

MINUTES OF THE BOARD OF DIRECTORS OF THE PIEDMONT SILVER EAGLES

02/28/2023 – High Point, NC

Office of Gallimore, Levy, Christian & Gallimore, PLLC

ATTENDANCE. President, Danny Young, called the meeting to order. Officers in attendance: Capt. Dave Westberg (VP), Capt. Buddy Bowen (E-VP Via Call-in), Capt. Craig Pinto (SEC), Bridget Beck (TREAS).

Other Board Members

Ron Gabor, Bill Carico, Chris Runge (Call in)

REVIEW OF PREVIOUS MINUTES. Minutes from the prior meeting were reviewed by Sec. Craig Pinto and approved.

TIME CALLED TO ORDER: 1500

INTRODUCTION BY: PSEI President Danny Young. This special called meeting is to discuss By-Law amendments, the legal relationship between PSEI and PSE-CF, and options for liability insurance for PSE in general, Event Insurance as required for our annual conference/reunion.

BOARD DISCUSSION:

A. Captain Dave Westberg has contacted several insurance providers and received some general quotes. The quotes are base on a variety of situations, including PSE finances, location and attendance of events, and other variables. General liability insurance - \$360/yr, Director & Officer Insurance - \$550/yr, Event insurance - \$300/per event. These quotes were baseline figures.

B. This meeting was held at the office of our attorney, so we could discuss this with him. Overall his opinion was that for this price we could have a good level of coverage and protect PSE from an expensive legal defense. The Event Insurance is now required in our hotel contract, so we have no choice on that item. The board will research this further, and find the best deal with the coverage that we need.

C. By-Law amendments were discussed next. In the past, the PSEI By-Laws referred to the PSE-CF as a “Wholly Owned Subsidiary”. This text was removed at some point from the By-Laws. Some general members and board members felt this was removed without authority or an associated vote at the annual conference. After discussing this with our attorney, he explained that a “Wholly Owned Subsidiary” is not a term or ownership explanation that can be used in a Non-Profit organization, so the rewording that had been accomplished, was in fact correct. PSEI cannot control the day to day operation of PSE-CF. PSEI appoints PSE-CF board members, but after that PSE-CF is autonomous, as to the methods of raising capital and distributing funds to recipients. PSEI and PSE-CF must remain independent in the By-Laws (Organizationally) and operationally, in order to remain in a tax exempt status.

D. The attorney suggested a re-write of PSEI By-Laws, so that they can be more aligned with North Carolina statutes. The cost for his office to do this would start at about \$1500, depending on how prepared PSEI was with the data provided to him, and how complex we want the BY-Laws to be. He

explained our current By-Laws are a bit messy from all the amendments, but currently NOT inaccurate. They just need some cleaning up and simplification.

E. There was a brief discussion on financial issues, should PSEI ever terminate or remain in operation into perpetuity. The By-Laws currently state that the PSE-CF board will first pay any debts, then determine where the remaining funds will go. They have listed non-profit 501C3 entities to choose from.

F. The end result is that the PSEI board wants both members and current / future corporate donations to feel comfortable that their donations are under the proper oversight, and the relationship between PSEI and PSE-CF is being handled properly.

G. The board agreed to plan a future meeting to discuss this in more depth after getting some actual insurance quotes, and to begin to put together a plan for the By-Laws re-write.

H. As a reminder, By-Law changes must be voted upon at the PSE annual convention. Members must be present to vote. Proxy votes are not authorized for By-Law amendments, only for officer elections

ADJOURNMENT: With no further business to discuss or resolved before the BOARD, the meeting was adjourned at: 16:30.