

Minutes

Board of Directors Meeting March 8, 2013

Amended – April 3, 2013

A meeting of the Board of Directors (the “Board”) of the United States Olympic Committee (“USOC”) occurred on March 8, 2013 at 8:00 a.m. local time, following notice duly given pursuant to the USOC Bylaws. The Chair called the meeting to order at approximately 8:10 a.m. The following members of the Board were present in person for the meeting: Larry Probst (Chair), Robbie Bach, Jim Benson, Scott Blackmun (CEO), Ursula Burns, Anita DeFrantz, John Hendricks, Nina Kemppel, Susanne Lyons, Bill Marolt, Mary McCagg, Dave Ogrea, Whitney Ping and Angela Ruggiero. Bob Bowlsby and Dave Ogrea joined the meeting telephonically. The above present members constitute a quorum of the Board under the USOC Bylaws Section 3.16. Jim Easton was unable to attend the meeting.

Present for the meeting from USOC management were: Rick Adams, Alan Ashley, Lisa Baird, Rana Dershowitz, Walt Glover, Charlie Huebner, John Ruger, Patrick Sandusky, Kirsten Volpi and Michelle Stuart. At Scott Blackmun’s invitation, Sarah Konrad, Chair of the Athletes Advisory Council, attended the meeting as well.

The minutes were recorded by Rana Dershowitz, Secretary.

1. Call to Order and Welcome

The Chair called the meeting to order and welcomed the Board, particularly noting the presence of the Board’s new members, Bill Marolt and Whitney Ping.

2. Financial Report

Walt Glover, Chief Financial Officer, reported to the Board on the USOC’s 2012 year-end financial results. Mr. Glover explained certain changes in the final year end results as compared to the forecast presented to the Board in December. He explained that actual year end revenue results from Development were lower than year end projections, but noted that this gap remained offset (as compared to budget) by licensing and sponsorship revenue that exceeded budget as well as favorability in expenses. He reported that despite the changes, the USOC still completed the year favorable to expectations overall.

Mr. Glover next presented the Board with a budget comparison of the 2009-2012 quadrennium to the 2005-2008 quadrennium. He reminded the Board of the budget planning that had occurred in 2009, including project cuts based upon projected revenue shortfalls. As revenue ultimately exceeded expectations for the quad overall, the organization was able to resume several programs that had preliminarily been cut in

2009. Mr. Glover provided the Board with an overview of the USOC's quadrennial financial results. Finally, Mr. Glover showed the Board the USOC's cash position as compared to the prior quad.

Mr. Glover then reported to the Board on the USOC's financial results as of January 31, 2013. He explained that variance to budget to date all appears to be timing related.

3. Development Discussion

Scott Blackmun reminded the Board of the robust discussion regarding USOC Development goals and expectations that had occurred within the Strategic Planning Working Group from 2012 and as part of the Strategic Plan approval process. He explained to the Board that the USOC had engaged Bruce Flessner and his company to undertake a more thorough assessment of the USOC's Development efforts and work with a group of Board and staff members (the Development Working Group) to develop recommendations regarding how to best structure the USOC's efforts in this space. Mr. Blackmun introduced Mr. Flessner to the Board and requested that he present the thinking and recommendations of the Development Working Group to the Board.

Mr. Flessner walked the Board through the historic results of the USOC's Development efforts. He highlighted the group's successes to date and some of the challenges it faces. He explained that the goal of the Development Working Group was to develop a model that would allow the USOC to have an achievable goal of raising \$200M for the 2017-2020 quad. Mr. Flessner then presented the Board with the Working Group's seven key recommendations, including a fundamental restructuring of the USOC's development efforts.

The Board engaged in a thorough discussion of the recommendations, including particularly the benefits and detriments of the structure being contemplated. Several Board members shared insights they had learned from participation in various different development models with different organizations. The Board expressed general concern regarding certain reporting structures being recommended and expressed its desire to ensure that appropriate checks, balances and controls were maintained in connection with any redesign. Various possible ways of addressing these concerns were discussed.

