

REGULATIONS

OF THE

CLERMONT SPORTS DEVELOPMENT CORPORATION

ARTICLE 1. NATURE AND PURPOSE OF CORPORATION

1.1. NONPROFIT ORGANIZATION.

As a nonprofit corporation organized pursuant to the provisions of the Ohio Revised Code Chapter 1702 (Nonprofit Corporation Code), the Clermont Sports Development Corporation (the “Corporation”) shall have no capital stock and no shareholders, but shall have one member.

No part of the net earnings, income or profit of the Corporation shall inure to the benefit of or be distributable to the Corporation’s directors, officers or other private individuals, except that the Corporation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of its purposes.

1.2. PURPOSES.

As set forth in its Articles of Incorporation, the Corporation is organized for such purposes as are permitted to corporations, which are exempt from tax under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended.

ARTICLE 2. MEMBERS

2.1. MEMBERSHIP.

The sole member of the Corporation shall be Clermont County Convention & Visitors Bureau, Inc., (the “CVB”), the address of which is 410 East Main Street, Batavia, OH 45121.

2.2. TRANSFER.

Membership in the Corporation shall not be transferable, but any successor to the CVB, Inc., by merger or otherwise, shall automatically be substituted for the Foundation as the member of the Corporation.

2.3. VOTING.

The member shall, by certified copy of a resolution of its Board of Trustees, designate an officer, trustee or other person connected with the member, who shall have authority to vote on behalf of the member of the Corporation, and to execute proxies and written waivers and consents in relation thereto. The Corporation shall be entitled to treat any person so designated as the person entitled to vote the membership interest of such member, and for all other purposes, and accordingly shall not be bound to recognize any equitable or other claim to or interest in such membership interest on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

2.4. RIGHTS OF THE MEMBER.

The member of the Corporation named in the Articles of Incorporation shall have the following rights:

- (a) to elect the members of the Board of Directors in accordance with the relevant provisions of Article III of these Regulations;
- (b) to approve or disapprove amendments to the Articles of Incorporation of the Corporation, in accordance with the relevant provisions of these Regulations;
- (c) to approve or disapprove any transaction involving a mortgage or pledge of, or creation of a security interest in, or conveyance of title to, all or any part of the property and assets of the Corporation of any description, or any interest therein, for the purpose of securing the payment or performance of any contract, note, bond, or other obligation of the Corporation;
- (d) to approve or disapprove any transaction involving a sale, lease, exchange, or other disposition of all or substantially all of the property and assets of the Corporation;
- (e) to inspect the financial records of the Corporation, upon written request, at the office of the Corporation during regular business hours;
- (f) to approve, or to disapprove, with or without cause, the use by the Corporation of the name, symbol, emblem, insignia or other identifying feature of the member, or of any institution affiliated with the member, prior to the use thereof for any purpose; and
- (g) to cause the dissolution of the Corporation and to receive upon such dissolution all of the assets of the Corporation which remain after payment of all debts and liabilities of the Corporation.

2.5. CONSENT BY WRITING.

Whenever the vote of the member is required or permitted to be taken in connection with any corporate action pursuant to law, the Articles of Incorporation or these Regulations, including, but not limited to, the election of directors, such action may be taken by written consent in lieu of a meeting, if such written consent setting forth the action so taken is signed by the person designated to vote the membership interest under Section 2.5 of these Regulations and filed with the Secretary of the Corporation; provided, however, that the member shall consider and approve or disapprove all corporate action requiring such approval immediately following the annual meeting of the Board of Directors, and at other times throughout the year upon request by the Chair or Secretary of the Corporation.

ARTICLE 3. BOARD OF DIRECTORS

3.1. ELECTION OF BOARD OF DIRECTORS.

The member of the Corporation shall elect a Board of Directors consisting of the same number of directors on the board of the member. If any vacancy shall occur by reason of resignation, death or otherwise, the member of Corporation shall elect a successor to fill such vacancy for the unexpired term of such vacating Director, but the remaining member of the Board of Directors may continue to act until such vacancy is filled, though less than a quorum.

3.2. TERM OF OFFICE OF DIRECTORS; SUCCESSION.

The term of office of each Director shall be two years and shall commence at the time specified in the written consent causing the election of such Director. A Director shall be eligible for re-election to succeed himself or herself.

