

Minutes

Board of Directors Meeting

Los Angeles, CA

April 8, 2014

A meeting of the Board of Directors (the "Board") of the United States Olympic Committee ("USOC") occurred on April 8, 2014 commencing at 8:00 a.m. local time, following notice duly given pursuant to the USOC Bylaws. 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, Jim Easton, John Hendricks, Nina Kempel, Susanne Lyons, Bill Marolt, Mary McCagg, Dave Ogrea and Whitney Ping. Jim Easton joined the meeting at 8:15. Bob Bowsby and Anita DeFrantz participated for portions of the meeting by telephone. The above present members constitute a quorum of the Board under the USOC Bylaws Section 3.16.

Present for the meeting from USOC management were: Malia Arrington, Alan Ashley, Lisa Baird, Jon Denny, Rana Dershowitz, Walt Glover, Charlie Huebner, Benita Fitzgerald Mosley, Patrick Sandusky, Michelle Stuart and Chris Sullivan.

The minutes were recorded by Rana Dershowitz, Secretary.

1. Call to Order and Welcome

The Chair called the meeting to order at 8:00 and welcomed the Board.

2. MSOC and USOPA Report

Dara Meinert of the Multisport Organizations Council spoke with the Board about the ongoing efforts of the MSOC in increasing interest in sport. She explained the structure, membership, mission and focus of the MSOC. She then discussed the MSOC's goals regarding Olympic Day, collaboration across the Movement, and the advancement of safe sport. Ms. Meinert shared with the Board the MSOC's perspective on the benefits of the Team for Tomorrow program as well as its plans for Olympic Day 2014.

Gary Hall Sr., President of the US Olympians and Paralympians Association, next spoke to the Board about the USOPA. He explained the mission and purpose of the USOPA as well as its key programs. Mr. Hall provided the Board with a basic overview of the USOPA's 2013-2016 Strategic Plan, and expressed his desire to ensure that the USOPA works effectively and in coordination with the USOC. Mr. Hall spoke to the Board about the integration of Paralympians into the USOPA, while noting the need to further restructure in order to better connect with and serve all of the Association's members. Mr. Hall shared with the Board his proposal for such a restructure, noting that the proposal had not yet been voted on by the USOPA board. The Board discussed the

efficacy of the USOPA's existing database of Olympians and Paralympians particularly as it pertains to the ability of the Olympians for Olympians Relief Fund (OORF) to both fundraise and reach the constituents in need.

3. Financial Report

Walt Glover, Chief Financial Officer, reported to the Board on the USOC's 2013 year-end financial results. Mr. Glover advised the Board that the USOC ended the year slightly favorable to projections. He explained to the Board the variances highlighting two particular items that show up as both revenue and parallel expense. Next Mr. Glover reported to the Board on the USOC's year-end cash position.

Mr. Glover then spoke to the Board regarding the USOC's 2014 year-to-date results and current year-end projections. He explained the currently reflected variances to the Board, advising that several key items reflect timing issues and are expected to normalize. Finally, he noted that cash flow currently appears favorable to projections.

4. Sochi Report

Mr. Blackmun advised the Board that he believed it would be valuable to engage in a debrief with the Board regarding the Sochi Winter Olympic Games, particularly with regard to finance, sport, marketing, and development. Mr. Blackmun asked Mr. Glover to speak first about the financial results of the Games.

A. Financial Outcomes

Mr. Glover explained to the Board the USOC's budgeting process for the Games, and reported that while there are line item variances, overall the USOC will end up extremely close to target on the total Games budget. Mr. Glover also noted certain ongoing VAT related discussions that, if successful, could result in further favorability. The Board engaged in a discussion regarding the various expenses making up the Games budget, and explored whether certain of the programs are worth the associated costs.

