REACT International, Inc. - Special Meeting of the Board of Directors     January 18, 2009

Held January 18, 2009 at 8:10pm ET
Electronic Meeting via Skype

Directors / Officers Present:
• John Knott, Region 3, Chairman
• Don Manlove, Region 2, President
• Stan Walters, Region 1
• Ed Kerby, Jr., Region 4
• Larry Fry, Region 5
• B.F. Jennings, Region 6
• Bob Kaster, Region 7
• Joseph Toth, Region 8 – Joined in progress at 9:15pm
• Kenny JagdeoSingh, Region 9 – Lost connection at 8:30pm
• Ed Greany, Exec. VP
• Lee Besing, Secretary
• Norman Kaplan, Treasurer – Joined in progress at 8:15pm

Visitors:
• Charles A. Thompson, (TX)
• Sue Barton (IN)
• Ron Mayes (KS)
• Johnny Stowers (CA)

1. Call to Order at 08:10 ET by Chairman Knott via Skype. Chairman Knott made opening comments to welcome everyone present.

2. Roll Call was conducted by Secretary Besing.

3. Quorum – All 9 director positions are filled and 8 are present for this meeting. President is also a director so only 8 votes possible at start of meeting. Non-voting officers present included Executive VP, Treasurer and Secretary. A quorum was established with 8 of 9 possible votes.

4. Minutes – Motion by Region 2, Region 4, to approve minutes from November 30, 2008. Motion passed. Motion by Region 1, Region 2 to approve minutes from November 15, 2008. Motion passed.

5. Treasurer Report – Treasurer Kaplan reported that as of January 16, we have had 53 teams renew with 566 members, showing a decline in membership for those particular teams from the last two years. We’ve received 7 new team charters with 21 new members (total), and have 3-4 more pending charters. Mr. Kaplan reported that the finance committee has looked into the possibility of a raffle nationwide, but discovered a complication that each state has
different laws to govern a raffle. They will be sending letters out to contact major equipment
companies for prizes to recognize donations by teams or members. Donations by teams will
be compared by average donation per member in team, not size of donation from team.
Budget report: 2009 rent increase has been reduced by 3.5% after negotiation with office
lease holder. Office salary has accepted 10% voluntary decrease in salary. Recommend
changing to four issues of REACTer per year (to save up to $9,000/yr) and search for
volunteer editor (to save up to $4,800/yr). Last meeting of Finance Committee was mid-
December 2008.

Connection problems – call dropped @ 8:30pm – reconnected all attendees other than Mr.
Jagdeosingh.

Mr. Thompson reminded the board that in bylaws section 7.1, the finance committee to be
established year round with Treasurer and 2 directors. Section 7.1e allows special or
temporary committees to be appointed by the board. Previous minutes indicated that the
board’s finance committee was also the fund raising committee when the appointment of a
non-board member was made to the group. The board’s intention was to create a special
committee for the purpose of reviewing and implementing fund raising ideas.

6. Discussion of Spam / Inappropriate Web Content – Director Fry complained about excess
spam and porn email messages being received at his RI address. Discussion held. Filters on
Mr. Fry’s account will be bumped up and Mr. Besing will get in contact with Mr. Fry to
discuss.

Mr. Toth joined meeting in progress @ 9:15pm.

7. Presentation by Mr. Ron Mayes – Mr. Mayes sent presentation by email to all board
members previously. Secretary Besing sent copies to visitors attending this meeting.
   a. Mr. Mayes talked about current issue of highway safety via cell phones, trying to
      recruit members with education about cell phones. Recommended attracting
      (affiliate) individual members who will simply use cell phones to call for help
      properly or to report other needs for help via cell phones, rather than focused on use
      of 2-way radio operators. Recommended creating a program aimed at being
      responsive to the individual member, expandable to the team level at a later time.
   b. Mr. Mayes talked about changing marketing efforts at RI level to get the word out,
      adapting to the current market. He stressed the need to improve communications
      from leadership to the membership.
   c. Mr. Mayes said we needed to change the style of communications with the
      membership, to show improvements, positive reasons other than “we surviving”.
      When we change the REACTer, put it in a positive mode saying we are improving
      quality while reducing number of issues to save money, making it more efficient.
   d. Mr. Mayes suggested we need to streamline the RI leadership level to fewer board
      members to reflect today’s reduced membership. The number of teams per directors
      has dropped since the original change in 1998 in most regions. He suggested bylaw
      revisions to return to “at large” elected directors rather than regional based directors.
      He advocated we seek outside “professional” directors, as was the practice years ago.
He suggested there was an advantage to having a full time executive director to create continuity, working to obtain relationships with manufacturers or other organizations. He recognized that we don’t have the budget to cover paid position at this time. He said outsourcing these types of tasks to unpaid volunteers wasn’t working. He mentioned trade shows where we could meet the marketing managers, etc. to pitch our organization to various major companies. He stated that one way of reducing board level positions would be to combine RI officer level positions with RI director positions. He stressed the need to find the budget to reimburse limited travel expenses for those directors.

