



June 12, 2020

Dear Member,

This letter provides additional information on the items that are presented for an online vote in the Americas Region. Details are excerpted from the minutes of BKR International's Americas Regional Board Meeting, which was held on June 2 via Zoom.

I. Reorganization

Gino Serra, Attorney-at-Law, and Partner at Bryan Cave Leighton Paisner joined the call for this part of the discussion. Gino has extensive expertise in not-for-profit practice, including trade associations. Howard engaged the firm in these conversations at the Worldwide Board level. The Americas Region also engaged Gino for specific guidance.

The Worldwide Board proceeded with the following structure, whereby BKRI is a Delaware nonprofit, nonstock corporation consisting of three entities to carry out regional activities. These entities will operate as subsidiaries to BKRI, with BKR the membership being the members of BKRI.

The Board considered the recommended structure for BKR Americas to incorporate as a Delaware nonprofit, nonstock corporation, the same as BKRI. The purpose of incorporating BKRI, and each regional entity, is to provide additional liability protection that will be obtained for members (and directors, officers, and employees of each entity, as well as for the other entities), with liability generally limited to the entity and its assets.

It was further clarified that the By-laws are intended to be general, while the purpose of the Members' Manual is to reflect modifications to guidelines and policies, as needed.

Howard provided background information on the discussions leading up to the adoption of BKR International's (BKRI) new legal structure, which was approved at the Annual Worldwide Meeting in Los Angeles (October 2019).

Motion: The Americas Board approves the structure of the reorganization subject to modifications of the By-laws, which include references to the Members' Manual, which Gino will update for review and approval by Raymi Mejia (Chair) and Jim Schmidt (Vice Chair). [The updates to the By-laws were approved by Howard, Raymi, and Jim on June 4.]

John Flatowicz, motion to approve.

Dave Davis, seconded. Motion approved.

ACTION: To vote on the Americas Region reorganization, click [here](#).

II. Financial Statements and Budget

The Board reviewed the financial statements and discussed the line item for dues credits to members. The dues credit is based on deposits that were paid in advance to secure the venues in Memphis for the Americas Regional Meeting. Members will receive a credit based on the total refunded amount. To view the detail on the proposed credit, click [here](#).

Budget for fiscal year ending June 30, 2021

The Worldwide Board (WWB) discontinued the block grants to regions in FY 2021. Historically, the WWB supported regions through block grants to help regions provide enhanced services to members. It is generally understood that this is a one-time decision in 2021. This will be revisited in the future. [The updates to the budget for rent and the administrative fee from Worldwide were approved on June 4.]

Motion: Approve the budget subject to the changes for rent and the administrative fee, and conditional Paycheck Protection Program (PPP) funding, which is a forgivable loan to small businesses to pay their employees during the COVID-19 crisis; as long as loan proceeds are used to cover payroll costs; most mortgage interest, rent, and utility costs; and employee and compensation levels are maintained. The PPP funding is not reflected on the current budget, which will provide additional benefit and reduce the net loss reflected in the budget.

John Flatowicz, motion to approve.

Kelly Lohn, seconded. Motion approved.

ACTION: To vote on the financials for the period ended March 31, 2020, and the budget for the fiscal year ending June 30, 2021, click [here](#).

III. Nominations to Americas Regional Board

The Americas Regional Board has three openings effective July 1:

- Karen Brenneman, Ex-Officio (Canton) through June 30;
- Jennifer Hughes (Louisville) through June 30; and
- Ken Laks - No longer eligible due to employment change.

The Board considered a slate of names based on active volunteerism and continued support of member firms, etc. By unanimous vote, the nominated members will include John Beauston (Charleston), Kevin Martin, Jr. (Boston), and Jeremy Vokt (Omaha). Additional members may be considered if the initial nomination is not accepted. [All members accepted their nominations to join the Americas Board on June 3.]

Jim Schmidt, motion to approve.

Alan Gubernick, seconded. Motion approved.

ACTION: To vote on the slate of Board nominations, click [here](#).

Please review the information above and vote on all matters by June 25th at 11:59 p.m.

We value your membership, and hope you remain safe and healthy.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Raymi Mejia', with a stylized flourish at the end.

Raymi Mejia, Chair
Americas Region, Board of Directors