The Board next engaged in a discussion regarding the costs and benefits of EAHI and the National Medical Network as well as strategies to ensure that these benefits are effectively communicated to the appropriate athletes. Mr. Blackmun confirmed that there needs to be an in-depth discussion both with the AAC and with the NGBs about how best to ensure the communication is delivered so that the existing benefits are fully utilized. A joint AAC and NGBC session at the Olympic and Paralympic Assembly was proposed.

B. Marketing Results

Lisa Baird, Chief Marketing Officer, reported to the Board on marketing results from the Sochi Olympic Winter Games. She noted that the Games broadcast was a very big success, particularly in light of the challenges faced due to time differences for the US. Mrs. Baird shared with the Board positive results from the Paralympic Games

broadcast as well. Mrs. Baird next advised the Board on the USOC's digital media platform results, both in terms of audience and engagement as well as revenue. Next Mrs. Baird discussed with the Board the trends seen in sponsor marketing, particularly highlighting increased collaborative efforts between USOC sponsors and NGBs on the competition front, using BMW's work with bobsled as an example.

C. Development Program

Jon Denney, Chief Development Officer, spoke to the Board regarding the donor program at the Sochi Games. He explained the different aspects of the existing donor programs, and spoke about the demographics of the programs run in Sochi. Mr. Denney next discussed unique elements of the program that were particularly successful. He provided the Board with his preliminary thoughts and observations about the program generally, as this was his first exposure to a Games environment, and noted that the development division as a whole will be undertaking a thorough assessment of the program in the near future.

D. USA House

Mrs. Baird spoke to the Board regarding USA House outcomes from Sochi. She shared with the Board the economics, attendance and trends regarding USA House from Beijing through Sochi. Mrs. Baird noted that co-locating with NBC had significant benefits for both the USOC and NBC. Mrs. Baird spoke to the Board regarding successes and opportunities for enhancement at the House going forward. Finally, Mrs. Baird provided the Board with insight into the current thinking regarding USA House in Rio.

E. Sport Outcomes

Alan Ashley, Chief of Sport Performance, reported to the Board on Olympic sport results from Sochi as compared to projections and expectations. He spoke to the Board regarding his perspective on where and why results differed from projections. A discussion then ensued regarding the dynamics between the USOC, the NGBs, coaches and athletes when an NGB is facing challenges at the Games.

Mr. Ashley walked the Board through medal opportunities, medal shares, and global performance trends, looking particularly at more and less effective high performance investment returns over the quad. Mr. Ashley shared with the Board the range of sport science resources that are provided either by the USOC or the NGBs. Next, Mr. Ashley shared with the Board key initiatives for funding and support that were implemented prior to Sochi and explained the evaluations that are being done to assess the quality of the investments made. Mr. Ashley shared his plans to assess what, if any, changes should be made going forward, as well as other next steps to evaluate our planning and further improve for the next Games.

Mr. Ashley next reported on Paralympic sport outcomes from Sochi, evaluating medal opportunities, medal share, and global trends. He advised the Board of outcomes as compared to expectations. A discussion ensued regarding resource provision to Paralympic programs globally and the effects of being the host country.

Finally, Mr. Ashley spoke to the Board regarding the Chef de Mission role at the Olympic and Paralympic Games, sharing how effective the changes made by the USOC had been.

At this time the Board took a 10 minute break and Ms. Ping left the Board meeting.

5. Safe Sport

Mr. Blackmun reminded the Board of the prior discussions around the USOC's safe sport initiative. Malia Arrington, Director of Ethics and Safe Sport, then shared with the Board a proposed business plan developed by the Safe Sport Working Group taking into account all of the feedback previously provided by the Board.

A robust discussion ensued among the Board regarding the plan, key assumptions being made, the structures contemplated, the programs being considered and the resources required. Mr. Blackmun noted that the NGB members of the working group thought that the NGBs would be supportive of the proposed plan and would provide financial support on a level commensurate with the USOC. Ms. McCagg noted that the AAC is generally supportive of the concepts being explored as well.

Following the discussion, the Board expressed its support for the direction proposed, but directed that further work be done regarding its overall viability between now and the June Board meeting.

