

Code of Regulations for The Betsey Mills Corporation

Article I: Corporate Purpose and Power

Section 1: Corporate Purpose

The Betsey Mills Corporation's purpose is to own and operate property to be used exclusively for charitable purposes; to promote and provide charity in various ways; to receive funds by gift or by bequest for charitable purposes; and to do all things necessary or incident to its purpose.

Section 2: Corporate Powers

The corporation will have the powers stated in its Articles of Incorporation, along with all general powers granted unto corporations under the provisions of the Ohio Nonprofit Corporation Law currently in effect and as that statute may be amended.

Article II: Divisions, Offices, Statutory Agent, and General Operations

Section 1: Corporate Divisions

The corporation is composed of two working divisions: The Betsey Mills Club and The Castle. The corporation may add or remove divisions as needed to fulfill its purpose. The removal of a division will not impact the existence of the remaining division(s), which shall continue to operate within the corporation.

Section 2: Principal Office

The principal office of the corporation will be located at 300 Fourth Street, Marietta, Ohio, or at such location as may be set by the corporation's Board of Directors.

Section 3: Statutory Agent

The statutory agent for the corporation will be an attorney licensed to practice law in the State of Ohio.

Section 4: Fiscal Year

The fiscal year for the corporation will be the calendar year.

Section 5: Members of the Corporation

The Members of the corporation will be those individuals who meet the requirements for membership in the corporation's divisions.

Section 6: Execution of Documents

The corporation's Board of Directors may authorize any Director, employee, or agent to enter into any contract relevant to the corporation's purpose or to execute any instrument in the name of and on behalf of the corporation. This authority may be general or it may be confined to one or more specific matters.

Section 7: Books and Records, Member Inspection Rights

A copy of all significant books and records of the corporation, including its Articles of Incorporation, minutes from the meetings of the Members and the Board of Directors, a membership registry, and a copy of the Code of Regulations, shall be kept at the corporation's principal office. Originals of significant books and records of the corporation and its divisions will be kept in a safe deposit bank at the bank that holds its financial accounts.

Any Member of the corporation, or the Member's agent or attorney, may inspect the corporation's records for any proper purpose at any reasonable time on written demand, signed under oath in presence of a notary, stating the purpose of the inspection. The written demand will be delivered to the corporation's principal office and addressed to the Secretary of the Board of Directors. The Secretary, or another member of the Board of Directors, will be in attendance for such inspection.

Section 8: No Stock, Dividends

The corporation will not have or issue shares of stock. No dividends will be paid, and no part of the income of the corporation will be distributed to its Members or Directors. However, the corporation may pay compensation in a reasonable amount to Members and Directors for contracted services rendered other than services rendered as a Member or Director.

Section 9: No Loans to Directors and Management

The corporation will make no loans to any of its Directors or to any of its key management or other personnel.

Section 10: Non-Discrimination

The corporation will not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in employment, selection of volunteers and vendors, approval of membership, and provision of membership services.

Article III: Board of Directors

Section 1: Board Responsibilities

The corporation will be governed by a Board of Directors that will be responsible for:

- Ensuring the purpose of the corporation is accomplished;
- Adopting policies and procedures necessary to govern and operate the corporation, including fiscal policies and procedures;
- Selecting an executive to lead each division with input from each Advisory Committee;
- Supporting and evaluating the executive chosen for each division with input from each Advisory Committee;
- Ensuring effective planning occurs for each division;
- Monitoring, evaluating, and strengthening programs and services established by each division;
- Establishing Board liaisons with each Advisory Committee to ensure proper communication between those groups and the Board of Directors;
- Ensuring adequate financial resources exist to allow for the continued fulfillment of the corporation's purpose;
- Providing proper financial oversight to the corporation, including approving budgets submitted by each division and performing other appropriate fiduciary duties;
- Building a competent Board of Directors by orienting new members and periodically evaluating Board performance;
- Ensuring compliance with all applicable legal standards; and
- Enhancing the corporation's public standing.