3.3. RESIGNATIONS.

Any Director may resign at any time by delivering written notice to the Corporation. The resignation shall take effect at the time specified in the notice, and, unless required by the terms of the notice, acceptance shall not be necessary to the effectiveness of the resignation.

3.4. REMOVALS.

Any Director may be removed for cause by a majority vote of the Board of Directors, provided there is a quorum of not less than a majority present at the meeting of the Board at which such action is taken.

3.5. QUALIFICATIONS OF DIRECTORS.

Each Director shall be at least eighteen (18) years old, and may reside within or without Clermont County, OH at the time of his election.

3.6. AUTHORITY.

The Board of Directors shall manage the business and affairs of the Corporation and may exercise all powers of the Corporation, subject to any restrictions imposed by law, by the Articles of Incorporation or by these Regulations.

ARTICLE 4. MEETINGS OF BOARD OF DIRECTORS

4.1. ANNUAL MEETING.

The annual meeting of the Board of Directors shall be held as the Board of Directors may by resolution provide, or if the Board of Directors may by resolution provide, or if the Board of Directors fails to provide, then the meeting shall be held at the principal office of the Corporation on the ___ of _____ of each year at 10:00 a.m., or if such day is a legal holiday, then on the next succeeding business day, to elect officers and to transact any business brought before the meeting.

4.2. REGULAR AND SPECIAL MEETINGS.

At least one regular meeting of the Board of Directors shall be held each year, at such time and place, within or without the State of Ohio, as shall be determined by the Board and indicated in the notice of such meetings. Special meetings of the Board of Directors shall be held at such time and place, within or without the State of Ohio, as shall be designated in the notice of such meetings, and may be called by the Chair at any time, and shall be called by the Chair at the request of at least two members of the Board. The Board of Directors may specify by resolution prior to any special meeting that such meeting shall be in lieu of the annual meeting.

4.3. NOTICE.

Written notice shall be given of all meetings of the Board of Directors. Notice of a special meeting shall state (a) the place, date and hour of the meeting, (b) the purpose(s) for which the meeting is called, and (c) the person(s) at whose direction the meeting is being called. Notice of a special meeting of the Board of Directors shall be given by the Chair or the Secretary to each Director, not less than five days before the time fixed for such meeting, by written notice delivered personally or mailed to each Director at his business address, or by telegram. Notice of a regular meeting shall be given in the same manner not less than ten nor more than twenty days before the meeting. If mailed, notice shall be deemed delivered when deposited in the United States mail, so addressed, with postage prepaid. If notice is given by telegram, notice shall be deemed delivered when the telegram is delivered to the telegraph company. A Director, either before or after a special meeting of the Board of Directors, may waive notice of such meeting and such waiver shall be deemed the equivalent of giving notice. Attendance of a Director at any such meeting shall constitute waiver of notice of that meeting unless he attends for the express purpose of objecting to the transaction of business on the ground that the meeting was not lawfully called or convened.

4.4. QUORUM.

A majority of the Directors in Office shall constitute a quorum for the transaction of any business by the Board of Directors; but if less than a majority of the Directors is present, such Directors may adjourn the meeting from time to time without further notice. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

4.5. REQUIRED VOTE.

The act of a majority of the Directors present at a meeting of the Board at which a quorum is present shall be necessary to transact any business, except as otherwise provided by law, the Articles of Incorporation or by these Regulations.

4.6. ACTION WITHOUT A MEETING.

Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting if written consent setting forth the action is signed by all Directors and is filed with the minutes of the proceedings of the Board. Such consent shall have the same effect as a unanimous vote at the meeting of the Board of Directors. Any one or more Directors may participate in a meeting of the Board by means of a conference telephone communication, or similar communication allowing each participant to speak to and to hear all other participants.

4.7. PRESUMPTION OF ASSENT.

Any Director present at a meeting of the Board of Directors shall be presumed to have assented to any action taken at such meeting unless his dissent is entered in the minutes of the meeting or unless he files his written dissent to such action with the person acting as secretary of the meeting at the meeting or immediately after the adjournment thereof. Such right to dissent shall not be available to a Director who voted in favor of such action.

ARTICLE 5. OFFICERS

5.1. IN GENERAL.

The officers of the Corporation shall consist of a Chair, a Vice Chair-Chair Elect, a Treasurer, a President, a Secretary, and such other officers or assistant officers as may be elected by the Board of Directors. Each officer shall hold office for the term to which he has been elected or appointed and until his successor has been elected or appointed and has qualified, or until his earlier resignation, removal from office or death. Any two or more offices may be held by the same person, except that the same person shall not be both Chair and Secretary.