Mr. Flessner and the Board next turned to a discussion regarding fundraising by NGBs and how the USOC can enhance NGB fundraising.

Thereafter, the discussion turned to the staffing needs and budget requirements for the kind of enhanced development efforts being contemplated, both in the short term (2013) and in the long term (once any new structure is effectuated). It was noted that the individual hired to lead these efforts will be critical.

A motion was made to accept the recommendations of the Development Working Group subject to modifications to the reporting dynamics as discussed. The motion with the caveat passed unanimously.

4. Marketing and Development Report

Lisa Baird, Chief Marketing Officer and interim head of Development, provided the Board with an update on both Marketing and Development. Mrs. Baird first spoke about Development. She presented the financial results, as well as the group's short- and mid-term goals, noting that long-term goals will be shaped by the results of Board's prior discussion as well as the new head of the effort. Mrs. Baird explained that the USOC is working with Deloitte to develop case studies that may be shared with potential donors, detailing more transparently how donations are used for athlete support. It was noted that these case studies will be very helpful to show the AAC as well.

Mrs. Baird next advised the Board that the USOC is working to streamline and rationalize the 2013 direct marketing campaigns to align them effectively to a brand value proposition. Finally, she explained the work being done on the major gift prospect management system and certain other processes.

Mrs. Baird then turned to Marketing and updated the Board regarding the 2013-2016 quadrennial marketing revenue projections. She noted several renewals and new sponsorships which had recently been signed, and reported to the Board regarding the USOC efforts as compared to budget for the quad. Mrs. Baird noted that the USOC will soon need to start focusing on sales for the 2017-2020 quad.

Mrs. Baird next updated the Board regarding key marketing initiatives for 2013, including those around the U.S. Olympic Team Trials as well as certain mobile and digital and telecast initiatives.

5. Sport Performance Update

Alan Ashley, Chief of Sport Performance, updated the Board regarding the USOC's planning for the Sochi Olympic Winter Games. The Board engaged in a discussion regarding challenges facing certain winter sports right now. Mr. Ashley then explained his strategy for focusing efforts in 2013 and noted that his goal is to simplify matters for the athletes as much as possible across every sport so that they are free to focus fully on their on the field efforts.

6. Olympic Museum

Kirsten Volpi, Chief Administrative Officer, updated the Board regarding an inquiry that the USOC has received from a group in Colorado Springs regarding an Olympic Museum. She explained to the Board the work the group had already done regarding feasibility and funding. The Board discussed the pros and cons of having an Olympic Museum in Colorado Springs. The Board requested further information and indicated that it would only support a project like this if it was convinced an Olympic Museum was a strategic priority for the organization and that appropriate USOC resources can and would be engaged to support it.

7. OTC Renovation Update

Ms. Volpi updated the Board regarding the renovation work being done at the Colorado Springs OTC. She explained the work that has been completed, the work in progress and the next steps planned, noting that key projects for 2013 include Sports Medicine enhancements as well as strength and conditioning facilities. Ms. Volpi noted that the Visitor Center project is currently on hold pending the Olympic Museum discussion.

The discussion then turned to the effects the enhancements may have on high performance. Mr. Ashley explained that the NGBs are not being pushed to use the OTCs, but instead are simply offered the ability to include OTC access within their high-performance plans. He explained that each NGB is encouraged to set and drive its own high-performance strategy based upon its own needs assessment. He noted that the enhancements may have the effect of causing more NGB high performance use, but confirmed that they are not being undertaken in response to specific NGB requests. The discussion then shifted to the overall role of the OTCs within the Olympic Movement.

8. US Anti-Doping Agency Presentation

Mr. Blackmun reminded the Board of the structure of anti-doping efforts within the United States, with oversight over anti-doping testing and adjudication shifted to the U.S. Anti-Doping Agency (USADA), an independent entity, over a decade ago. Mr. Blackmun then introduced Travis Tygart, USADA's CEO, and Edwin Moses, USADA's Chairman of the Board, to the USOC Board.