Section 2: Number of Directors

The Board of Directors will have no less than seven (7) and no more than (11) Directors.

Section 3: Composition of the Board

Beginning with the Director election to be held in December 2017, the Board of Directors will be composed of individuals elected by the corporation's Members. It is anticipated that the Board of Directors will be composed of individuals from the following categories:

- Category 1: Individuals who are members of only a single division established by the corporation;
- Category 2: Individuals who are members of more than one division established by the corporation; and
- Category 3: Interested individuals from the local community who are not members of such divisions.

While a set number of Directors from each category is not established under this Code of Regulations, in no event shall a majority of the Board be composed of individuals from any single category noted above. Should a Category 3 Director become a member of any corporate division, he/she will retain a Category 3 status for his/her initial term of office. In the event the corporation has only one division, the restrictions within this paragraph will no longer apply.

Additionally, the Board of Directors will have two ex officio, non-voting members: the President of Marietta College or his/her designee, and the Minister of the First Congregational Church in Marietta, OH or his/her designee. The ex officio Directors will not be included in the count for purposes of complying with the provisions of Article III, Section 2 of this Code of Regulations.

Section 4: Qualifications of Directors

All individuals elected to serve on the Board of Directors are expected to bring relevant skills, insights, and experiences that will support the purposes of the corporation.

Section 5: Director Terms and Term Limits

Directors will be elected for a term of three (3) years. Directors may serve two (2) consecutive terms, but terms of less than three (3) years shall not be considered in connection with the provision on term limits. Former Directors will be eligible for election or appointment to the Board of Directors after being away from service for one (1) year.

Section 6: Director Election

Directors will be elected by the voting Members at their annual meeting. A quorum of Members, which is ten percent (10%) of the Members entitled to vote, must be present at that meeting or represented by valid proxies. The vote of a majority of the Members present, personally or by proxies, at such a meeting will be effective to elect Directors. See Article VII, Section 8 for proxy rules for Members.

Section 7: Election Procedures

Prior to the annual meeting of Members, each individual interested in being elected as a Director must submit a written statement describing his/her qualifications and reason(s) for desiring to serve in that role. All written statements will be made available to Members prior to their annual meeting.

All other procedures related to Director election will be prescribed by an ad hoc committee of the Board of Directors, which will be composed of three (3) Directors. As necessary, this ad hoc committee will identify individuals who meet the qualifications of Directors outlined in Article III, Section 4 and encourage them to run for open positions.

Section 8: Resignation, Termination, and Absences

Resignation from the Board of Directors must be in writing and received by the Secretary. Directors will be automatically terminated from the Board of Directors due to excess absences, which is defined as more than two unexcused absences from regular meetings of the Board in a single calendar year. A Director also may be removed for cause by the unanimous vote of the other Directors.

Section 9: Board Vacancies

Any Director vacancy occurring on the Board of Directors will be filled by appointment by a majority of the remaining Directors. The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office.

Section 10: Individual Director Authority

No individual member of the Board of Directors shall have authority to act on behalf of the Board without a written resolution adopted by the Board.

Article IV: Officers of the Board of Directors

Section 1: Roster of Officers

The Board of Directors will choose individuals to serve as officers for the Board. The officers will include a Chair, a Vice Chair, a Secretary, and a Treasurer. These officers will compose the Executive Committee of the Board.

The Board will identify an Assistant Treasurer to work with the Treasurer, but the Assistant Treasurer will not be an officer of the Board.

Section 2: Selection of Officers

The officers will be elected by a simple majority of Directors present, or represented by proxy, at the first Board meeting that follows the election of Directors by the corporation's Members.

Section 3: Officer Terms and Term Limits

Officers will be elected for a term of one (1) year. Officers may only serve two (2) consecutive terms in the same office.

