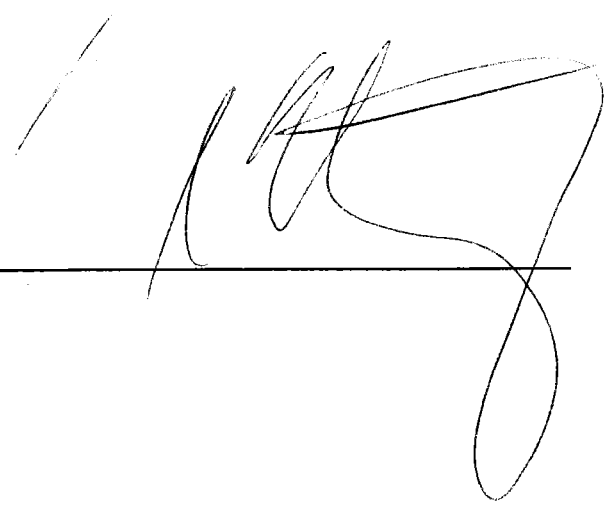
By: 
Counsel

Michael A. Montgomery (VSB No. 40297)
Nathan A. Colarusso (VSB No. 72840)
BOWMAN AND BROOKE LLP
1111 E. Main Street, Suite 2100
Richmond, Virginia 23219
Telephone: (804) 649-8200
Facsimile: (804) 649-1762

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Motion to Stay was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storozum, Esq.
362 Peters Hollow Road
Monroe, VA 24574



VIRGINIA:

IN THE CIRCUIT COURT OF THE COUNTY OF AMHERST

ACADEMY OF VETERINARY HOMEOPATHY,)	
)	
Plaintiff,)	
)	
v.)	Case No. CL11-7955
)	
AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

**MOTION CRAVING OYER
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS**

COMES NOW defendant American Association of Veterinary State Boards (“AAVSB”), by counsel, and for its Motion Craving Oyer in response to the Complaint states as follows:

1. Although the plaintiff couches its claim in Count I as a breach of a “Provider Agreement”, the gravamen of the plaintiff’s claim stems from AAVSB’s denial of a “Program Application” first mentioned in paragraph 8 of the Complaint.

2. The plaintiff has failed to attach a copy of the “Program Application” referred to in paragraph 8 of the Complaint, and therefore has failed to incorporate the “Program Application” with the pleadings.

3. Therefore, defendant respectfully craves oyer of the “Program Application” that allegedly serves as the basis for the plaintiff’s breach of contract claim.

4. The plaintiff also bases portions of its claims on the alleged improper denial of the “Program Application” based on application of the “AAVSB RACE Standards Program Requirements 2006.” See Complaint, ¶¶ 19, 20-22, and 24.

5. The plaintiff has failed to attach a copy of the “AAVSB RACE Standards Program Requirements 2006” referred to in the Complaint, and therefore has failed to incorporate the “AAVSB RACE Standards Program Requirements 2006” with the pleadings.

6. Therefore, defendant respectfully craves oyer of the "AAVSB RACE Standards Program Requirements 2006" that allegedly serve as support for the plaintiff's claims in this matter.

WHEREFORE, Defendant American Association of Veterinary State Boards, by counsel, respectfully requests that the Court grant defendant's Motion Craving Oyer; order the plaintiff to produce to defendant copies of the "Program Application" and "AAVSB RACE Standards Program Requirements 2006" identified in the Complaint; order the plaintiff to file copies of the "Program Application" and "AAVSB RACE Standards Program Requirements 2006" with the Court, thereby incorporating the same with the pleadings of this case; and, grant such further relief as this Court may deem just and appropriate.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS

By: _____

Counsel

Michael A. Montgomery (VSB No. 40297)
Nathan A. Colarusso (VSB No. 72840)
BOWMAN AND BROOKE LLP
1111 E. Main Street, Suite 2100
Richmond, Virginia 23219
Telephone: (804) 649-8200
Facsimile: (804) 649-1762

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Motion Craving Oyer of American Association of Veterinary State Boards was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storozum, Esq.
362 Peters Hollow Road
Monroe, Virginia 24574

A handwritten signature in black ink, appearing to read 'S. Storozum', written over a horizontal line. The signature is highly stylized and cursive.

