

**MINUTES OF FIRST MEETING
OF THE BOARD OF DIRECTORS OF
TRANSACTION RECORD ANALYSIS CENTER, INC.**

October 9, 2015

The First Meeting of the Board of Directors of Transaction Record Analysis Center, Inc., an Arizona nonprofit corporation, was held on the 9th day of October, 2015, commencing at 9:00 a.m., at the office of the corporation, 3920 E. Broadway Road, Phoenix, Arizona, pursuant to waiver of call and notice of such meeting, signed by all of the directors of the corporation, and filed with these minutes.

All of the directors of the corporation were present, to wit:

Vincent Piano
Carol Keppler
Kevin Hannah

Also present:

Ron Sterrett
David Otanez

Vincent Piano presided as Chairman of the meeting, and Carol Keppler recorded the minutes. The Chairman reported that the corporation's Articles of Incorporation were filed with the Arizona Corporation Commission on July 17, 2015, and that the corporation has been duly incorporated.

The Secretary presented the Agenda for the meeting and the directors discussed the agenda items, including the establishment of the corporation, its funding by the Western Union case settlement, and the purposes and objectives of the corporation. The directors further discussed training and education activities, the analysis of money transmitter data, and the

corporation's providing investigative leads to law enforcement and money transmitter companies.

After discussion, and on motion duly made and seconded, the following resolutions were unanimously adopted:

1. RESOLVED, that the size of the Board of Directors of the corporation is hereby increased from three (3) to five members (5), and the following persons are elected to the Board of Directors:

Ron Sterrett
David Otanez

2. RESOLVED, that the following individuals are elected to the offices indicated below, each to hold office until his or her successor shall have been duly elected and qualified:

Vincent Piano - President
Carol Keppler - Secretary
Kevin Hannah – Treasurer

3. RESOLVED, the form of Bylaws attached hereto as Exhibit A and incorporated herein by this reference are adopted as the Bylaws of the corporation.

4. RESOLVED, that the appropriate officers of the corporation are hereby authorized and empowered, for and on behalf of the corporation, to establish such corporate bank accounts in the United States and designate such authorized signatories for such accounts, to take such actions and execute such documents and instruments as may be necessary of proper to conduct the business activities of the corporation; and

RESOLVED FURTHER, that any resolution or resolutions required by any bank for the opening of any bank account and the designation of authorized signatories for any such account be considered adopted and approved by this resolution, as if set forth in full herein, and the Secretary of the corporation is hereby authorized to so certify.

5. RESOLVED, that the officers of the corporation are authorized and empowered, for and on behalf of the corporation, to file Form 1023, Application for Recognition of Exemption, with the United States Treasury Department, in order to secure tax-exempt status for the corporation pursuant to Section 501(c)(3) of the Internal Revenue Code


of 1986, as amended, and to take all such actions as may be necessary in order to secure such tax-exempt status.

6. RESOLVED, the directors hereby adopt the Conflict of Interest Policy attached hereto as Exhibit B and incorporated herein by this reference.

7. RESOLVED, that the corporation adopts as its annual accounting period a fiscal year ending on December 31 of each year.


8. RESOLVED, that officers of the corporation are authorized to take such actions as may be necessary or proper to implement each of the foregoing resolutions.

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




Carol Keppler
Secretary

APPROVED:

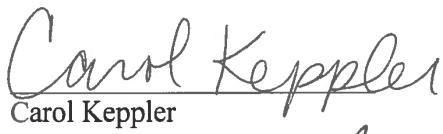


Vincent Piano
Chairman

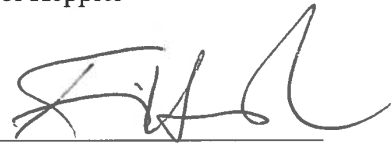
Each of the undersigned directors hereby (i) waives call and notice with relation to the foregoing meeting; (ii) approves the actions taken at the meeting as set forth in the minutes; and (iii) ratifies and approves the minutes as an accurate record of action taken by the directors at such meeting:



Vincent Piano



Carol Keppler



Kevin Hannah

Exhibit A

**BY-LAWS
OF THE
TRANSACTION RECORD ANALYSIS CENTER, INC.**

**ARTICLE I
NAME AND REGISTRATIONS**

Section 1. Name

The name of the Corporation shall be Transaction Record Analysis Center, Inc. (hereinafter referred to as the "TRAC").