Section 4: Removal of Officers

Any officer may be removed by a three-fourths (3/4) vote of the other Directors, when, in their judgment, the best interests of the corporation will be served in doing so.

Section 5: Officer Vacancies

Any officer vacancy will be filled by appointment by a majority of the Directors. The new officer appointed to fill the vacancy will serve for the unexpired term of the predecessor in office.

Section 6: Chair Responsibilities

The Chair will convene regularly scheduled Board meetings, will preside or arrange for other members of the Executive Committee to preside at each meeting, determine Board meeting agendas in cooperation with the divisions' executives; and will have such other powers and duties as the Board may prescribe.

Section 7: Vice Chair Responsibilities

The Vice Chair will perform all duties and exercise all powers of the Chair when the Chair is absent or otherwise unable to act, and will have such other powers and duties as the Board may prescribe.

Section 8: Secretary Responsibilities

The Secretary will keep records of all Board and corporate Membership actions by taking minutes at all Board and member meetings, will send out meeting announcements, will distribute copies of Board meeting minutes and Board meeting agendas to each Director, will give all notices required by law or this Code of Regulations, will assure that corporate records are maintained, and will track attendance at all meetings of the Board of Directors. The Secretary will have such other powers and duties as the Board may prescribe.

Section 9: Treasurer Responsibilities

The Treasurer will manage and monitor the corporation's endowment funds to ensure prudent use; act as a liaison between the Board of Directors and the trustees of the endowment funds; monitor budgets, financial reports, and funds of the corporation's divisions; and perform other functions as necessary to fulfill his/her fiduciary duties. The Treasurer is encouraged, but not required, to attend any finance meetings held by the divisions. The Treasurer will have such other powers and duties as the Board may prescribe, and will be supported by an Assistant Treasurer in performing his/her assigned duties. Neither the Treasurer nor the Assistant Treasurer may simultaneously serve as treasurer for a corporate division.

Article V: Committees of the Board of Directors

Section 1: Standing Committees

The Board of Directors will have three Standing Committees:

1. An Executive Committee composed of the Board officers;
2. A Fundraising Committee composed of no less than three (3) Directors; and
3. A Personnel Committee composed of no less than three (3) Directors.

All Directors are expected to serve on at least one (1) standing committee.

Standing committees may meet on any date, at any time, and in any location agreed upon by their members without regard to meeting notice requirements.

Section 2: Executive Committee Authority

The Executive Committee will be authorized, subject to the limitations set forth below, to exercise all of the powers and authority of the Board in between its regular meetings. The Executive Committee may not:

- Hire or fire the executive of any division of the corporation;
- Obligate the corporation to new debt;
- Sell or acquire a major asset;
- Approve division budgets;
- Add or eliminate programs previously authorized by the full Board of Directors; or
- Change or add Membership categories or alter the rights or benefits of Membership.

The Executive Committee will report any action it has taken at the next regular meeting of the Board.

Section 3: Fundraising Committee Authority

The Fundraising Committee will be authorized to oversee and support the fundraising efforts of each corporate division. The Fundraising Committee will:

- Review all prior year fundraising activity and make recommendations for improvement;
- Approve all proposed fundraising activities;
- Maintain a calendar that shows all planned fundraising events and activities;
- Work with the divisions' executives to identify donor prospects;
- Oversee all fundraising auxiliary groups within the divisions; and
- Regularly report to the Board about its activities.

The Fundraising Committee may engage in other activities necessary to fulfill its purpose.

Section 4: Personnel Committee Authority

The Personnel Committee will be authorized to oversee matters related to procedures and practices that impact paid employees of the corporation. The Personnel Committee will:

- Draft and/or revise personnel policies for Board approval;
- Draft and/or revise the job descriptions of the divisions' executives with input from each Advisory Committee ;
- Lead the annual evaluation process of the divisions' executives with input from each Advisory Committee;
- Ensure the divisions' executives perform annual evaluations of employees within their division; and
- Annually review the salary and benefits structure of paid employees and recommend changes as necessary.

