

Minutes of the Initial Meeting of the Board of Directors

November 3, 2011

The initial meeting of the Board of Directors (the “Board”) of the Western Climate Initiative, Inc., a Delaware non-profit corporation (the “Corporation”), was held on November 3, 2011, at the Hyatt Regency Montreal Hotel, 1255 Jeanne Mance Street, Montreal, Québec.

James Goldstene, Executive Officer, California Air Resources Board, served as the temporary chair of the meeting (the "Temporary Chair"). Mr. Goldstene called the meeting to order at 8:10 a.m. Eastern Time. Lydia Dobrovolny kept the minutes of the meeting.

Attendance

The following Initial Directors named in the Certificate of Incorporation filed in Delaware (“Initial Directors”) were present:

- Tim Lesiuk
- Michael Gibbs
- James Goldstene
- Robert Noel de Tilly
- Jean-Yves Benoit

The following Initial Director was absent:

- James Mack

Also present were:

- Jessica Verhagen, from the Province of British Columbia
- Bob Fletcher and Mark Wenzel (Dr. Wenzel by telephone), from the State of California
- Sophie Auger-Giroux and Charles Cote, from the Province of Québec
- Jim Whitestone, Myra Hewitt (Ms. Hewitt by telephone) and Dave Tiffin, from the Province of Ontario
- Clifford Case, Carter Ledyard & Milburn, LLP
- Patrick Cummins, Western Climate Initiative Project Manager
- Lee Alter, Contractor
- Lydia Dobrovolny, Ross & Associates

Quorum of Initial Directors

Mr. Goldstene announced that a quorum of the Initial Directors was present.

Introduction

Mr. Case noted that the Corporation was not a policy-making body, but was intended to provide technical and scientific advisory services to Participating Jurisdictions, as defined in the proposed By-Laws, copies of which had been circulated prior to the meeting.

By-Laws

Mr. Goldstene directed the Initial Directors' attention to the proposed By-Laws and asked whether the Initial Directors had any questions concerning them. Mr. Noel de Tilly commented that the French version of the By-Laws requires further revision and would not be available for adoption at the meeting. Mr. Noel de Tilly stated that a French version of the By-Laws will be submitted for consideration at a subsequent meeting of the Board.

Mr. Whitestone asked for clarification on the status and process for Ontario. Mr. Case stated that Ontario would not be a Participating Jurisdiction, as defined in the proposed By-Laws, until its Directors are named and have accepted their appointment.

Mr. Goldstene invited a motion on the adoption of the By-Laws. Following discussion, upon a motion made by Mr. Gibbs and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

***RESOLVED** that the form of By-Laws, as presented and attached to the minutes of this meeting, is hereby ratified, approved and adopted as the By-Laws of the Corporation.*

Directors and Alternates

Mr. Cummins confirmed receipt of the following:

- a letter from Diane Jean, Deputy Minister, Québec Ministry of Sustainable Development, Environment and Parks, naming Robert Noel de Tilly and Jean-Yves Benoit as Directors for the Province of Québec;
- letters from Mr. Noel de Tilly and Mr. Benoit accepting their positions as Directors;
- letters from Mr. Lesiuk and James Mack, who are named as ex officio Directors for the Province of British Columbia in the By-Laws, accepting their positions as Directors;
- letters from Matthew Rodriguez and Mr. Goldstene, who are named as ex officio Directors for the State of California in the By-Laws, accepting their positions as Directors;
- a letter from Mr. Mack designating Jessica Verhagen as his alternate for purposes of the first meeting only; and

- a letter from Mr. Rodriguez designating Michael Gibbs as his alternate.

Mr. Goldstene directed that these written designations of Directors, acceptance letters, and designations of alternates be attached to the minutes of the meeting.

Mr. Case advised that these documents were in accordance with the provisions of Section 4.1 of the By-Laws with respect to designating Directors for Québec, acknowledging *ex officio* Directors for British Columbia and California, designating alternates, and acceptances of all of those positions. He observed that when the Province of Ontario names two employees as Directors in accordance with the Province's internal appointment procedure, the appointing authority in Ontario is to notify the Chair of the Board in writing. The individuals who have been designated will then need to accept their positions in writing.