Section 2. Registered Office and Agent

The Corporation shall maintain in the State of Arizona a registered office and a registered agent whose office shall be identical with such registered office, and may have such other offices within or without the State of Arizona as the Board of Trustees may from time to time determine.

Section 3. Seal

The Board of Trustees shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, State of Arizona."

**ARTICLE II
PURPOSES**

Section 1. Not for Profit

The Corporation is organized and shall operate as a not-for-profit Corporation, and shall have such powers as are now or may hereafter be granted by the laws governing not-for-profit corporations of the State of Arizona.

Section 2. Purposes

The purposes for which the Corporation is organized subject to the limitations of Article VIII below are charitable, educational, research, and training, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, including but not limited to the promotion of education, research, and training activities in the field of Anti-Money Laundering. The TRAC shall receive funds and research, train, and educate law enforcement agencies nationwide in the area of Anti-Money Laundering.

**ARTICLE III
MEMBERS**

The Corporation shall have no members.

**ARTICLE IV
BOARD OF TRUSTEES**

Section 1. General Powers

The policies of the Corporation shall be established by its Board of Trustees, which shall also promote the objectives and programs of the TRAC.

Section 2. Composition, Tenure and Qualifications

The Board of Trustees shall be composed of five (5) members as follows: Vincent Piano, Carol Keppler, Kevin Hannah, Ron Sterrett, and David Otanez.

Members shall be appointed and elected on the basis of their related expertise, their knowledge of the emergent issues facing anti-money laundering, and their agreement with and commitment to the purposes of the TRAC.

The terms of the members of the Board shall be for three (3) years, with a limit of two (2) consecutive three (3) year terms, except that officers of the TRAC may serve three (3) consecutive three (3) year terms.

Section 3. Regular Meetings

A regular annual meeting of the Board of Trustees shall be held at a time and place as may be designated by the President without any other notice than this By-Law and such designation. The Board of Trustees may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 4. Special Meetings

Special meetings of the Board of Trustees may be called by the President or a majority of the Trustees. Meetings of the Executive Committee (Officers) may be called by the President.

Section 5. Notice

Notice of any special meeting of the Board of Trustees shall be given at least seven (7) days previously thereto by written notice delivered personally or sent by mail, FAX, or telegram to each trustee, deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by mail, such

notice shall be deemed to be delivered on the day following the day such notice is deposited in the United States mail. If notice is given by FAX or telegram, such notice shall be deemed to be delivered when the FAX or telegram is delivered to the telegraph company. Any trustee may waive notice of any meeting.

Section 6. Quorum

A majority of the Board of Trustees, including at least one officer, shall constitute a quorum for the transaction of business at any meeting of the Board, provided that, if less than a majority of the trustees is present at said meeting, a majority of the trustees present may adjourn the meeting without further notice.

Section 7. Manner of Acting

Each member of the Board of Trustees shall have one vote. The act of a majority – but not less than 3 – of the trustees present at a meeting at which a quorum is present shall be the Act of the Board of Trustees, except where otherwise provided by law or by these By-Laws.

Section 8. Informal Action by Trustees

Any action required to be taken at a meeting of the Board of Trustees or any action which may be taken at a meeting of trustees may be taken and adopted by mail or FAX providing unanimous approval is received. Such action(s) may also be taken by telephone conference call; however, in the case of vote by telephone conference call adoption of any action shall require a vote of at least 3 trustees, as in the case of regular or special meetings.