VIRGINIA:

IN THE CIRCUIT COURT OF THE COUNTY OF AMHERST

ACADEMY OF VETERINARY HOMEOPATHY,)	
)	
Plaintiff,)	
)	
v.)	Case No. CL11-7955
)	
AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

**DEMURRER
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS**

COMES NOW Defendant American Association of Veterinary State Boards (“AAVSB”), by counsel, and subject to and without waiving its positions stated within its simultaneously filed Answer, Motion to Dismiss and Motion to Stay, states as follows for its Demurrer to the Complaint:

**Count I
(Breach of Contract)**

1. The last paragraph of the Provider Agreement signed by the plaintiff, and submitted to AAVSB, reads as follows:

The signature below signifies that the person signing is the authorized representative of Provider, and agrees to the terms above in the document entitled “Provider Application”, and to the standards adopted from time to time by AAVSB RACE. ***I understand that failure to comply with RACE Standards may result in loss of RACE recognition for Providers or Programs.***

See Complaint, Exhibit 1 (emphasis added).

2. As set forth in paragraph 19 of the Complaint:

RACE Standards in effect at the time of application require a program to “build upon or refresh the participant in the standards for practice and courses as found in the curriculum of accredited colleges or schools of veterinary medicine or accredited veterinary technician programs.”

3. In its Program Application dated July 26, 2009 which is the subject matter of this litigation, the plaintiff indicated that a subject matter of the program for which the plaintiff sought approval was “veterinary homeopathy”. See Complaint, ¶ 8.

4. As conceded in the Complaint, homeopathy is not currently taught in accredited colleges or schools of veterinary medicine.

5. As set forth in paragraph 19 of the Complaint, AAVSB concluded that the program for which the plaintiff sought approval does not meet the applicable RACE Standards “[b]ecause homeopathy is not currently taught in accredited colleges or schools of veterinary medicine”

6. The plaintiff does not dispute AAVSB’s determination. Rather, the plaintiff maintains that AAVSB cannot deny approval of a program that does not meet the applicable RACE Standards because AAVSB had previously approved applications for programs that were allegedly similar.

7. The plaintiff fails to set forth facts sufficient to establish a claim for breach of contract that is cognizable under Virginia law.

**Count II
(Fraud in the Inducement – Failure to plead with specificity)**

8. Count II of the Complaint fails to set forth facts sufficient to support a claim of fraud in the inducement.

9. A plaintiff is required to plead fraud with specificity. *Mortarino v. Consultant Eng’g Services, Inc.*, 251 Va. 289, 295, 467 S.E.2d 778, 782 (1996). More specifically, in his pleading a plaintiff must identify the agents, officers, and employees of AAVSB who are alleged to have perpetrated the fraud, along with the details of the time and place where the fraudulent acts occurred. *Tuscarora, Inc. v. B.V.A. Credit Corp.*, 218 Va. 849, 858, 241 S.E.2d 778, 783 (1978). Otherwise, the claim must fail if challenged on demurrer.

10. The plaintiff has failed to identify the agents, officers, and employees of AAVSB who are alleged to have perpetrated the fraud, and has failed to allege the details of the time and place where the alleged fraudulent acts occurred.

Count II
(Fraud in the Inducement – No common law duty outside of contract)

11. Count II of the Complaint fails to set forth facts sufficient to support a claim of fraud in the inducement.

12. In order to recover in tort, the duty allegedly breached must be a common law duty, not a duty that exists between the parties solely by virtue of a contract. *Augusta Mut. Ins. Co. v. Mason*, 645 S.E.2d 290, 293 (Va. 2007).

13. The alleged misrepresentation that provides the basis for the plaintiff's fraud claim does not lie outside the contract between the parties.

14. Plaintiff's claim for fraud in the inducement is, at best, nothing more than an alleged breach of contractual duties.