Mr. Goldstene invited a motion to confirm that the Directors have been named and qualified pursuant to the By-laws. Following discussion, upon a motion made by Mr. Benoit and seconded by Mr. Lesiuk, the following resolution was unanimously adopted:

RESOLVED that the following-named persons are Directors and have qualified pursuant to the By-Laws:

- *British Columbia: Tim Lesiuk and James Mack*
- *California: James Goldstene and Matthew Rodriguez*
- *Québec : Robert Noel de Tilly and Jean-Yves Benoit*

Quorum of Directors

Mr. Goldstene noted that the following Directors and alternates, representing a majority of the Entire Board, as defined in the By-Laws, and including at least one Director or alternate from each Participating Jurisdiction, were present, constituting a quorum pursuant to the By-Laws:

- Tim Lesiuk, British Columbia
- Jessica Verhagen for James Mack, British Columbia
- Michael Gibbs for Matthew Rodriguez, California
- James Goldstene, California
- Robert Noel de Tilly, Québec
- Jean-Yves Benoit, Québec

The continuing Directors and alternates now assumed responsibility from the initial Board in accordance with the By-Laws and proceeded to act upon matters brought before the meeting.

Ratification of Actions Taken Prior to the Meeting to Establish the Corporation

Mr. Goldstene stated that it would be in order to consider ratifying the actions taken by Mr. Case and Carter Ledyard & Milburn LLP on the Corporation's behalf prior to the meeting, and invited a motion. Following discussion, upon a motion made by Mr. Noel de Tilly and seconded by Mr. Gibbs, the following resolution was unanimously adopted:

***RESOLVED** that all of the actions heretofore taken by the incorporator, Clifford P. Case, with respect to the incorporation of the Corporation and filing of the Certificate of Incorporation with the Secretary of State of Delaware on October 28, 2011 are hereby approved, adopted, ratified, and confirmed in all respects.*

Election of Officers

Mr. Goldstene invited nominations for officers of the Corporation. Mr. Noel de Tilly nominated Mr. Goldstene as Chair. Mr. Goldstene nominated Mr. Noel de Tilly as Vice Chair. Mr. Gibbs nominated Mr. Benoit as Treasurer. Mr. Benoit nominated Mr. Lesiuk as Secretary. Each nomination was seconded and each person nominated agreed to serve if elected.

Following discussion, upon a motion made by Mr. Benoit and seconded by Ms. Verhagen, the following resolution was unanimously adopted:

***RESOLVED** that the following-named persons are elected to the offices set forth beside their respective names, to serve until the next annual meeting of the Directors and until their successors are duly elected and qualified:*

- *Chair: James Goldstene*
- *Vice Chair: Robert Noel de Tilly*
- *Treasurer: Jean-Yves Benoit*
- *Secretary: Tim Lesiuk*

Following the election of officers, Mr. Goldstene took over as Chair of the meeting.

Audit Committee

Mr. Case reviewed the member requirements and purpose of the Audit Committee as discussed in Section 6.4 of the By-Laws, noting that the Audit Committee shall oversee the quality and integrity of the Corporation's accounting, auditing and reporting practices, and shall consist of no fewer than two and no more than six independent non-compensated Board members. Mr. Case stated that the term independent is used to mean that the individuals are independent in fact with respect to the Corporation and can exercise independent judgment, for example, are not employed by the Corporation and have no direct business interests in the Corporation.

Following discussion, upon a motion made by Mr. Gibbs and seconded by Mr. Benoit, the following resolution was unanimously adopted:

RESOLVED that the Audit Committee shall comprise the following Directors:

- Robert Noel de Tilly
- James Goldstene
- Tim Lesiuk

Finance Committee

Mr. Case reviewed the member requirements and purpose of the Finance Committee as discussed in Section 6.3 of the By-Laws, noting that the Finance Committee shall consist of at least two directors, one of whom shall be the Treasurer, who shall serve as chairperson of such Committee, and that the Finance Committee shall advise the Treasurer and the Board as to the investments, budget, and general fiscal policy of the Corporation.

Following discussion, upon a motion made by Mr. Noel de Tilly and seconded by Mr. Lesiuk, the following resolution was unanimously adopted:

RESOLVED that the Finance Committee will be chaired by the Treasurer and shall comprise the following Directors:

- Jean-Yves Benoit (Treasurer)
- Matthew Rodriquez
- James Mack

Executive Committee

Mr. Case explained that a vote to establish the Executive Committee was not necessary, since this committee is established in the By-Laws, and shall consist of at least four Directors: the Chair, who shall also serve as chairperson of the Executive Committee, all Vice Chairs, the Treasurer, and the Secretary.