5.2. CHAIR.

The Chair shall be the Chief Executive Officer of the Corporation and shall preside at all meetings of the Board of Directors. The Chair shall perform other duties and exercise other such powers and authority as may be required of him or her by these Regulations or assigned to him or her by the Board of Directors.

5.3. VICE CHAIR-CHAIR ELECT.

The Vice Chair-Chair Elect shall act in the case of the absence or disability of the Chair and shall have other duties as may be assigned by the Chair or the Board of Directors.

5.4. TREASURER.

The Treasurer shall be responsible for maintenance of proper financial books and records of the Corporation, and shall have custody of its funds and other assets.

5.5. PRESIDENT.

The President, who may also be referred to as the Chief Operating Officer, shall have and exercise general control and supervision over the affairs of the Corporation and over the agents and employees of the Corporation in the day-to-day operation of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall perform such other duties and exercise such other powers and authority as may be required of him or her by these Regulations or assigned to him or her from time to time by the Board of Directors or directed by the Chair.

5.6. SECRETARY.

The Secretary shall give notice of all meetings of the Board of Directors for which notice is required, shall keep the minutes of the proceedings of the Board of Directors and shall maintain the general records of the Corporation.

5.7. OTHER AUTHORITY AND DUTIES.

Each officer, employee and agent of the Corporation shall have such other duties and authority as may be conferred upon him by the Board of Directors or delegated to him by the Chair.

5.8. REMOVAL.

Any officer may be removed at any time by the Board of Directors, and the Board of Directors may elect a successor.

5.9. COMPENSATION.

No salaries shall be paid to Directors or to the Chair, Vice Chair-Chair Elect or Treasurer for their services in such capacity, but the Board of Directors may authorize reimbursement of expenses incurred by them on behalf of the Corporation. The Board of Directors may authorize reasonable compensation for the services of any officers who serve as employees of the Corporation.

ARTICLE 6. DEPOSITORIES & SIGNATURES

6.1. DEPOSITORIES.

All funds of the Corporation shall be deposited in the name of the Corporation in such bank, banks, or other financial institutions as the Board of Directors may from time to time designate and shall be drawn out on checks, drafts or other orders signed on behalf of the Corporation by such person or persons as the Board of Directors may from time to time designate.

6.2. EXECUTION OF LEGAL INSTRUMENTS.

All contracts, deeds and other instruments shall be signed on behalf of the Corporation by the Chair or by such other officer, officers, agent or agents as the Board of Directors may from time to time provide, and at least one additional officer or Director.

ARTICLE 7. AUDITS AND REPORTS

7.1. ANNUAL STATEMENTS.

Not later than three months after the close of each fiscal year of the Corporation, the Corporation shall prepare:

(a) A balance sheet showing in reasonable detail the financial condition of the Corporation as of the close of the fiscal year; and

(b) A statement of revenues and expenditures showing the results of the Corporation's operations during the fiscal year, and a statement showing the changes in all funds for the fiscal year.

7.2. ANNUAL AUDIT.

The Corporation shall procure an annual audit of the Corporation's assets and financial reports by an independent certified public accountant selected by the Board of Directors. The results of such audit shall be available for inspection by each member of the corporation upon written request.

7.3. ANNUAL REPORT OF INSURANCE COVERAGE.

The Corporation shall prepare an annual report, which analyzes the types, amounts and costs of any liability, property or other insurance which the Corporation may desire, or be required, to maintain.

ARTICLE 8. INDEMNITY

8.1. DEFINITIONS.

For purposes of this Article:

“Proceeding” means any threatened, pending or completed action, suite or proceeding, whether civil, criminal, administrative or investigative.

“Expenses” means any reasonable expenses, including, but not limited to, attorneys’ fees, incurred in connection with a Proceeding.

“Liability” means any Expenses and any penalty, fine, judgment, excise tax, amount paid or to be paid in settlement, and any interest assessment or other charge imposed thereon, incurred in connection with a Proceeding.

“Other Enterprise” means any corporation, partnership, joint venture, trust or other enterprise (including an employee benefit plan) other than the Corporation.