Mr. Tygart and Mr. Moses thanked the Board for the opportunity to present to them. Mr. Moses spoke to the Board about his reasons for joining USADA and his concerns regarding integrity in sport. He explained USADA's mission and purpose. Mr. Moses then spoke to the Board about USADA's core values as an organization and explained that all of USADA's Board members are independent of all sport organizations and all drug officers are carefully screened for any conflicts.

Mr. Tygart advised the Board regarding USADA's core imperatives. He then explained to the Board where USADA's funding comes from (noting that 60-65% comes from federal funds through the ONDCP and the rest comes from the USOC), and then showed the Board USADA's budgeted expenses.

Mr. Tygart then briefly explained the global anti-doping structure and explained to the Board some of the interplay between Olympic and professional sports. He next spoke to the Board regarding the WADA code and its revision process. The discussion turned to how the U.S. program compares to other countries, both in terms of cost per test as well as amount of testing. It was noted that today the U.S. is a leader in the anti-doping space.

The discussion turned to exploring the appropriate interplay between USADA and the USOC to ensure both independence and mutual accountability. USADA invited USOC

board members to visit with USADA at one of its Board meetings. Mr. Tygart and Rana Dershowitz, USOC General Counsel, spoke about other touch points between the organizations including USOC review and approval of the U.S. Anti-Doping Policies and the USADA Protocol, ongoing review of USADA reports and the USOC's auditing of USADA. The joint participation of USADA and the USOC in the Partnership for Clean Competition was also discussed.

The discussion then turned to the funding of WADA and the interplay of the U.S. program with and within the global program, as well as appropriate funding levels for the fight against doping within the U.S. and globally. The Board engaged in a broad discussion regarding the fact that a variety of models are being looked at to seek to ensure that the playing field is level across the globe so that sport is fair.

The discussion then shifted to the WADA Code and the current review process that is occurring. The Board was advised regarding the process and some of the changes being contemplated by Mr. Tygart, Ms. Dershowitz, IOC member Anita DeFrantz and WADA Athlete Commission member Nina Kempel.

At this time, Mr. Tygart and Mr. Moses left the meeting.

9. NGB Compliance Planning

Rick Adams, Managing Director of Organizational Development, and Ms. Dershowitz presented to the Board regarding efforts the USOC has undertaken and is prepared to take in connection with issues regarding NGB compliance with the Ted Stevens Olympic and Amateur Sports Act. Mr. Adams presented the Board with the history of the USOC's compliance efforts, the structure currently in place and the guidelines used by the USOC in its approach to compliance issues.

Mr. Adams and Ms. Dershowitz spoke about different paths the USOC takes in addressing NGB issues, from informal support to decertification. Mr. Adams then walked the Board through two examples showing the economic effects of a NGB decertification. The Board expressed its comfort with the work done and the structure that has been set up.

10. Policy Regarding NGB Commercial Agreements

John Ruger, Athlete Ombudsman, next presented a proposed Policy Regarding NGB Commercial Agreements to the Board. He and Mr. Blackmun explained that the purpose of the policy was to articulate appropriate parameters for NGB use of athlete attributes (name, likeness, image). Mr. Ruger provided the Board with a brief overview of the proposed policy and confirmed that both the NGBC and the AAC had expressed their support of it. A motion was made to approve the policy. The motion was unanimously approved.

11. Athlete Career and Education Program

As requested at the December 2012 Board meeting, Patrick Sandusky, Chief Communications and Public Affairs Officer, provided the Board with a proposal regarding the next steps following recommendations presented by the Athlete Career Working Group. Mr. Sandusky explained that the organization needs to make a philosophical determination of whether athlete career support is something that the USOC should be doing as a core part of its mission. He noted that the USOC currently does a small amount, but it is managed by several different divisions. Mr. Sandusky recommended that if the Board wants the USOC to undertake coordinated athlete development programs, a pilot program be started with three or four NGBs to assess long term NGB needs and potential successes. The full program should then be built out of the successes in the pilot program. A discussion regarding the potential pilot program then occurred, with a key question identified as how best to measure success in this program.