Section 9. Vacancies

Any vacancy occurring on the Board of Trustees or any trusteeship to be filled by reason of an increase in the number of trustees may be filled in the same manner as provided in the case of the original appointments at the next regular meeting of the Board.

Section 10. Compensation

Two Trustees are receiving a salary as Independent Contractors. The remaining three Trustees shall not receive any salaries for their services as a member of the Board. However, by resolution of the Board of Trustees, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board.

ARTICLE V OFFICERS

Section 1. Officers

The officers of the Corporation shall be elected from the membership of the Board. They shall be the President, Treasurer and Secretary and their term of office shall be for one (1) year with unlimited reelection permitted.

The President, Treasurer, and Secretary shall perform their duties on behalf of the TRAC and shall serve the TRAC until their successors have been duly elected or appointed.

Section 2. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by vote of the Board of Trustees for the unexpired portion of the term.

Section 3. President

The President shall preside at all meetings of the Board of Trustees and shall be Chairman of the Board; and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 4. Treasurer

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable by the Corporation, and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the duties incident to the office of Treasurer and such duties as from time to time may be assigned to him by the President or the Board of Trustees.

Section 5. Secretary

The Secretary shall keep minutes of the meetings of the Board of Trustees in books provided for the purpose, see that all notices are duly given in accordance with these By-Laws or law, be custodian of the Corporate records and see that the seal is affixed to all necessary documents (the execution of which is duly authorized), and in general, shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or the Board of Trustees.

Section 6. Bond and Sureties

The Officers if requested and required by law or the Board of Trustees, shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Trustees shall determine.

ARTICLE VI COMMITTEES

Section 1. Committees of the TRAC

The Board of Trustees, by resolution adopted by vote of the trustees, may establish one or more committees, each of which shall include one or more trustees. The President of the Corporation shall appoint the chair and members thereof. The Secretary shall serve as the secretary of such committees. However, the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Trustees, or individual trustees, of any responsibility imposed upon them by law.

Section 2. Executive Committee

The Board of Trustees shall designate an Executive Committee consisting of its officers (who shall serve without vote) to manage the day-to-day operations of the Corporation, and which shall report no less than annually to the full Board of Trustees.

Section 3. Terms of Office

Each member of a committee shall continue as such until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall cease to qualify as a member thereof.

Section 4. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5. Quorum

Unless otherwise provided in the resolution of the Board of Trustees establishing a committee, a majority of the whole committee shall constitute a quorum and a majority of the total members of the committee shall be the act of the committee. If less than a majority of committee members is present at said meetings, a majority of the members present may adjourn the meeting without further notice.

Section 6. Rules

Each committee shall follow Roberts Rules of Order unless it elects to adopt other rules for its own conduct that also are not inconsistent with these By-Laws or with rules adopted by the Board of Trustees.

ARTICLE VII ADMINISTRATION

Section 1. Contracts

The Board of Trustees may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Purchase Orders, Etc.

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by the President, and countersigned by the Secretary, or in such manner as from time to time may be determined by resolution of the Board of Trustees.

Section 3. Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Treasurer may select.

Section 4. Gifts

The TRAC may accept, on behalf of the Corporation, any contribution, gift, bequest, or device for the general purpose or for any designated purpose of the Corporation.

Section 5. Books and Records

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board of Trustees and its committees. An audit shall be conducted annually.

Section 6. Fiscal Year

The fiscal year of the Corporation shall be the calendar year, unless otherwise specified by resolution of the Board of Trustees.

ARTICLE VIII WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of the General Not For Profit Corporation Act of the State of Arizona or under the provisions of the Articles of Incorporation of these By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether

Exhibit B

Conflict of Interest Policy
OF THE
TRANSACTION RECORD ANALYSIS CENTER, INC.

Article I
Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Transaction Records Analysis Center Inc. (TRAC)) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II
Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III
Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