Punitive Damages

15. The Complaint fails to state facts sufficient to support any award of punitive damages, and specifically an award of punitive damages in the amount of \$60,000.

16. Moreover, "[i]t must be considered as the settled law of this State that punitive damages cannot be awarded against a master or principal for the wrongful act of his servant or agent in which he did not participate, and which he did not authorize or ratify." *Hogg v. Plant*, 145 Va. 175, 182, 133 S.E. 759 (1926).

17. The plaintiff has failed to disclose any facts regarding the participation of defendant's officers or directors in the alleged fraud, the authorization of the allegedly fraudulent statements by the defendant's officers or directors, or the approval of the allegedly fraudulent statements by the defendant's officers or directors.

18. Moreover, based on the plaintiff's allegations contained in paragraph 30 of the Complaint, the allegedly fraudulent representations may have been made "alternatively by one or more of [AAVSB's] employees or other agents" whose statements cannot serve as a basis for an award of punitive damages.

Attorney's Fees

19. The Complaint fails to state the existence of a statute or contract that would permit an award of attorney's fees to plaintiff if plaintiff were to prevail in this action. See *Russell County Dep't of Social Servs. v. Quinn*, 259 Va. 139, 523 S.E.2d 492 (2000) (stating that the "general rule in this Commonwealth is that in the absence of a statute or contract to the contrary, a court may not award attorney's fees to the prevailing party," and holding that the phrase "further relief" contained in § 8.01-186 does not authorize a court to award attorney's fees to a litigant).

WHEREFORE, defendant American Association of Veterinary State Boards, by counsel, respectfully requests that the Court grant defendant's Demurrer, dismiss the plaintiff's claims in their entirety with prejudice, award defendant its costs incurred herein, and grant such further relief as this Court may deem just and appropriate.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS

By: _____

Counsel

Michael A. Montgomery (VSB No. 40297)
Nathan A. Colarusso (VSB No. 72840)
BOWMAN AND BROOKE LLP
1111 E. Main Street, Suite 2100
Richmond, Virginia 23219
Telephone: (804) 649-8200
Facsimile: (804) 649-1762

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Demurrer of Defendant American Association of Veterinary State Boards was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storozum, Esq.
362 Peters Hollow Road
Monroe, VA 24574

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VIRGINIA:

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Plaintiff,)	
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AMERICAN ASSOCIATION OF VETERINARY)	
STATE BOARDS,)	
)	
Defendant.)	

ANSWER
OF AMERICAN ASSOCIATION OF VETERINARY STATE BOARDS

COMES NOW Defendant American Association of Veterinary State Boards (“AAVSB”), by counsel, and subject to and without waiving its positions stated within its simultaneously filed Demurrer, Motion to Dismiss and Motion to Stay, states as follows for its Answer to Plaintiff’s Complaint:

1. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the allegations contained in Paragraph 1 of the Complaint, and accordingly denies same.
2. With respect to the allegations contained in paragraph 2, AAVSB denies that it “conducts business in all fifty states.” Further answering, AAVSB admits the remaining allegations contained in paragraph 2.

COUNT I
(Breach of Contract)

3. With respect to the allegations contained in paragraph 3 of the Complaint, AAVSB admits that AVH became an approved RACE provider in March 2001, that it was subsequently approved four times, and that the most recent provider approval is still in effect. Further answering, the documents referred to in paragraph 3 of the Complaint speak for themselves and AAVSB denies any allegation inconsistent therewith. The remaining allegations

contained within paragraph 3 of the Complaint constitute conclusions of law to which no response is necessary. To the extent that a response to these remaining allegations is deemed necessary, such allegations are denied.

4. The allegations contained in paragraph 4 of the Complaint constitute conclusions of law to which no response is necessary. To the extent that a response is deemed necessary, AAVSB admits that AVH submitted an application regarding their status as a RACE Provider on or about February 8, 2009, that the application form speaks for itself, and that AAVSB denies any allegations contained within paragraph 4 inconsistent therewith. Further, AAVSB denies any remaining allegations contained in paragraph 4 of the Complaint.

