

REACT International, Inc.
Special Meeting Board of Directors
January 13, 2011
Via Phone Conference

Directors and Officers Present

- John Knott (FL) – Region 3, Chairman
- Stan Walters (PA) – Region 1
- Ed Kerby (OH) – Region 4

Directors Not Present

- Region 2 – Currently Vacant
- Larry Fry (WI) – Region 5
- Frank Jennings (WA) – Region 6
- Charles Land (TX) – Region 7, Treasurer
- Warren Conlee (AZ) – Region 8
- Kenny Jagdeosingh (TT) – Region 9

Officers

- Ed Greany (CA) – Executive VP / Acting President
- Lee Besing (TX) – Secretary

Officers Not Present

- President – Currently Vacant
- Charles A Thompson (TX) – VP/General Counsel

Visitors

- Roy Drury (FL) – Infrastructure and Technology Chairman
- Jerry Seehaas (CA)
- Norman Kaplan (MD)

1. **Call to Order** at 09:43 PM ET by Chairman Knott
2. **Roll Call** – Secretary conducted roll call and reported that only 3 out of 8 directors are present, there is not a quorum present.
3. **Lack of Quorum** – Chairman Knott invoked bylaws section 5.10(b) “In the absence of a quorum, a majority of the Directors present may adjourn the meeting to a day certain, and the Secretary shall give all Directors ten (10) days notice of the new meeting date. The Directors present on the new meeting date shall constitute a quorum for the purpose of conducting business, providing that in no event shall a quorum consist of less than one-third of the number of Directors in office.”
4. **Objection by 2 Directors** – Discussion held regarding email from Region 5 Director Fry and Region 6 Director Jennings claiming this meeting was not properly called. Region 8 Director Conlee had a team meeting conflict. Region 9 Director Mr. Jagdeosingh verbally told Region 1 Director Walters that he would be unable to attend. Chairman Knott stated he had copies of previously written requests via email from 5 directors (R1, R4, R6, R7 & R8), instructing the Chairman to call a meeting for the purposes of electing a president, which proves that tonight’s meeting was properly called with proper written notice sent. Chairman Knott ruled the two directors’ claims to be without merit.
5. **Motion made by** Region 1, second by Region 4, to invoke section 5.10(b) to adjourn this meeting until Wednesday, January 26, 2011 at 9pm ET. R1Y, R3Y, R4Y. **Motion Passed.** The Secretary shall send out notice to all directors.
6. **Meeting adjourned** at 09:50pm ET until January 26, 2011 at 9pm ET.

Minutes respectfully submitted by Secretary Lee Besing

Meeting called back to order on January 26, 2011 at 9:05pm ET.

Directors and Officers Present

- John Knott (FL) – Region 3, Chairman
- Stan Walters (PA) – Region 1
- Ed Kerby (OH) – Region 4
- Larry Fry (WI) – Region 5
- Frank Jennings (WA) – Region 6
- Charles Land (TX) – Region 7, Treasurer
- Kenny Jagdeosingh (TT) – Region 9

Directors Not Present

- Region 2 – Currently Vacant (filled during this meeting, Agenda Item #11)
- Region 8 – Currently Vacant

Officers

- Ed Greany (CA) – Executive VP / Acting President
- Chuck Thompson (TX) – VP / General Counsel
- Lee Besing (TX) – Secretary

Officers Not Present

- President – Currently Vacant (filled during this meeting, Agenda Item #10)

Visitors

- Roy Drury (FL) – Infrastructure and Technology Chairman
- Jerry Seehaas (CA)
- Charles Hardy (WV)
- Norman Kaplan (MD) (joined in progress at 9:49pm ET, Agenda item #11)
- John Capadano (CA)

7. **Roll Call** – Secretary conducted a roll call. 7 of 7 possible votes present. Three non-voting officers were present, plus 3 visitors.
8. **Moment of Silence** – Chairman Knott asked that directors speak about Mr. Conlee (Region 8, deceased) followed by a moment of silence. Mr. Conlee passed away January 23, 2011 while in California assisting with the audit of a local team in Region 8. Mr. Thompson and Mr. Jennings both spoke about their past history / knowledge of Mr. Conlee's past service to REACT.
9. **Candidate Statements** – Each candidate for RI president was invited to make a statement why he was the best candidate for the office of RI President. Remaining term of office expires as of ABM 2012.
 - a. Charles Thompson
 - b. John Knott
10. **Election of President** – Voting R1 – John, R3 – John, R4 – John, R5 – Chuck, R6 – Chuck, R7 – John, R9 – John. John Knott elected president 5-2. Mr. Knott asked VP / General Counsel Chuck Thompson if he was willing to continue on in that capacity and work with him (John) in the future. Mr. Thompson stated “No, I think I'll need to resign from this position”.
11. **Appointment to fill Region 2 Director vacancy** – two candidates were presented. Both candidates were present, made statements of their experience, both REACT and non-REACT.
 - a. Charles Hardy (WV)
 - b. Norman Kaplan (MD)

Voting for R2. R1 – Charles, R3 – Charles, R4 – Charles, R5 – Norman, R6 – Norman, R7 – Norman, R9 – Norman. Norman Kaplan appointed (4-3) as Region 2 Director to fill remaining term.

