

*Original Minutes Prepared by
Revised by Legal Counsel Kim Zeitlin*

ACA GOVERNING COUNCIL MEETING

Action Minutes June 30, 1994

Call to Order

The conference call meeting of the ACA Governing Council was called to order at 12:15 p.m., on June 30, 1994. Members participating in all or part of the meeting were as follows:

Jackie M. Allen, Western Region
David Capuzzi, AADA
Jane C. Chauvin, ASERVIC
Doris Rhea Coy, ACA President-Elect
Robert Godinez, Parliamentarian
Rae C. Gundersen, Midwest Region
Diana Hulse-Killacky, ASGW
Rosalie Humphrey, ASCA
Marilyn A. Jefferson-Payne, AMCD
Mary Finn Maples, ACCA
Carole W. Minor, NCDA
Beverly J. O'Bryant, ACA President
Richard C. Page, IAAOC
Lee J. Richmond, ACA Past President
Pat Schwallie-Giddis, ACA Acting Executive Director

Jon D. Carlson, IAMFC representative was unable to participate, and the Division was represented by President-Elect Don W. Locke.

Other persons participating in the call were:

Joyce M. Breasure, ACA President-Elect-Elect
Eric Geppert, ACA Real Estate Attorney
John L. Jaco, ACA Executive Director, effective July 1, 1994
Andrew Keeney, ACA Real Estate Attorney
Kim Zeitlin, ACA General Counsel

Building Loan Resolution

President O'Bryant explained that the purpose of the call was adoption of a resolution to designate the person to be authorized to sign the documents required to complete settlement on the pending refinancing of the building. Although the Governing Council had authorized the Loan Committee at the April 1994 meeting, the lending institution had advised that that resolution did not specify a person who would sign the documents and the institution is requiring that that be done.

It was moved by Chauvin and seconded by Humphrey that: The Minutes of this meeting shall be the resolution being considered. Motion passed.

Following the adoption of this motion, President O'Bryant asked the real estate attorneys, Mr. Keeney and Mr. Geppert, to explain the loan process thus far and clarify the need for a more exclusive, definitive resolution than had already been passed at the Governing Council meeting in May. The attorneys also explained that the banking institution required definitive direction from the Council that the new Executive Director could complete and sign the negotiation document in a timely fashion, that the Governing Council had approved the minutes which were specifically the resolution, and that the general counsel be able to render the legal opinion that this had been done. Following the explanation of the resolution, ample time was given for discussion, questions and deliberations.

Vote was then called for to: Adopt the resolution as amended (to show David Capuzzi as a current Governing Council member). Motion passed. (The resolution, as adopted, reads as follows:

WHEREAS, on September 30, 1991, Sovran Bank, N.A., currently known as NationsBank, N.A. ("**NationsBank**"), made a Credit Line Deed of Trust Loan in the amount of One Million Nine Hundred Fifty Thousand and 00/100 Dollars (\$1,950,000.00) (the "**NationsBank Loan**") to American Counseling Association (then known as American Association for Counseling and Development) (the "**Association**") and Counseling and Human Development Foundation (the "**Foundation**") for the purpose of financing the Association's purchase of its headquarters building located at 5999 Stevenson Avenue, Alexandria, Virginia;

WHEREAS, The NationsBank Loan matures on October 1, 1994;

WHEREAS, NationsBank, by itself and through its agent AMRESKO Institutional, Inc. ("**AMRESKO**"), has notified the Association that it and the Foundation are in default under the NationsBank Loan with respect to certain covenants contained in the Credit Line Deed of Trust securing the NationsBank Loan;

WHEREAS, AMRESKO has been willing to advise NationsBank not to exercise any of its rights, remedies or powers with respect to the NationsBank Loan pending maturity of the loan unless a default occurs with respect to a monetary obligation to NationsBank, with the understanding that the Association is seeking to refinance the NationsBank Loan before maturity;

WHEREAS, this Governing Council has reviewed certain alternative methods by which the Association may repay, restructure or refinance the NationsBank Loan pending its maturity, all as presented to this Governing Council from time to time during the preceding months by the Association's Acting Executive Director, President and Controller, together with the assistance of special financial and legal advisors who have been retained to advise the Association with respect thereto, including, but not limited to, transactions involving the purchase of the NationsBank Loan by the Association, the Foundation and the Association's insurance trust affiliate, financing to be provided by commercial lenders or institutional investors and the sale and leaseback of the building; and

WHEREAS, this Governing Council adopted a resolution on or about April 20, 1994 by vote of 16 members for, 3 against and 4 abstentions, a copy of which resolution shall be attached to and made part of the minutes of this special meeting, pursuant to which a Loan Committee (as therein defined) was designated

and authorized and directed, among other things, to cause the Association to seek out, negotiate and close one more loans as described therein;