5. The allegations contained in paragraph 5 of the Complaint constitute conclusions of law to which no response is necessary. To the extent that a response is deemed necessary, AAVSB admits that AVH submitted \$100 along with its application. AAVSB denies any remaining allegations contained in paragraph 5 of the Complaint.

6. The allegations contained within paragraph 6 of the Complaint constitute conclusions of law to which no response is necessary. To the extent that a response is deemed necessary, AAVSB states that Exhibit 2 and the email referred to in paragraph 6 speak for themselves, and denies any allegations inconsistent therewith. AAVSB denies any remaining allegations contained in paragraph 6 of the Complaint.

7. With respect to the allegations contained in paragraph 7 of the Complaint, AAVSB states that the documents referred to in paragraph 7 speak for themselves, and denies any allegations inconsistent therewith. Upon information and belief, AAVSB admits that AVH submitted applications for programs focused upon veterinary homeopathy between 2000 and 2008, and that the programs were approved without the need for additional documentation. AAVSB denies any remaining allegations contained in paragraph 7 of the Complaint.

8. With respect to the allegations contained in paragraph 8 of the Complaint, AAVSB admits that it received a timely filed program application and that the application speaks

for itself. AAVSB denies any remaining allegations contained in paragraph 8 of the Complaint.

9. With respect to the allegations contained in paragraph 9 of the Complaint, AAVSB admits sending a sales receipt and email. The sales receipt and e-mail speak for themselves, and any allegations inconsistent therewith are denied. AAVSB denies any remaining allegations contained in paragraph 9 of the Complaint.

10. With respect to the allegations contained in paragraph 10 of the Complaint, AAVSB admits that it requested additional documentation, and that the request was made via an email from Karen Campbell dated August 20, 2009 which speaks for itself. AAVSB is without knowledge and information at this time sufficient to form a belief as to the truth of the allegations contained in the last sentence in Paragraph 10 of the Complaint, and accordingly denies same. AAVSB denies any remaining allegations contained in paragraph 10 of the Complaint.

11. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the allegations contained in Paragraph 11 of the Complaint, and accordingly denies same.

12. With respect to the allegations contained in paragraph 12 of the Complaint, AAVSB admits that on August 25, 2009 it was notified by email that Dr. Shelley Epstein had replaced Sidney H. Storozum as the designated contact for RACE. Further answering, AAVSB admits that additional materials were forwarded to AAVSB by Dr. Epstein on or about August 27, 2009. AAVSB denies any remaining allegations contained in paragraph 12 of the Complaint.

13. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the allegations contained in Paragraph 13 of the Complaint, and accordingly denies same.

14. With respect to the allegations contained in paragraph 14 of the Complaint, AAVSB admits that on or about September 16, 2009, as a part of its continued review of the proposed program pursuant to its standards, it requested that AVH submit the manuscripts for

the conference proceedings, and that AVH submitted these materials on or about September 21, 2009. AAVSB denies any remaining allegations contained within paragraph 14 of the Complaint.

15. With respect to the allegations contained in paragraph 15 of the Complaint, AAVSB admits receipt of an email from Dr. Epstein on or about October 14, 2009. Further answering, AAVSB admits that Karen Campbell replied to this email on October 19, 2009. Both documents speak for themselves, and AAVSB denies any allegations contained in paragraph 15 of the Complaint inconsistent therewith. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 15 of the Complaint, and accordingly denies same.

16. With respect to the allegations contained in paragraph 16 of the Complaint, AAVSB admits receipt of an email from Dr. Epstein on or about November 9, 2009. Further answering, AAVSB admits that Karen Campbell replied to this email on the same date. Both documents speak for themselves, and AAVSB denies any allegations contained in paragraph 16 of the Complaint inconsistent therewith. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 16 of the Complaint, and accordingly denies same.

17. With respect to the allegations contained in paragraph 17 of the Complaint, AAVSB admits receipt of an email from AVH on or about November 17, 2009, that said email speaks for itself, and any allegations inconsistent therewith are denied. Further answering, AAVSB admits that Robyn Kendrick, AAVSB Executive Director, replied to this email on or about November 19, 2009, that this email speaks for itself, and any allegations inconsistent therewith are denied. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 17 of the Complaint, and accordingly denies same.