12. **Report from the Information Technology Committee Chair** – A full written report was emailed to the board regarding a donation of services from Softlayer.com, a tier 1 hosting company headquartered in Dallas, Texas. Our web usage has been growing, to the extent we may soon out grow our current web hosting service, Hostek. Mr. Drury contacted Softlayer, asking them to donate a dedicated hosting server for our use. Softlayer has agreed to donate this server for our use, a \$2400 annual value. The server is a dual core AMD processor running a version of Linux called CentOS, with 4gb ram memory, 250gb hard drive, with 3gb bandwidth per month. They have multiple major Internet provider connections. Our current service is running in a shared environment (multiple domains / companies on same server) on a Windows based operating system. Recently Hostek has changed their terms of service which removed the “unlimited” clause and placed limitations which we are rapidly heading toward. The ITC Committee will transfer the current site over to the new site, prior to switching from the old service. The only anticipated delay may be when the DNS (domain name server) entries are changed to the new server.

Motion by Region 7, second by Region 2, to accept Roy Drury’s report and to proceed with his recommendations and delegate to the president to write any appropriate acknowledgement letters regarding charitable donations. R1Y, R2Y, R3Y, R4Y, R5Y, R6Y, R7Y, R9Y. **Motion passed.**

13. **WPRT 970 Commercial License** – License expires on January 28, 2011. Mr. Mahon is requesting to transfer the license to his organization in Massachusetts, if RI doesn’t wish to renew it. Region 1 explained that it was perhaps cheaper to change the licensee name and renew it, than to start over with a new license. EVP Greany stated he felt this would lead to confusion among those who associate the call sign with REACT International, and that we should simply let the license expire without transfer. Since the board took no action, the license will expire automatically.

Region 2 disconnected at 10:25pm ET due to power failures in his area caused by inclement weather. 7 of 8 votes possible. VP/General Counsel not responding to roll call at this time.

14. **Virginia Agent of Record** – EVP Greany reported the results of his research into Virginia’s requirements for a registered agent of record. The agent of record must be a resident of Virginia, an officer of the corporation or attorney practicing in Virginia. Mr. Manlove is the current listed agent. The annual filing fee is \$75. We currently use an agency in Illinois to meet that state’s requirements for a registered agent of record, but this does not meet Virginia’s requirements. EVP & President / Chairman Knott will research this matter & report back to the board with recommendation for final action. EVP recommended we appoint our office manager, Brenda Cutchin, as a non-voting officer of the corporation, such as VP / General Manager as unpaid additional duties.

Motion by Region 7, second Region 1, that we delegate to our President to come up with the appropriate solution, and if that requires making Brenda a non-voting officer, to do so on a temporary basis, and bring it back to the board for ratification. R1Y, R3Y, R4Y, R5Y, R6Y, R7Y, R9Y. **Motion passed.**

15. **50th Anniversary Convention 2012** – EVP Greany reported on his progress in finding suitable hosts for this event. He initially had three groups with interest, but only Indiana REACT State Council and Las Vegas United REACT followed thru. Indiana REACT State Council has dropped out. So far, Las Vegas looks like our only option.

16. **Annual Board Meeting Report** – Region 4 reported on hotel accommodations & requirements by the Howard Johnson. Dates reserved for March 11-12, 2011 (Friday / Saturday) with meeting room.

17. **Resignation of Chairman.** Chairman Knott announced his resignation as Chairman of the board, due to his election as president, and stated his intent to not run for re-election of Region 3 Director when it expires in 2011.

Motion by Region 7 to nominate Region 1 Stan Walters to be Chairman. No other nominations received, elected by acclamation. Region 1 asked division of the floor. R1Y, R3Y, R4Y, R5A, R6A, R7Y, R9Y. **Motion passed.**

18. **Vacancy of Region 8** – Region 7 stated his concern that we fill the vacancy prior to the ABM, so that all can be in attendance. EVP asked that we ask for input from teams in Region 8 for recommended candidates. Region 7 asked we suspend this meeting until a date in February to fill this vacancy. Region 5 asked that we close this meeting and call a meeting for a future date with a new quorum. Region 1 asked why Region 7 wanted to suspend, rather than calling a new meeting. Region 7 said primarily to avoid cost of mailing out another meeting notice.
19. **Next Meeting Date – Motion by** Region 1, seconded by Region 6 to adjourn this meeting and allow enough time for Region 8 teams to recommend candidates for Region 8 director vacancy. Region 7 recommended February 24th at 9pm ET (via teleconference) to be the date of next board meeting. R1Y, R3Y, R4Y, R5Y, R6Y, R7Y, R9Y to set the date. Vote for adjournment, R1Y, R3Y, R4Y, R5Y, R6Y, R7 Heck Yes, R9Y. **Motion passed.**
20. **Adjourned** – Meeting adjourned at 11:25pm ET.

Minutes respectfully submitted by Lee Besing, Secretary