WHEREAS, the Loan Committee, pursuant to its authority, has, among other things, obtained a commitment (the "Commitment") from Shenandoah Life Insurance Company ("SLIC") to lend to the Association \$1,400,000.00 (the "SLIC Loan") to refinance the NationsBank Loan, subject to the terms and conditions of the Commitment, the principal terms of which have been presented to this Governing Council; and

WHEREAS, this Governing Council deems it to be in the best interests of the Association to proceed with the closing of the SLIC Loan, and in furtherance thereof deems it to be in the best interests of the Association to adopt the resolutions set forth below;

NOW, THEREFORE, BE IT:

RESOLVED, that each and every of the actions heretofore taken or caused to be taken by the Loan Committee with respect to the SLIC Loan are hereby ratified and confirmed in all respects and adopted as the actions of the Association, including but not limited to, the execution and delivery of the Commitment by Patricia Schwallie-Giddis and Beverly J. O'Bryant and the performance of the Commitment up to and including the date hereof;

RESOLVED, that the Loan Committee shall continue in existence for one year with its members on and after July 1, 1994, being John Jaco, Executive Director (including all successor Executive Directors), Patricia Schwallie-Giddis, Immediate Past-Acting Executive Director (until the Loan Committee is terminated), Doris Rhea Coy, President (including all successor Presidents), Beverly J. O'Bryant, Immediate Past-President (until her term as such expires), Richard Mozier, Controller (until his employment as Controller terminates) and David Capuzzi, member of this Governing Council (until the Loan Committee is terminated);

RESOLVED, that the Loan Committee has under authorization and direction of this Governing Council, and with the advice of legal and financial counsel, negotiated the principal terms of such documents and instruments as SLIC has required to evidence the borrowings under the SLIC Loan and to secure the obligations thereunder (the "SLIC Loan Documents");

RESOLVED, that John Jaco or such other Executive Director then in office (as the Association's duly authorized officer and attorney-in-fact for such purposes) is hereby authorized and specifically directed, on behalf of the Association, at any time hereafter and without further action by or authority or direction from this Governing Council, in his discretion to further negotiate and to execute, deliver and perform, or cause the Association to perform, the SLIC Loan Documents, and upon execution and delivery of the SLIC Loan Documents by the Executive Director on behalf of the Association, the same shall be legal, binding and valid obligations of the Association enforceable against it according to their respective terms; and

RESOLVED, that John Jaco or such other Executive Director is hereby authorized and specifically directed on behalf of the Association, at any time and from time to time hereafter and without further action by or authority or direction from this Governing Council, provided that the advice of legal and financial counsel shall be sought by the Executive Director, in his discretion to execute and deliver (or cause to be executed and delivered by such other officers designated by the Executive Director) all such other and further certificates, agreements, requests, statements, instruments and documents and to do or cause to

be done all such other and further acts and things as the Executive Director may determine to be necessary or advisable under or in connection with the SLIC Loan, and that the execution by the Executive Director or such other officers authorized by the Executive Director to execute the same, any such agreement, request, statement, instrument or document or the doing of any such act or thing shall be the legal, binding and valid obligation of the Association enforceable against it according to its terms.

The above resolution specified that a copy of the resolution adopted in April 1994 to authorize the Loan Committee be attached to and made a part of these Minutes. That resolution reads as follows:

That Acting Executive Director Pat Schwallie-Giddis, the new Executive Director, President Beverly J. O'Bryant, President-Elect Doris Coy, Controller Richard Mozier, and Governing Council member David Capuzzi (serving as ex officio), be, and all of them acting as a committee (hereafter, the "Loan Committee"), are hereby authorized and directed, on behalf of the Association, at any time hereafter and without further action by or authority or direction from this Governing Council, provided that the advice of legal and financial counsel shall be sought by such committee, to cause the Association to negotiate the terms of and enter into one or more long term real estate loans and working capital revolving line of credit loans with such lenders as the Loan Committee deems to be in the best interests of the Association to refinance its existing loan with NationsBank and to secure additional funds for working capital needs of the Association, including, but not limited to, authority to negotiate, execute, deliver, perform and enforce applications, commitments, loan agreements, promissory notes, deeds of trust and other security agreements and arrangements with respect to such loans. The Loan Committee is also authorized to deal with sale of the building.

It was moved by Chauvin and seconded by Locke that: The Governing Council approve the Minutes of this June 30, 1994 meeting. Motion passed unanimously.

Adjournment

There being no further business, the conference call meeting of the Governing Council adjourned at 1:05 p.m., on June 30, 1994.

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