The Board generally confirmed its belief that athlete education and career programs could be valuable and should be undertaken, but wanted to make sure that the USOC didn't suggest it was doing more than it, in fact, was and create false expectations or try to do too much. The Board noted that the USOC can help in specific areas with specific programs, but cannot "develop" athletes on all fronts. The Board then discussed the merits of having a centralized USOC model of support versus the USOC helping each NGB with its own programs through a decentralized model. The Board discussed the differences among NGBs and their athlete populations, as well as the interplay between the USOC and the athletes.

Following the discussion, Mr. Blackmun suggested that one staff member be given the responsibility for focusing the USOC's services and interfacing with athletes seeking support. He expressed that he believes a coordinated program made up of specific elements of support might be funded by an outside source and requested Board approval to seek such funding. The Board expressed its support for this plan.

At this time, 12:40 p.m., the Board broke for lunch.

12. Athletes Advisory Committee Report

During lunch, AAC Chair Sarah Konrad spoke to the Board. She provided the Board with basic background details on the six new members of AAC leadership, noting that the AAC has included a Paralympian as a member of leadership and that this is the first time that the AAC Chair and both Vice Chairs are female. Ms. Konrad explained her style of leadership and provided the Board with a basic overview of the work the AAC intends to undertake during the 2013-2016 quad.

13. 2014 Sochi Preparations

Mr. Ashley provided the Board with an update on operational preparations for Sochi. He showed the Board a venue map and explained to the Board how transportation between venues was expected to work during the Games. Next, Mr. Ashley updated the Board regarding the Chef de Mission meeting that had recently occurred in Sochi and confirmed that SOCOG's planning was moving forward as expected.

Mrs. Baird next updated the Board regarding plans for USA House including both in Russia and the United States. She then spoke to the Board about various options for Board attendance at the Games and support of USOC efforts.

At this time, 1:45 p.m., the Board went into closed session and all staff other than Secretary Rana Dershowitz were asked to leave the meeting.

14. International Relations Update

Chairman Probst noted that the USOC had distributed a letter regarding its thinking about a 2024 Olympic Games bid to 35 U.S. cities, and requested that Mr. Blackmun update the Board on any feedback received. Mr. Blackmun did so. Mr. Probst then advised the Board regarding a possible opportunity to host an international meeting in the United States and sought feedback from the Board regarding whether the USOC should bid. The Board expressed its support for exploring the idea.

15. Committee Reports

A. Audit Report

Ursula Burns, Chair of the Audit Committee, reported to the Board on the activities of the Committee. The Committee met on March 7, 2013. It received and reviewed the same financial reports as the Board and received a report from Kirsten Volpi on audit activity. Mrs. Volpi reminded the Committee that Morane Kerek had been named the new Managing Director of Audit and noted that she and Ms. Kerek were assessing whether there were alternative approaches to audit that could be taken to enhance efficiency and provide more actionable feedback. The Committee then discussed an update to the audit of USA Taekwondo and the audit of US Rowing. Next the Committee engaged in a thorough and wide-ranging discussion regarding the USOC's development efforts. The Committee also discussed the timing and plan for the USOC's 990 and future staff presentations the Committee would like to receive. Finally, the USOC General Counsel reported to the Committee that the organization is not currently involved in any outstanding litigation.

B. Compensation Committee

With Mr. Bowlsby not being physically present at the Compensation Committee meeting, he had asked Compensation Committee member Susanne Lyons to run the

meeting in his stead. In light of this, Ms. Lyons reported to the Board regarding the activities of the Compensation Committee. She advised that the Committee discussed the possibility of obtaining additional insurance coverage to bridge an existing insurance gap for certain key employees. Ms. Lyons reported that the Committee had reviewed its mandate in the USOC Bylaws and confirmed that it did not have any requested changes to that mandate. The Committee then discussed various aspects of the USOC's 2013 performance screen metrics. Ms. Lyons noted that the Committee also requested that HR write up the current executive compensation policy for its files and discussed the appropriate handling of USOC employees who have been invited to sit on third party Boards of Directors.