Mr. Goldstene stated that it was in order to confirm the responsibility of the Executive Committee to manage the day-to-day affairs of the Corporation prior to the hiring of an Executive Director, including obtaining directors and officers insurance, finding office space, and carrying out any other actions that may be necessary to administer the Corporation during this interim period.

Following discussion, upon a motion made by Mr. Noel de Tilly and seconded by Mr. Lesiuk, the following resolution was unanimously adopted:

RESOLVED that the Executive Committee, along with such staff support as they deem necessary, shall administer the day-to-day activities of the Corporation until such time as an Executive Director of the Corporation is hired.

Audit Committee Charter

The Directors then discussed the proposed Audit Committee Charter, copies of which had been circulated prior to the meeting. Mr. Benoit asked whether there is a frequency requirement for audits; Mr. Case noted that the charter does not specify a frequency, but that it is assumed audits will occur on an annual basis. Mr. Noel de Tilly asked when the Corporation should hire an auditor; Mr. Case noted his advice that an auditor be hired in the near term so that the auditor can become familiar with the affairs of the Corporation and provide advice on reporting and financial safeguards from the outset. In response to a request from Mr. Noel de Tilly for an example of the services that an auditor can provide in addition to actual auditing of the Corporation's books, Mr. Case cited recommendations for internal financial controls, or for Director training on financial statements or accounting standards. Mr. Case suggested that the Board consider seeking information from possible auditors on their qualifications in these areas.

Mr. Noel de Tilly asked whether the Corporation should hire a U.S. or Canadian auditing firm. Mr. Case responded that there are no requirements either way, and that most significant auditing firms will have experience in both countries. Mr. Case recommended that the Corporation require candidates to specify their experience in both countries, and highlight any specific and special issues they see in how accounting and auditing principles are applied in Canada versus the U.S. With respect to the question whether the Corporation will need to file a tax return and conduct an audit in 2011, Mr. Case noted that at a minimum, U.S. Internal Revenue Service Form 990 will need to be filed for the two-month period of the Corporation's existence in 2011. Mr. Case stated that an audit will probably not be required, but the Board may want to consider having one done.

Mr. Case noted that the Audit Committee interacts directly with the auditors on behalf of the Corporation, and the decision on hiring an auditor is delegated to the Audit Committee pursuant to the By-Laws and the Audit Committee Charter. This structure is designed to ensure the independence of the auditors from management of the Corporation.

Following further discussion, upon a motion made by Mr. Benoit and seconded by Mr. Gibbs, the following resolution was unanimously adopted:

RESOLVED that the Audit Committee Charter, as presented and attached to the minutes of this meeting, is hereby ratified, approved and adopted as the Audit Committee Charter of the Corporation by which the Audit Committee shall be governed and shall operate.

Bank and Investment Authorizations

Mr. Case explained that the Corporation will need a bank account for depositing its funds, and at some point, the Corporation may have funds that require investment decisions. The proposed resolution delegates to the Finance Committee the authority to establish bank accounts and also to seek out banks and financial advisors when needed. Mr. Case clarified that this resolution is intended for the day-to-day operations of the organization, and does not address the situation when a cap-and-trade program is functioning and funds that belong to potential bidders or participating jurisdictions may be temporarily held by the Corporation as agent. Additional decisions will be needed at a later date as to what banking and other financial arrangements are needed for that process to function smoothly.

Mr. Benoit asked whether the bank accounts need to be in the U.S. or Canada; Mr. Case noted that there are no requirements either way, and that the Corporation may want to set up accounts in both countries. Mr. Goldstene commented that the Finance Committee can discuss the best ways to work out the issues related to opening bank accounts. Mr. Gibbs asked whether the term “bank” is meant as a precise term, or whether it might apply to a variety of financial institutions. Mr. Case responded that the term could apply to any chartered depository institution that issues drafts that would be useful to the organization. Mr. Gibbs asked whether the timing of opening a bank account relates to the timing of IRS recognition of the Corporation’s tax status. Mr. Case responded that banks should not require recognition of tax exemption from the IRS as a condition of opening an account, and that both tasks can be pursued on parallel paths.

