

MINUTES OF ORGANIZATION MEETING

OF BOARD OF DIRECTORS OF

BBC ENTERTAINMENT, INC.

The organizational meeting of board of directors of the above captioned corporation was held on the date, time, and at the place set forth in the written waiver of notice signed by all the directors, fixing such time and place, and prefixed to the minutes of this meeting.

There were present the following: Charles Colombe and L. Wayne Boyd, John Boyd was absent, those individuals being all of the potential shareholders and directors of the corporation.

The meeting was called to order by Charles Colombe. It was moved, seconded, and unanimously carried that Mr. Colombe should act as temporary chairman for the purposes of conducting the organizational meeting.

It was moved, seconded, and unanimously carried that Mr. L. Wayne Boyd should act as temporary secretary for the purposes of conducting the organizational meeting.

The temporary chairman reported that the Articles of Incorporation were filed in the office of the Minnesota Secretary of State on February 8, 1993 and that the incorporation was effective as of the date of filing. The secretary was then instructed to insert a copy of the Articles of Incorporation together with the Certificate of Incorporation in the corporate minute book.

A discussion was held relative to the By-laws of the corporation and it was determined to operate without By-laws.

The temporary secretary reported that if the corporation should determine to adopt a seal that it should be placed at this point in the corporate records, and in the interim any action taken by the corporation would be valid whether or not it had a corporate seal affixed. Upon motion duly made, seconded and unanimously carried it was

RESOLVED, that the form of seal be, and it hereby is, approved and adopted as and for the corporate seal of (SEAL) this corporation, and that an impression thereof be made on the margin of these minutes.

There was discussion relative to certificates to represent the shares of the corporation. Upon motion duly made, seconded and unanimously carried it was

RESOLVED, that the corporation shall not issue certificates representing its shares of stock, but rather each shareholder shall be provided with a notice, a copy of which shall be retained by the corporation advising that shareholder of the following:

- (a) The name of the corporation;
 - (b) A statement that the corporation is incorporated under the laws of the State of Minnesota;
 - (c) The name of the person to whom it is issued; and
 - (d) The number and class of shares, and the designation of the series, if any, that the certificate represents.
- The notice shall be signed by the corporate president or other specifically designated officer.

The banking arrangements of the corporation were then discussed. After discussion, on motion duly made, seconded and carried the officers of the corporation are authorized to execute standard banking authorization resolutions to be furnished by the First Bank, Rapid City, SD, or such other banks with whom the corporation shall hereafter determine to establish banking accounts, which resolution was unanimously approved and the

resolution set forth in such banking authorization resolution were unanimously adopted. A conformed copy of such banking authorization resolution was ordered annexed to the minutes of the meeting at such time as it shall in fact be executed on behalf of the corporation.

The chairman then advised that it was in order to consider issuing shares of the corporation, and he presented a "plan to offer shares qualifying under § 1244 of the Internal Revenue Code" for consideration. He noted that this section grants ordinary loss tax treatment in the event that any loss is sustained on such shares by the shareholders. After discussion on motion duly made, seconded and unanimously carried it was

RESOLVED, that the "plan to offer shares qualifying under § 1244 of the Internal Revenue Code" is hereby approved and adopted by this board of directors, and that a copy of such plan be annexed to the minutes of this meeting; and it was

RESOLVED, that the president and such other officers as he may designate are hereby authorized, empowered and directed to take any and all actions necessary or desirable to carry out the provisions of said plan.

There was then presented to the meeting written offers to purchase shares of the corporation by Charles Colombe, L. Wayne Boyd, and John Boyd; the offers to purchase shares of stock from the said individuals consisted of an offer from Charles Colombe to purchase 50,000 shares of the \$.10 par value Common stock for the sum of \$5,000; the offer of L. Wayne Boyd to purchase 25,000 shares of the \$.10 par value Common stock of the corporation for the sum of \$2,500; and the offer of John Boyd to purchase 25,000 shares of the \$.10 par value Common stock of the corporation for the sum of \$2,500, said amount to be paid by them individually. It was

understood and agreed by all shareholders that additional calls would be made for stock purchases as the corporation would need a substantial investment before shareholders would see any return, and that any shareholders who could not pay their subscription and future calls, would lose their rights in the corporation. After discussion, on motion duly made, seconded and unanimously carried it was

RESOLVED, that the sum of \$5,000 is a fair and equitable price to be paid for 50,000 shares of the common stock of the corporation by Charles Colombe and the sum of \$2,500 is a fair and equitable price to be paid for 25,000 shares of the common stock of the corporation by L. Wayne Boyd and John Boyd and that the offers to purchase the said shares be, and the same hereby are, accepted.

Receipt of the sum of \$5,000 from Charles Colombe was duly acknowledged and the appropriate officers of the corporation are herein authorized to issue 50,000 shares of the common stock of the corporation to Charles Colombe, which shares upon their issuance shall be fully paid and non assessable.

L. Wayne Boyd indicated that he and John Boyd would be issuing checks in payment for their shares at an early date.

The meeting then preceded to the election of directors. Upon motion duly made, seconded and unanimously carried Charles Colombe, L. Wayne Boyd and John Boyd were elected directors, to serve as such until their successors shall be duly elected and qualified, or they shall terminate their relationship as shareholders.

The meeting then preceded to the election of officers. Upon nomination duly made and seconded, the following were elected and qualified:


President: Charles Colombe

Vice President: John Boyd

Secretary/Treasurer: L. Wayne Boyd

The president of the corporation thereupon assumed the chair, and the secretary of the corporation assumed the duties of secretary of the meeting.

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

A handwritten signature in cursive script, appearing to read "Charles G. Gough", written over a horizontal line.

WAIVER OF NOTICE OF FIRST MEETING OF SHAREHOLDERS

OF

BBC ENTERTAINMENT, INC.

We, the undersigned, being all of the shareholders of the corporation hereby agree and consent that the organizational meeting of shareholders of the corporation be held on the date and time and at the place designated hereunder, and hereby waive all notice whatsoever of such meeting and of any adjournment or adjournments thereof.

We do further agree and consent that any and all lawful business may be transacted at such meeting, or at any adjournment or adjournments thereof, as may be deemed advisable by the shareholders present thereat. Any business transacted at such a meeting or any adjournment or adjournments thereof, shall be as valid and legal and of the same force and effect as if such meeting or adjourned meeting were held after notice.

Place of Meeting: Johnson, Eklund & Abourezk Law Office
Gregory, South Dakota

Date of Meeting: February 9, 1993

Time of Meeting: 2:00 p.m.

Dated this 9th day of February, 1993.

