



## TRANSACTION RECORD ANALYSIS CENTER, INC.

### MINUTES OF THE THIRD REGULAR MEETING OF THE BOARD OF DIRECTORS OF TRANSACTION RECORD ANALYSIS CENTER, INC.

December 19, 2017

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The Third Regular Meeting of the Board of Directors of Transaction Record Analysis Center, Inc., an Arizona nonprofit corporation, was held on the 19<sup>th</sup> day of December, 2017 commencing at 10:00 a.m. in the second floor meeting room at the HIDTA building, 3920 East Broadway Road, Phoenix, Arizona.

The following Directors and Officers of the corporation were present, to wit:

Vincent Piano, Director, Chairman  
Ronald Sterrett, Director  
David Otanez, Director  
John Maddux, Director

Richard Lebel, President  
Kevin Hannah, Treasurer  
Carol Keppler, Secretary

Director, Thomas Welch had jury duty and was unavailable to attend this meeting. Director, John Maddux had a guest in attendance, Mr. Jim Gallagher from AZ DPS.

Vincent Piano, the Chairman of the Board called the meeting to order, and Carol Keppler recorded the minutes. The Secretary presented the Agenda for the meeting and the directors discussed the agenda items, including, the status of the court order and amended settlement agreement, A TRAC financial report, and the purposes and objectives of the corporation. The directors further discussed training and education activities, the TRAC funding yearly overages, Western Union agreeing that TRAC does not have to return any remaining funds to Western Union after June 30, 2019 and TRAC's ability to solicit future grant funding opportunities.

TRAC's President, Richard Lebel continued reporting:

-that TRAC, Inc. filed its Annual Report and Certificate of Disclosure with the Arizona Corporation Commission, and that the corporation continues to be in Good Standing;

-that in 2017, TRAC conducted 57 in person or Internet trainings (GoToMeetings) to approximately 1,391 law enforcement personnel in 11 states and 1 out of country, for a total of 117 training hours;

-that two TRAC analysts have passed their CFE exam, making them Certified Financial Examiners; that TRAC is replacing one National Guard analyst with two additional Guard analysts and that two data scientists interns from Grand Canyon College are on board to help TRAC identify more efficient ways to manipulate and visualize TRAC's large data sets; and that Liz Barrick, from the AZ AGO, is coming over in the New Year as TRAC's Deputy Director, who will help TRAC look for future funding, including grants and funding from the State Department in Mexico;

-that TRAC acquired a Directors and Officers Insurance Policy and a General, Professional and Cyber Liability policy; that TRAC now contracts directly with Google Inc. for TRAC, Inc.'s software database on the Google Cloud Platform, a cost savings and more efficient software; and that TRAC, Inc. signed a contract modification for professional services with Force point, LLC (TRAC's software data agent) for the period January 1, 2018 to June 30, 2019;

-that TRAC purchased 8 Shadow Dragon subscriptions from Social Net to assist TRAC in real time investigations and threat analysis; that TRAC continues working with DeliverFund, assisting, most recently, with a cybersex trafficking project with HSI in Albuquerque, New Mexico and TRAC has also formed a partnership with Traffic Jam, and purchased its product and service, for additional tools for TRAC to help combat sex trafficking online;

-that TRAC is still assisting WU and other MSB's with the development of the MSB Industry's Deactivated Agent Database (a previous Monitor's recommendation in the WU settlement case), that TRAC, Inc. participated in its quarterly meeting with Western Union Financial Services, Inc. in Denver, CO where TRAC presented on its Anti-Human Trafficking Project and Prepaid products, and Western Union gave updates on its Global Typologies and Romance Scam Identifiers;

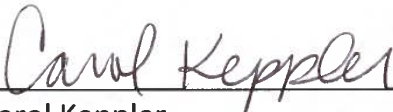
-that TRAC has 14 Money Services Businesses (MSB's), with 75 million records, over 300 agencies with 6,000 users/ investigators in the system; TRAC continues to work on numerous projects, including the HSI's Human Trafficking project in Charleston, SC; WU's targeting of romance scams data websites; HSI's task force in Mexico City targeting Chapo's finance money launderer; and another possible project of helping Rwanda looking for fugitives of justice,

-that TRAC, Inc. applied for a Dun & Bradstreet D-U-N-S (data universal numbering system) number, a unique nine digit identifier for businesses; that Phocus Accounting & Tax Specialists filed TRAC, Inc.'s 2016 Exempt Organization Return with the Internal Revenue Service; that TRAC filed a change of business address form and a Change of Officer –Director Form with the Arizona Corporation Commission;

Chairman Piano and President Lebel discussed their meetings with Paul Ahler, Criminal Division Chief of the AGO, and how important it is to keep the AGO informed and up to date on TRAC's finance and activities; the Chair further requested that any new expanded TRAC budgets get approved by the Board of Directors, and that the Board be kept informed of any future incoming funds,

grant proposals and how these funds will be separately accounted for. The Chair and President Lebel agreed to appoint sub committees, if necessary, if the Mexico State department money becomes available.

There being no further business to come before the meeting, it was adjourned on motion duly made and seconded.

  
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Carol Keppler  
Secretary

APPROVED:

  
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Vincent Piano  
Chairman

