

SUMMARY OF MINUTES
Regular Meeting
of the Board of Directors
of Recreational Equipment, Inc.
September 25, 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, and Michael Smith. Director Joanne Harrell joined the meeting late and director Cheryl Scott was absent. Corporate officers and employees attending the meeting were: Danette Capello, Lee Fromson (for morning executive session only), Matt Hyde, 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.
- Doug Walker updated the Board on his attendance at the 2006 Outdoor Retailer show, including several presentations he attended. The minutes of the regular board meeting of July 24, 2006, were approved as submitted.
- Sally Jewell, with participation from Matt Hyde, provided the Board with the President's Report. Among the topics covered in the report were the following: 2006 Outdoor Retailer Show, Recreation Economy Research Launch, an update on recreational policy issues, and IS Systems.
- Chief Administrative Officer and Chief Financial Officer Brad Johnson provided the Company's financial performance year-to-date through August, noting the company's very strong performance in all areas.
- Dave Presley joined the meeting to provide the Board with an update on distribution and logistics. Mr. Presley also introduced Rick Bingle, the company's new Director of Global Supply Chain. Mr. Presley provided an update on Sumner and Bedford DC improvements and Rich Bingle provided an overview of the supply chain strategic plan. The Board approved a resolution for additional capital in support of the Bedford DC project.
- Mr. Johnson introduced Mark Lester and John Clouse, who joined the meeting to present the Strategic Plan to the Board, which the Board voted to approve.
- Brian Unmacht introduced Dean Iwata (Director of Store Development), Michelle Eten (Director of Planning & Research), and Jerry Chevassus (Director of Real Estate), to provide the Board with an overview of the retail store expansion strategy. The Board approved the revised policy to guide REI's retail expansion.
- Tom Harville presented the report of the Audit and Finance Committee. The Committee received an update from its external auditors, Grant Thornton, on receipt trends in accounting procedures. The company's internal auditors also presented an update to the Committee on completed and in-process audits. The Committee discussed its role in overseeing the real estate strategy of the Company, and reviewed proposed revisions to the Audit and Finance Committee Charter (which the Committee approved).
- For the Nominating and Governance Committee, Mr. Britt reported that the Committee has been busy with Adam Forrest, search consultant, of The Forest Group to review progress on the search for potential director candidates.
- For the Compensation Committee, Joanne Harrell reported on the company's merit increases for 2007. The Committee is also currently reviewing several compensation topics.
- The meeting concluded with an executive session and was adjourned at 4:24 p.m.