“Indemnitee” means each person who is or was a director or officer of the Corporation, or who has at the request of the Corporation served as a director, officer, employee or agent of an Other Enterprise, or who has been designated by the directors of the Corporation as being entitled to indemnification under this Article by reason of his service to the Corporation or to an Other Enterprise at the request of the Corporation.

A *“Claim”* is an assertion made by an Indemnitee that he is entitled to indemnification or advancement of Expenses under this Article.

A *“Non-Indemnifiable Claim”* is a Claim with respect to any Liability for which indemnification is expressly prohibited under applicable Ohio law.

The masculine gender as used herein shall mean and include the feminine gender.

8.2. BASIS FOR INDEMNIFICATION.

Each Indemnitee who was or is a party or is threatened to be made a party to or is involved in any capacity in any Proceeding by reason of his service to or on behalf of the Corporation shall be indemnified and held harmless by the Corporation to the fullest extent permitted under Ohio law, against any Liability incurred or suffered by such Indemnitee in connection with investigating, defending, being a witness in, or participating in, or preparing for any of the foregoing in, any Proceeding. It is the Corporation’s intent that these Regulations provide indemnification in excess of that expressly provided by Ohio Revised Code Chapter 1702.

8.3. CORPORATION’S RIGHT TO ASSUME DEFENSE.

The Corporation shall be entitled to participate at its own expense in any Proceeding as to which an Indemnitee has notified the Corporation has been commenced against the Indemnitee and, to the extent it deems appropriate, may assume the defense of such Proceeding with counsel reasonably satisfactory to the Indemnitee unless the Proceeding was brought by or on behalf of the Corporation.

After the Corporation notifies the Indemnitee in writing of its election to assume the defense of any Proceeding, it will not be liable to the Indemnitee under this Article or otherwise for any Liabilities subsequently incurred by the Indemnitee in connection with the defense of such Proceeding other than reasonable costs of investigation unless:

- i) the Corporation does not in fact employ counsel to assume the defense of the Proceeding; or
- ii) the Corporation authorizes the Indemnitee to employ his own counsel.

8.4. INSURANCE.

The Corporation shall have the power to purchase and maintain insurance to cover any of its liabilities to indemnify under the provisions of this Article.

8.5. NOTICE OF INDEMNIFICATION.

If any Liabilities or other amounts are paid by way of indemnification under the provisions of this Article, other than by court order, or action by the member(s), or by an insurance carrier pursuant to the insurance maintained by the Corporation, the Corporation shall, not later than the next annual meeting of the Board of Directors, unless such meeting is to be held within three months from the date of such payment and in any event within fifteen months from the date of such payment, send by first class mail to all Directors then entitled to vote at the annual meeting a statement specifying the person paid, the amounts paid, and the nature and status of the Claim at the time of such payment.

8.6. SURVIVAL OF INDEMNIFICATION RIGHTS.

(a) The rights to indemnification provided under this Article shall continue as to a person who has ceased to be a director, officer, or other person designated as an Indemnitee under the provisions of this Article and shall inure to the benefits of his heirs, executors and administrators.

(b) Any amendment, repeal or modification of this Article shall not adversely affect any right or protection of any Indemnitee existing at the time of such amendment, repeal or modification.

8.7. LIMITATIONS ON INDEMNIFICATION.

(a) The Corporation shall not be liable to indemnify any Indemnitee under this Article for (1) any amounts paid in settlement of any Proceeding without the Corporation's written consent, which consent shall not be unreasonably withheld; or (2) any judicial award, if the Corporation was not given a reasonable and timely opportunity to participate, at its expense, in the defense of such Proceeding.

(b) The Corporation shall not be liable under this Article to make any payment in connection with any Claim to the extent the Indemnitee has otherwise actually received payment (under any insurance policy, agreement, vote or otherwise) of the Liabilities otherwise indemnifiable hereunder.

8.8. SUBROGATION.

In the event of any payment under this Article, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the recipient of the payment, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the Corporation effectively to bring suit to enforce such rights.

ARTICLE 9. ARTICLES OF INCORPORATION & REGULATIONS

9.1. ADOPTION

The member shall adopt these Regulations at an initial meeting for the purpose. Adoption of these Regulations shall also serve to ratify the Articles of Incorporation currently on file with the Secretary.

9.2. AMENDMENT

The member shall have the sole power to alter and amend the Articles of Incorporation or Regulations and to repeal the Regulations or to adopt new Regulations.