6. Development Presentation

Jon Denney updated the Board on development efforts, focusing first on the development of U.S. Olympic and Paralympic Foundation gift objectives. Mr. Denney shared with the Board details regarding the current and proposed range of development programs, including the Team USA Annual Fund, the Olympic and Paralympic Champions Fund, the Trustees program, the USOPF Chairman's Circle, endowment concepts and principal gift objectives between now and the 2016 Olympic Games in Rio.

Mr. Denney next provided the Board with an update on implementation of the staffing and resources plan previously approved by the Board. Finally, Mr. Denney reported on the transition of legacy trustees to the new USOPF Board of Directors.

At this point the Board took a lunch break.

7. Sport Performance Incremental Investment Priorities

During lunch, Mr. Ashley spoke to the Board regarding a prioritized list of projects towards which he would direct funding if given additional funds to allocate. Mr. Ashley shared details regarding the top projects on the list and explained how each would benefit the USOC, the NGBs and the athletes. The Board determined to discuss the matter further in June.

8. CEO Report

Mr. Blackmun raised the NLRB decision regarding Northwestern scholarship football athletes. A discussion occurred regarding the decision's potential effects on various Olympic sports. The Board requested further information regarding the decision and the interplay between Olympic sport and the NCAA. It was agreed that the relationship between the Olympic movement and NCAA sport programs should be examined in more depth at a future Board meeting.

Mr. Blackmun updated the Board regarding the USOC's headquarters building and the foreclosure sale that occurred in connection with the basement and first floor condo units of the building.

Mr. Blackmun next updated the Board regarding the US Olympic Museum and the overall City for Champions project.

Mr. Blackmun shared with the Board feedback from the Athlete Career Summit that had been held in Washington, D.C. during the first week of April. Benita Fitzgerald-Mosley shared with the Board that the peer to peer mentoring that had occurred at the Summit had been particularly successful.

At this time the management team, other than Ms. Dershowitz, was excused from the meeting.

9. Audit Committee Report

Ursula Burns, Chair of the Audit Committee, reported to the Board on the activities of the Committee at its April 7, 2014 meeting. Ms. Burns reported that all members of the Committee other than Mr. Ogrea had participated. The Committee had received and reviewed the financial and budget reports shared with the Board. She reported that the Committee had discussed the USOC's IT infrastructure and concerns regarding security, requesting a further report on this topic at its June meeting. The Committee had next talked about the direct mail process and its challenges, and had then discussed the 990 review process. Following this discussion, the Committee reviewed audit reports for volleyball, field hockey and archery, noting all three appeared very solid. Morane Kerek reported to the Committee on the USOC's FCPA compliance and training efforts as well as the USOC's drop box usage. Mitch Poll, Managing Director of Partnership Marketing, reported to the Committee on the activities of his group. Finally,

Ms. Burns advised the Board that Ms. Dershowitz has provided the Committee with a brief litigation report, which Ms. Dershowitz then shared with the Board.

Following her report, Ms. Burns left the meeting.

10. Bid Determination

Mr. Blackmun brought Chris Sullivan, Chief Bid and Protocol Officer, in to join the Board during this discussion.

Mr. Blackmun updated the Board regarding discussions with potential bid cities to date as the USOC continues to evaluate whether and with whom to bid for an Olympic and Paralympic Games. Mr. Blackmun and Mr. Probst shared their thoughts regarding the discussions to date and going forward, including international feedback received. The Board discussed the evaluation process.

11. Strategic Planning

Mr. Blackmun reminded the Board that there had previously been agreement regarding the USOC undertaking a full re-evaluation of the strategic plan after the Sochi Winter Olympic Games. Mr. Blackmun suggested that such a re-assessment should not be undertaken until a decision is made of whether the USOC will be bidding for an Olympic and Paralympic Games. The Board confirmed its agreement with this suggestion. Mr. Blackmun also reported to the Board on progress at the Chula Vista OTC.

