

SUMMARY OF MINUTES
Regular Meeting
of the Board of Directors
of Recreational Equipment, Inc.
July 24, 2006

The meeting was attended by Board Chair Doug Walker and directors Bill Britt, Ivar Chhina, Anne Farrell, Joanne Harrell, Tom Harville, Sally Jewell, Chuck Katz, Angel Rodriguez, Cheryl Scott, and Michael Smith. Corporate officers and employees attending the meeting were: Danette Capello, Matt Hyde (for morning executive session only), Brad Johnson, Brian Unmacht, and Catherine Walker.

Here is a summary of the subjects discussed and actions taken.

- The meeting started with an executive session.
- The minutes of the regular board meeting of June 4, 2006, were approved as submitted.
- Sally Jewell, with participation from Brian Unmacht, provided the Board with the President's Report. Among the topics covered in the report were the updates: The Employee Handbook, a discount card for employees with 25 years of service, and a report on the recent Real Estate Symposium.
- Chief Administrative Officer and Chief Financial Officer Brad Johnson provided a financial report for June and the year-to-date, noting the company's very strong performance in all areas.
- Mr. Johnson introduced Mark Lester and John Clouse to give the Board an update on the work underway to update the Company's Strategic Plan.
- Bill Britt introduced George Corcoran to present the results of the Board evaluation. Mr. Corcoran synthesized the survey results and focused on the opportunities for director education and training.
- Mr. Britt led a discussion among directors about ideas for training and development. The Board agreed to focus director education in three main areas: industry, Company, and corporate governance. The Nominating and Governance Committee is the committee responsible for guiding the Board's work in this area.
- Tom Harville reported on Jefferson Wells' audit review and schedule. The Committee's budget review will take place in early November, prior to presentation to the Board. Tom Harville also presented and received approval for a new store approval policy and a new REI store market.
- For the Nominating and Governance Committee, Mr. Britt reported that the Committee met with Adam Forest and Adrienne Graf of The Forest Group to review progress on the search for director candidates.
- For the Compensation Committee, Joanne Harrell reported that the Committee reviewed the Company's profit-sharing and retirement plan and the assignment of oversight and management responsibilities associated with this ERISA plan. In addition, the Committee reviewed an analysis by management of the design of the Xcels (incentive) program.
- The meeting concluded with an executive session and was adjourned at 4:25 p.m.