C. Paralympic Advisory Committee

Jim Benson, Chair of the Paralympic Advisory Committee, updated the Board regarding the activities of the PAC. He advised that the PAC had met by conference call several weeks ago and spoke about its new charter and the 2013 operating plan. He explained that the newly constituted Paralympic Advisory Committee will first meet in May once the nominating process was complete.

D. Ethics Committee

Mary McCagg, Chair of the Ethics Committee, reported to the Board on the Committee's activities. She advised that the Chair and USOC ethics staff had undertaken an initial review of the USOC's disclosure forms and would be discussing the forms with the full Committee on Monday, March 11, 2013. She noted that the Committee would be looking at revisions to the form for next year. Finally, she advised that the Committee had discussed and commented upon the ethics elements contained in draft bid discussion rules that had been prepared.

E. Nominating & Governance Committee Report

John Hendricks, Chair of the Nominating and Governance Committee, noted that the Committee has not met since the last Board meeting and advised the Board that, with the departure of Mike Plant, the Committee needed a new USOC Board member. Mr. Hendricks recommended Bob Bowsby be added to the Nominating and Governance Committee.

16. Administrative Items

A. USOC Bylaws:

Ms. Dershowitz directed the Board's attention to the proposed revised USOC Bylaws contained in the Board materials. She noted that the revisions had been posted on the USOC website since the last Board meeting and indicated that only one formal comment had been received during that period. The comment had been submitted by the U.S. Olympians Association and related to the revised mission the Board had directed be

adopted. As the USOA leadership had spoken directly with Mary McCagg and Nina Kemppel regarding their comment, Ms. Dershowitz suggested that Ms. McCagg and Ms. Kemppel explain the USOA's concerns to the Board.

Ms. McCagg and Ms. Kemppel explained that the USOA was recommending a further change to the mission that it felt would ensure that the USOC was not only focused upon current athletes. The Board discussed the USOA's recommendation and confirmed that it was supportive of the notion that the USOA should feel connected with the USOC, but did not feel that the change proposed would effectuate this goal. Instead, the Board suggested that the USOA's request that one Olympian board member be designated to act as a liaison to the USOA be acted upon. The Board requested that the Olympians on the Board speak amongst themselves and make a recommendation regarding which of them should be selected to act in this capacity.

Following the discussion, a motion was made to approve the revised USOC Bylaws. The motion passed unanimously.

B. U.S. Olympic Foundation

Ms. Dershowitz reminded the Board that it had approved certain changes to the U.S. Olympic Foundation Articles of Incorporation and Bylaws at the December Board meeting, but that in order for the Foundation to act upon those changes, a second USOC Board approval was required. A motion was made to reconfirm its approval of the changes to the Foundation's Articles of Incorporation and Bylaws. The motion passed unanimously.

C. Banking resolution

Ms. Dershowitz explained to the Board that when opening and closing bank accounts and undertaking financial transactions, particularly in foreign jurisdictions, the USOC was, from time to time, requested to produce evidence of the organization's authority from the Board to undertake such actions. She directed the Board to a draft resolution contained in the Board materials and requested the Board's consideration of such resolution, as it would provide a simple way to provide such evidence. A motion was made to approve the resolution. The motion passed unanimously.

D. 2014 Board Meeting dates

Ms. Dershowitz advised the Board that planning had begun for 2014 Board meeting dates and requested that all directors provide her with a list of any problematic dates so that the organization can seek to schedule around those.

E. Committee Assignments

Chairman Probst noted that Board Committee assignments were needed for the new Board members. He explained that the Bylaws provided that he was to make Board

Committee appointments subject to the approval of the Board. He advised the Board regarding his committee appointments and requested Board approval. The Board approved the appointments in full.

17. New Business

Ms. DeFrantz advised the Board she is seeking election to the IOC Executive Board. She noted that two new EB members will be elected in September as part of the IOC Session. The Board expressed its support for her candidacy.

18. Adjournment

There being no further business, the meeting was adjourned at approximately 2:20 p.m. EST.

This document constitutes a true and correct copy of the minutes of the meeting of the Board of Directors of the United States Olympic Committee.



Rana Dershowitz
Secretary

April 3, 2013
Date