e. Mr. Mayes discussed the need for the annual membership convention / meeting to help attract / develop new potential leaders for the organization, perhaps in a three-day weekend type meeting to fit the work week.

f. Mr. Mayes suggested we need to change organizational focus away from CB to Cellular usage types of members, and then educate those members to learn better techniques to utilize their cell phones and learn about 2-way radio options.

8. **Appointment of Legal Counsel** – President Manlove reported that he had contacted a Mr. K. Dean Richards, following the resignation of Mr. Thompson as General Counsel (September 7, 2008), to discuss Mr. Richards providing legal counsel services to REACT International. Questions were raised by Mr. Stowers and Mr. Thompson regarding Mr. Richards’ current status as a practicing / licensed attorney in California or other states. It was highly recommended that we run background checks on anybody we’re considering for this position. Proposal for appointment was placed on hold pending further investigation.

9. **Bylaws Proposal** – Mr. Greany discussed Section 5 covering the current method of filling a director vacancy by having directors from the other regions fill the vacancy by appointing an individual from that region. He suggested we should go back to a method of having the teams in that region to elect a new director to fill vacancy. Mr. Greany read a proposed wording and then forwarded it to the board and bylaws committee. Discussion held regarding the number of teams typically responding to the voting when an election is held for director. Mr. Kaplan stated historically when there is only one candidate running in a region, most teams in that region chose to not return their ballot.

10. **REACTer** – Motion made by Region 6, second by Region 5, to reduce the number issues of the REACTer from 6 to 4 (quarterly) issues per year, effective 2009. Mr. Kaster asked if there were any permit changes needed. Mr. Kaplan stated he would have to file a permit change request with the USPS to cover this action and pay a one time fee of $250. This change would save about $9,000/yr in printing / editing / mailing costs. R1Y, R2Y, R3Y, R4Y, R5A, R6Y, R7Y, R8Y, R9A. **Motion passed.**

Discussion held about locating a volunteer editor to eliminate the current budgeted cost for a paid editor. Current editor had previously agreed to a (unspecified) reduction in his current charges to help. Discussion held to improve the value content of individual issues, by increasing from 16 pages to 20 or 24 pages. Increasing individual size would result in more room for advertising space and slight increase per issue for postage costs.
11. **Outside Directors** – Current bylaws allow for the recruitment and appointment of two outside directors. Discussion held. Mr. Kaplan suggested we needed to locate someone with skill set for PR and Advertising to serve as an outside director. Other skill sets might include grant writing / fund raising skills.

12. **IWCE Convention - Motion made** by Region 6, Region 2, to authorized Mr. Toth & Mr. Mayes to represent REACT International by attending the upcoming International Wireless Communications Expo (IWCE) being held March 16-20, 2009 in Las Vegas. (Mr. Toth would be attending this expo in lieu of attending the annual board meeting.) R1Y, R2R, R3Y, R4Y, R5Y, R6Y, R7Y, R8Y, R9A. **Motion Passed**.

13. **March 13-14 Board Meeting** – Mr. Kaplan stated that he would be traveling out of town on vacation during the time period of the Annual / Winter board meeting, but would ensure that all needed materials would be available for the board during the meeting.

14. **Motion made by Region 7, Region 2 to adjourn.**

15. **Meeting adjourned** at 11:05pm ET on November 30, 2008, sine die.

Minutes respectfully submitted by Lee Besing, Secretary