Following discussion, upon a motion made by Mr. Noel de Tilly and seconded by Ms. Verhagen, the following resolution was unanimously adopted:

***RESOLVED** that the Finance Committee is hereby authorized to designate such bank or banks as the depository for funds of the Corporation and such investment managers, advisors or consultants as it deems appropriate and upon such terms as it deems appropriate within the mandate of the budget approved by the Board; and that the Finance Committee is authorized to adopt on behalf of the Board resolutions effecting any such appointments in the form customarily recommended by such banks or investment managers, advisors or consultants.*

Executive Director

Mr. Goldstene noted that a resolution had been proposed concerning the Executive Director position for the Corporation. Mr. Case explained that this proposed resolution is intended to formalize the process for seeking an Executive Director to run the Corporation’s affairs. The role of the Executive Director and his or her powers and duties are reflected in the By-laws. The approach proposed is for the Executive Committee to commence a search, vet potential candidates, and make recommendations to the Board. The selection of the Executive Director is a significant decision requiring a vote of two-thirds of the Board.

Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

RESOLVED that the Executive Committee shall commence a search for the Executive Director of the Corporation, having the powers vested in him or her by the By-Laws, shall receive and log applications submitted for the position, shall recommend to the Board the appointment of the Executive Director and shall recommend the terms of his or her employment agreement.

Conflicts of Interest Policy

The meeting then considered the proposed Conflicts of Interest and Ethical Guidelines Policy, with its attachments. Mr. Noel de Tilly asked when Directors should sign the Potential Conflicts of Interest and Related Parties Questionnaire attached to the Policy. Mr. Case indicated that the form should be filled out as soon as possible, and that both Directors and alternates should fill one out.

Mr. Goldstene invited a motion to approve the Conflicts of Interest and Ethical Guidelines Policy. Following discussion, upon a motion made by Mr. Benoit and seconded by Mr. Lesiuk, the following resolution was unanimously adopted:

RESOLVED that the Western Climate Initiative, Inc. Conflicts of Interest and Ethical Guidelines Policy with its corresponding attachments, as presented and attached to the minutes of this meeting, is hereby ratified, approved and adopted as the Conflicts of Interest Policy of the Corporation, and that a copy of the Conflicts of Interest Policy be distributed to every Director, Officer, Employee, and Committee Member of the Corporation, and copies thereof shall continue to be available to them at the offices of the Corporation.

Whistleblower Protection Policy

The meeting then considered the proposed Whistleblower Protection Policy. Mr. Goldstene asked whether protection for whistleblowers is already provided under U.S. law. Mr. Case noted that the law that exists may not apply to non-profit entities like the Corporation. By adopting this policy, the Corporation will make it clear that there is such a policy in place. Mr. Noel de Tilly asked about the use of the term “condone” in the first paragraph; Mr. Case advised that it refers to allowing an action to take place without protesting.

Mr. Goldstene invited a motion to approve the Whistleblower Protection Policy. Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

RESOLVED that the Whistleblower Protection Policy, as presented and attached to the minutes of this meeting, is hereby ratified, approved and adopted as the Whistleblower Protection Policy of the Corporation, and that a copy of the Whistleblower Protection Policy be distributed to every

Director, Officer, Employee, and Committee Member of the Corporation, and copies thereof shall continue to be available to them at the offices of the Corporation.

Retention of Business Records Policy

The meeting then considered the proposed Retention of Business Records Policy. Mr. Benoit asked who is responsible to retain the records. Mr. Case noted that it is the Secretary, but typically the Secretary works with the Executive Director and Staff to establish a record-retention process and records are maintained at the corporate offices. The Treasurer is responsible for setting up the books and maintaining financial records. These responsibilities are specified in the By-Laws. Mr. Benoit asked whether the length of time that records need to be kept is specified; Mr. Case noted that since this is typically covered by other laws, it is not specified in this policy.

Mr. Gibbs asked why grant-making was called out as a specific activity. Mr. Case responded that the general thrust of the policy is that the Corporation needs an organized system of filing and recordkeeping, and suggested removing the specific grant-making reference since it is not essential to have a list of everything covered by the policy. Mr. Case also suggested inserting a clarification that certain of the laws referenced are United States laws.

Mr. Goldstene invited a motion to approve the Retention of Business Records Policy, as amended. Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

RESOLVED that the Retention of Business Records Policy, with the changes agreed to and as attached to the minutes of this meeting, is hereby ratified, approved and adopted as the Retention of Business Records Policy of the Corporation.

Following a brief recess at 10:30 a.m., Mr. Goldstene reconvened the meeting at 10:50 a.m.