The Personnel Committee may engage in other activities necessary to fulfill its purpose.

Section 5: Ad Hoc Committees

The Board, acting through its Chair, may appoint ad hoc committees to address operations of the corporation as needed. These committees will have limited scopes of authority and duration. Any ad hoc committee appointed will include no less than three (3) Directors and may include Members and individuals external to the corporation as needed. Ad hoc committees may meet on any date, at any time, and in any location agreed upon by its members without regard to meeting notice requirements.

Article VI: Meetings of the Board of Directors

Section 1: Regular Meetings

Regular meetings of the Board of Directors will be held on the third Monday of the month in February, April, June, August, October, and December at a time and location designated by the Board.

Section 2: Special Meetings

A special meeting of the Board may be called by the Chair of the Board or a majority of the Directors.

Section 3: Participation, Quorum, and Proxy

A majority of the Directors in office shall constitute a quorum for the transaction of business at any Board meeting properly called. A Director may appear by written or electronic proxy given to another Director. To be valid, the written or electronic proxy must be provided to the Secretary of the Board prior to the beginning of the meeting and

clearly state the meeting date for which the proxy is effective, which may only be for a single meeting. Directors may also participate by means of communication equipment through which all persons participating in the meeting can hear each other.

Section 4: Notice of Meetings, Waiver

Notice of regular and special meetings of the Directors, stating the meeting agenda and the place, day, and hour of the meeting, will be delivered to Directors via email, and posted in the corporation's principal office and at the Carriage House of the Castle at least ten (10) days prior to the meeting.

Attendance of a Director at any meeting of the Board of Directors will constitute a waiver of notice of that meeting, except when the Director attends a meeting for the express purpose of asserting, at the beginning of the meeting, that the meeting is not properly called or convened.

Section 5: Action without a Meeting

Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all Directors consent in writing. Any transmission by authorized communications equipment (e.g. email, facsimile) that contains an affirmative vote or approval of a Director is a signed writing for purposes of this section. The consent of each Director will be filed with the minutes of proceedings or resolutions acknowledging the Board's actions.

Section 6: Meeting Procedures

Regular meetings of the Board will include the following items of business:

- Establishment of a quorum;
- Approval of minutes from prior meeting;
- Open forum for Members;
- Reports from the divisions, including program updates and financial reports;
- Report from the corporate Treasurer;
- Reports from standing committees of the Board;
- Reports from ad hoc committees of the Board (if any);
- Appointments and elections (if needed);
- Unfinished business;
- New business; and
- Adjournment.

Special meetings of the Board will include the following items of business:

- Establishment of quorum;
- Old business;
- New business; and

- Adjournment.

The Board will choose rules of procedure for its meetings to ensure order, clarity, and civility. The Board will make available a copy of its rules of procedure in the corporation's principal office and at every meeting.

The open forum for Members will include an opportunity for Members to express comments to the Board. To participate in the open forum, Members must provide a brief explanation of the topic(s) to be discussed to the Secretary prior to the opening of the meeting. Members will be given no more than five (5) minutes each to address their comments. If Members raise questions during the open forum, the Board may elect to address those questions at the meeting or designate another time, either publicly or privately as appropriate, at which those questions will be addressed.

Should any Director or Member disrupt a meeting by failing to comply with the rules of procedure, violating the rules of the open forum, and/or violating general principles of civility, the Chair, in his/her sole discretion, may ask the Director or Member to leave the meeting.

At any regular or special meeting, the Board may enter into an executive session to transact business in order to protect confidentiality and allow for Board discussion on highly sensitive issues, including but not limited to legal matters; employee complaints; compensation of employees; employee performance evaluations; and Board practices, behavior, and performance.

