

SECTION 1244 CORPORATION
MINUTES OF BOARD OF DIRECTORS MEETING
OF

A meeting of the Board of Directors of the Corporation was held on _____, 19__ at _____ M. at _____ . The following was presented to the meeting:

The Board of Directors have determined that the Corporation shall be organized and managed so that it is a "Small Business Corporation" as defined in IRC Sec. 1244 (c)(1), as amended, and so that the shares issued by the Corporation are "Section 1244 Stock" as defined in IRC Sec. 1244 (c)(1), as amended. Compliance with this section will enable shareholders to treat the loss on the sale or exchange of their shares as an "ordinary loss" on their personal income tax returns.

RESOLVED, that the proper officers of the Corporation are authorized to sell and issue common shares in an aggregate amount of money and other property (as a contribution to capital and as paid in surplus), which together with the aggregate amount of common shares outstanding at the time of issuance, does not exceed \$1,000,000, and

RESOLVED, that the sale and issuance of shares shall be conducted in compliance with IRC Sec. 1244, so that the Corporation and its shareholders may obtain the benefits of IRC Sec. 1244, and further

RESOLVED, that the proper officers of the Corporation are directed to maintain such accounting records as are necessary so that any shareholder that experiences a loss on the transfer of common shares of the Corporation may determine whether they qualify for "ordinary loss" deduction treatment on their personal income tax returns.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously voted, the meeting was adjourned.

Secretary

Chairman

Director

Director

Director

Form 515