Budget

Mr. Goldstene invited Mr. Cummins to brief the Board on the proposed budgets for the Corporation. Mr. Cummins stated that these budgets were based on best estimates of the anticipated fiscal requirements for the operations of the Corporation in 2012 and 2013. The estimated budget for the Corporation's operations is \$2.3 million in U.S. dollars in 2012, and \$3.1 million in U.S. dollars in 2013, with the primary difference in 2013 resulting from the Corporation's acquiring the services that California is proposing to cover on behalf of the organization in 2012.

Until the Corporation establishes a bank account and obtains initial funding from Participating jurisdictions, the direct expenses associated with the Corporation will be covered out of funds that the jurisdictions already have on account with the Western Governors' Association, which will track expenses specific to the Corporation. These expenses include Board meetings, teleconferencing costs, legal fees, and staffing time. The Corporation will cover these expenses once it has funding. The

budgets also reflect work that California expects to undertake on behalf of the Corporation. Mr. Benoit requested that a footnote as to which services are being covered by California be included in the budget summary document. Mr. Goldstene agreed; there were no objections.

Mr. Lesiuk asked about the travel budget and travel policies, and whether the Corporation will reimburse travel or whether individual Board members are responsible for their travel. Mr. Cummins noted that the question about travel reimbursement has not yet been addressed, and will bring this forward as an item for the Executive Committee to discuss and establish as a matter of policy.

Mr. Cummins noted that the budget estimates are a work in progress and will continue to be refined based on additional information. Mr. Gibbs noted that the budget was revised recently to include additional staff and fringe benefits, translation services, and a reserve fund. Mr. Cummins and Mr. Gibbs both commented that the proposed budget can be used to initiate funding arrangements between the jurisdictions and the Corporation. The process of establishing funding agreements with the Participating jurisdictions may require further amendments to the budget.

Mr. Goldstene invited a motion to adopt the proposed 2012 and 2013 budgets. Following further discussion, upon a motion made by Mr. Gibbs and seconded by Mr. Lesiuk, the following resolution was unanimously adopted:

***RESOLVED** that the proposed budgets for the fiscal years of the Corporation ending December 31, 2012 and December 31, 2013, as presented and attached to the minutes of this meeting, are hereby ratified, approved and adopted.*

Payment of Fees Incurred

The meeting then considered payment of expenses incurred in connection with the organization and operation of the Corporation.

Following discussion, upon a motion made by Ms. Verhagen and seconded by Mr. Gibbs, the following resolution was unanimously adopted:

***RESOLVED** that the Chair and Treasurer of the Corporation are hereby authorized and directed to pay and discharge all taxes, fees, and other expenses heretofore incurred in connection with the organization and operation of the Corporation.*

Application for Tax-Exempt Status

The meeting then considered applications on the Corporation's behalf to secure recognition of its tax-exempt status. Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

RESOLVED that each officer of the Corporation is hereby authorized to execute and file any necessary or appropriate documents with the Internal Revenue Service or the taxing agency or any other agency of any jurisdiction of the United States or Canada in which the filing of such documents is necessary or desirable, including any such documents to seek and obtain from the Internal Revenue Service or such taxing agency a determination recognizing that the Corporation is a corporation exempt from taxation under Section 501 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of such other jurisdiction.

Foreign Qualifications

The meeting then considered authorizing the Corporation to apply for qualification as a foreign corporation wherever the officers determine that it is necessary or expedient. Mr. Case noted that the use of the term “foreign” refers to any place of business other than the State of Delaware, where the Corporation is incorporated. Following discussion, upon a motion made by Mr. Benoit and seconded by Mr. Gibbs, the following resolution was unanimously adopted:

RESOLVED that the Corporation is hereby authorized to apply for qualification as a foreign corporation in such jurisdictions of the United States, territories and provinces of Canada and in such other foreign countries as the officers of the Corporation deem necessary or expedient, if any, and that, for such purpose, the officers of the Corporation be and each of them hereby is authorized to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices and, under the corporate seal or otherwise, to make and file all necessary certificates, reports, powers of attorney and other instruments as may be required by the laws of any such jurisdiction or country to authorize the Corporation to transact business therein; and, whenever it is expedient for the Corporation to cease doing business in any such jurisdiction or country and withdraw therefrom, to revoke any appointment of agent or attorney for service of process and to file such certificates, reports, revocations of appointment or surrenders of authority as may be necessary to withdraw the Corporation from doing business in any such jurisdiction or country.

