

Your board resolutions must be consistent with the your Bylaws. Also, Bylaws cannot say that your company must provide a Stock Certificate (the paper certificate that states who owns shares in the company). If this is the case for your company, then the you need to amend the Bylaws to permit the issuance of non-certified securities. Because the company is engaging transfer agents who do everything online and are able to deal with 3,000 new shareholders, the company's Bylaws must allow them to issue non-certified securities or issue shares in "book entry" (i.e., paperless) form. You may also need board consent to approve the amendment to the bylaws and the issuance of uncertified securities.

One of the Company's most valuable assets is its intellectual property. We currently hold 34 issued patents and the license to two additional patents, the Miller patents, as well as a number of trademarks, copyrights, Internet domain names, and trade secrets. We have 11 additional patents pending. We believe the most valuable component of our intellectual property portfolio is our patents and that much of the Company's current value depends on the strength of these patents. The Company intends to continue to file additional patent applications and build its intellectual property portfolio as we discover new technologies related to elliptical cycling and fitness.