12. International Relations

Mr. Blackmun shared with the Board the scope of work Mr. Probst is doing internationally on behalf of the USOC. Mr. Probst then requested that Angela Ruggiero speak to the Board regarding IOC President Thomas Bach's 2020 Agenda process. Ms. Ruggiero shared with the Board the inclusive approach Mr. Bach is taking, with the opportunity for input from across the global Olympic movement and engaged dialog among the membership. Mr. Probst then updated the Board on PASO's activities, ANOC's engagement around revenue generation and IOC committee assignments.

13. Nominating and Governance Committee

John Hendricks, Chair of the Nominating and Governance Committee, reminded the Board of the work the Committee will need to undertake over the course of the rest of 2014. Mr. Hendricks requested input from the Board regarding criteria for new board members. The Board engaged in a discussion regarding potential criteria to consider. Following feedback from the Board, Mr. Hendricks committed to circulate a proposed set of criteria to be used by the Nominating Committee.

14. Compensation Committee

Susanne Lyons, Chair of the Compensation Committee, reported to the Board regarding the activities of the Committee at its April 7, 2014 meeting. She noted that the Committee had reviewed its work plan and charter, with the Committee recommending certain charter changes be made the next time the USOC's bylaws are amended. Ms. Lyons shared that the Committee had discussed outside board service by USOC executives, as well as the USOC's 990. The Committee had spent significant time reviewing the USOC's proposed Organizational Excellence framework and metrics. Ms. Lyons shared with the Board the concepts that had been presented to the Committee, and explained the construct, framework and metrics being proposed. The Committee noted the need for consistent leadership messaging of definitions, foci and metrics around the Organizational Excellence initiative.

15. Paralympic Advisory Committee

Jim Benson, Chair of the Paralympic Advisory Committee, updated the Board regarding the activities of the PAC, noting that though the PAC had not met since the December Board meeting, much work has been ongoing. Mr. Benson spoke to the Board regarding the Paralympic Games. He expressed that while the U.S. Paralympic movement is clearly moving in the right direction, a lot more work must be done to ensure U.S. success. Mr. Benson advised the Board that the PAC is going to continue to explore alternative structures and strategies to further improve the Paralympic Movement in the United States. Mr. Benson reported that additional work must also be done to further enhance relationships between the USOC and representatives of the global Paralympic Movement.

16. Ethics Committee

Mary McCagg, Chair of the Ethics Committee, provided the Board with an update on the Ethics Committee's activities, noting that the full Committee will be meeting later in the week to discuss Conflict of Interest Disclosures received as part of the USOC's annual review process. She confirmed that monthly calls continue to be held among the Chair of the Committee, the Ethics Officer and the Director of Ethics, but indicated that no new issues have arisen requiring full Committee attention.

17. USADA

Robbie Bach shared an update regarding a meeting held with USADA leadership. He explained the goals and topics of the meeting, as well as next steps; advising that it is the USOC's intent to schedule further periodic meetings to continue to enhance the USOC-USADA relationship as part of the lead up to the USADA contract renewal. Mr. Bach shared that the fundamental purpose of this effort is to ensure that the USOC and USADA are working together effectively to make sure that the U.S. continues to be a leader in the global anti-doping effort.

18. Administrative Items

A. USOC Bylaws

Ms. Dershowitz reminded the Board that revisions to the USOC Bylaws had previously been publicly posted for the required 60 day comment period. She advised that no comments had been received with regard to the proposed revisions. A motion was made to approve the amendments to the Bylaws as posted. The motion passed unanimously.

B. Coast Guard

Ms. Dershowitz then noted for the Board that one of the revisions to the Bylaws had been made in order to allow the US Coast Guard to be recognized as a member of the USOC and its MSOC. A motion was made to accept the US Coast Guard as a USOC and MSOC member. The motion passed unanimously.

19. Adjournment

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

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



Date