Checks

The meeting then considered a resolution authorizing signing of checks, drafts and other instruments for payment of money of the Corporation. The Board determined that the trigger point for requiring a second signature on checks and drafts should be \$25,000, and that the Vice Chair as well as the Chair should be an authorized signatory. Mr. Goldstene asked for a motion to approve the resolution, with the addition of Vice Chair and the amount of \$25,000 confirmed as the trigger for requiring a second signature.

Following discussion, upon a motion made by Mr. Noel de Tilly and seconded by Ms. Verhagen, the following resolution was unanimously adopted:

RESOLVED that all checks, drafts, and other instruments obligating the Corporation to pay money shall be signed on behalf of the Corporation by the Chair, Vice-Chair, Treasurer, or Executive Director, as long as the amount of such obligation is less than twenty-five thousand dollars (\$25,000) and by any two of them if such obligation is equal to or exceeds that amount.

Legal Counsel

The meeting then considered the retention of legal counsel. Mr. Cummins explained that this resolution presented to the meeting ratifies the legal services provided to date by Carter Ledyard & Milburn LLP, and authorizes the Executive Committee to obtain legal counsel as deemed appropriate going forward. The actual decision to obtain additional legal counsel is a separate decision that the Executive Committee will make at a later date.

Mr. Cummins noted that many of the tasks in the current agreement with Carter Ledyard & Milburn LLP will have been completed by the end of the meeting, and outlined some of the remaining items that will likely require the assistance of legal counsel: preparation of the application to IRS for tax-exempt status, preliminary assistance with initial contracts the Corporation issues for services, and assistance in connection with contracts/agreements for services to be provided to jurisdictions. Mr. Case noted that Carter Ledyard & Milburn LLP would be pleased to continue to help the Corporation where desired.

Mr. Goldstene invited a motion to approve the resolution. Following discussion, upon a motion made by Mr. Benoit and seconded by Mr. Gibbs, the following resolution was unanimously adopted:

RESOLVED that the retention of Carter Ledyard & Milburn LLP to provide legal services to the Corporation to date is hereby ratified and the Executive Committee is authorized to obtain legal counsel on such terms and conditions as deemed appropriate by the Executive Committee.

Board Meetings

The meeting then discussed future meetings of the Board. Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Benoit, the following resolution was unanimously adopted:

RESOLVED that there shall be no fewer than two Board meetings each year, and the next meeting will be held at the call of the Chair on such date as shall be determined by the Executive Committee and notice thereof shall be given to the Directors as provided in the By-Laws. The annual meeting of the Corporation shall be held in October or November of each calendar year.

Actions to Carry Out Resolutions

The meeting then considered authorizing actions necessary or desirable to carry out the resolutions adopted by the Board. Following discussion, upon a motion made by Mr. Lesiuk and seconded by Mr. Noel de Tilly, the following resolution was unanimously adopted:

RESOLVED that the appropriate officers of the Corporation are hereby authorized and directed to execute, make, verify, acknowledge, deliver, file and record any and all applications, certificates, instruments, agreements and documents and to take any and all other actions as may be necessary or desirable in the judgment of any of them in order to carry out the intent and purposes of the foregoing resolutions, the execution by any officer of any such document to be conclusive evidence of such officer's authority to act in accordance with these resolutions.

New Business

Mr. Goldstene proposed that the Board discuss insurance and indemnification.

Insurance and Indemnification

Mr. Case noted that the By-laws require the Corporation to indemnify to the fullest extent any person who is a Director, employee or agent of the Corporation, now or in the future, against judgments and attorneys' fees. The language in the By-laws is "shall," which is mandatory and not permissive. Mr. Cummins noted that insurance of such indemnity obligations has been budgeted for. An early task of the Executive Committee should be to obtain bids from providers, consider the coverage that is attainable, and make a decision as soon as reasonably possible.

Closing Remarks and Adjournment

Mr. Goldstene thanked everyone for a productive and important first meeting. Mr. Whitestone commented that this was a very important meeting and that establishing the Corporation will make it easier for other jurisdictions to join in the future. Other provinces are interested in what is going on and may be prompted to use the Corporation as an instrument for participation. Mr. Lesiuk noted that after four and a half years of work, forming the Corporation is a significant achievement. Mr. Goldstene thanked Mr. Case, Mr. Cummins, Mr. Alter and Ms. Dobrovlny for their work.

There being no other business to come before the meeting, and upon unanimous consent, the meeting adjourned at 12:00 noon.

Respectfully submitted,



Tim Lesiuk, Secretary