18. With respect to the allegations contained in paragraph 18 of the Complaint, AAVSB admits receipt of an email from AVH on or about January 4, 2010, which was approximately five months after the application date, that said email speaks for itself, and that any allegations inconsistent therewith are denied. AAVSB is without knowledge and information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 18 of the Complaint, and accordingly denies same.

19. With respect to the allegations contained in paragraph 19 of the Complaint, AAVSB admits sending a letter to Dr. Epstein dated on or about January 5, 2010, that the letter speaks for itself, and any allegations inconsistent therewith are denied.

20. AAVSB denies the allegations contained in paragraph 20 of the Complaint.

21. AAVSB denies the allegations contained in paragraph 21 of the Complaint.

22. AAVSB denies the allegations contained in paragraph 22 of the Complaint.

COUNT II
(Fraud in the Inducement)

23. With respect to paragraph 23, AAVSB realleges and incorporates by reference as if specifically pleaded herein its responses to paragraphs 1 through 22 of the Complaint.

24. With respect to the allegations contained in paragraph 24 of the Complaint, AAVSB is currently without knowledge and information sufficient to form a belief as to the truth of the allegations, and accordingly denies same.

25. AAVSB denies the allegations contained in paragraph 25 of the Complaint.

26. AAVSB denies the allegations contained in paragraph 26 of the Complaint.

27. With respect to the allegations contained in paragraph 27 of the Complaint, AAVSB admits that the RACE program was created in part to streamline the continuing education approval process in veterinary medicine and to attract the participation of its member state regulatory boards, which has a residual effect of attracting participation of providers of CE programs. AAVSB is without knowledge and information sufficient to form a belief as to the

truth of the remaining allegations contained in Paragraph 27 in the Complaint, and accordingly denies same.

28. AAVSB denies the allegations contained in paragraph 28 of the Complaint.

29. AAVSB denies the allegations contained in paragraph 29 of the Complaint.

30. AAVSB denies the allegations contained in paragraph 30 of the Complaint and subsequent unnumbered "Wherefore" clause, and specifically denies that AAVSB has damaged Plaintiff in any way or that it is liable to Plaintiff in any way or in any amount.

31. AAVSB denies any allegation contained in the Complaint that is not expressly admitted herein.

AFFIRMATIVE DEFENSES

1. AAVSB will rely upon all defenses lawfully available to it at the time of trial, including any defenses that are disclosed during the course of discovery, and reserves the right to amend its Answer under Rule 1:8 of the Supreme Court of Virginia to add any further affirmative defenses discovered during the course of discovery.

2. AAVSB further states that RACE standards referred to throughout the Complaint require that all proposed continuing education program offerings "shall be designed to reflect the educational needs of the veterinarian or veterinary technician and build upon or refresh the participant in the standards for practice and courses as found in the curriculum of accredited colleges or schools of veterinary medicine or accredited veterinary technician programs." In the Program Application submitted by AVH to AAVSB on July 26, 2009, AVH identifies veterinary homeopathy as a subject matter of the proposed program. Veterinary homeopathy is not found in the curricula of accredited colleges or schools of veterinary medicine or accredited veterinary technician programs. Pursuant to Rule 3:11 of the Rules of Supreme Court of Virginia, AAVSB requests that Plaintiff reply to the new matters set forth in this paragraph.

WHEREFORE, defendant American Association of Veterinary State Boards, by counsel, prays that this action be dismissed with prejudice, that Defendant be awarded its costs and attorney's fees incurred herein, and that Defendant be awarded such further relief as this Court may deem just and appropriate.

AMERICAN ASSOCIATION OF
VETERINARY STATE BOARDS

By: _____
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Answer of Defendant American Association of Veterinary State Boards was sent via regular mail, first-class, postage prepaid, to the following on this 2nd day of March, 2011:

Sidney H. Storozum, Esq.
362 Peters Hollow Road
Monroe, VA 24574