Section 7: Conflict of Interest

A Director shall be considered to have a conflict of interest if (a) such Director has existing or potential financial or other interests, which impair or might reasonably appear to impair such member's independent and unbiased judgment in the discharge of the Director's responsibilities to the corporation or (b) such Director is aware that a member of the Director's family, which, for purposes of this paragraph shall be a spouse, child, or any organization in which such Director or member of the Director's family is an officer, director, employee, member, partner, trustee, or controlling stockholder, has such existing or potential financial or other interests.

All Directors shall disclose to the Board any possible conflict at the earliest practical time. Any Director who is uncertain whether that Director has a conflict of interest in any matter may request the full Board to determine whether a conflict of interest exists, and the full Board shall resolve the question by majority vote.

No Director shall vote on any matter under consideration at a Board meeting in which such Director has a conflict of interest unless approved by a unanimous vote of all the members of the Board of Directors. The minutes shall reflect that a disclosure was made and that the Director having a conflict of interest abstained from voting or was approved by the Board.

Article VII: Divisions of the Corporation and their Members

Section 1: Purpose of Divisions

The corporation's divisions are created and maintained to support the corporation's charitable purposes.

Section 2: Division Executives

The Board of Directors, with input from each Advisory Committee, will choose executives to oversee the daily operations of the divisions. The divisions' executives will have various responsibilities, including:

- Managing staff and volunteers;
- Performing fiduciary duties assigned by the Board of Directors;
- Planning division programs and services;
- Overseeing building and grounds;
- Preserving the history of the division;
- Overseeing fundraising and marketing;
- Developing a budget for Board approval, operating within the approved budget, and bringing to the Board's attention any potential deviations from the budget;
- Ensuring proper communication occurs with the Board, among the divisions' executives, and between the Board and the Advisory Committees of the divisions; and
- Exercising such other powers and duties as the Board may prescribe.

While the divisions' executives will have broad operational authority, they must present certain matters to the Board. In addition to items noted elsewhere in this Code of Regulations, such matters include:

- Any planned physical alterations to facilities;
- Termination of major division programs, which is defined as those having a large financial impact, and/or those that impact the mission of the division, and/or those for which the division is known.
- Any legal issues arising within the division; and
- Any single instance of emergency expenditure that requires the division to spend a sum of \$15,000 or more outside the division's approved budget.

Additionally, it is recommended that the divisions' executives include members of the Personnel Committee in the hiring process for any full-time staff members within the divisions.

Section 3: Advisory Committees for Divisions

Each division will have an Advisory Committee to support its operations. The primary purpose of each Advisory Committee is to provide volunteers for its respective division.

Additionally, each division's Advisory Committee will provide input to the Board of Directors regarding the hiring and performance of the division's executive, and work with its executive to accomplish the mission and vision of the division, promote the history of the division, assist with day-to-day operations as requested, identify and orient new Advisory Committee members, and assist in fundraising and marketing.

Section 4: Operational Authority of Divisions

The executives and Advisory Committees of the divisions will have broad authority to address their own operations, provided none of their activities contradict provisions of this Code of Regulations or the authority of the Board of Directors. Specifically, it is anticipated the divisions may:

- Adopt various procedures for the selection of Advisory Committee members;
- Establish rules and regulations regarding Advisory Committee meetings and operations;
- Create various standing and ad hoc committees within the division, including but not limited to finance, historic preservation, building and grounds, membership, and hospitality; and
- Engage in other activities necessary to ensure the division's purposes are fulfilled.

Section 5: Division Membership Classes, Qualifications, and Voting Rights

The corporation will have various classes of membership determined by the divisions. Each division may establish the qualifications for its membership classes. Any individual who meets the requirements for membership in the corporation's divisions will be a Member of the corporation.

Each Member of the corporation will be entitled to one vote on each matter submitted to a vote of Members, regardless of whether that individual has membership in multiple divisions. If divisions establish a family or group membership, that family or group membership will be entitled to a single vote, and the individual with authority to vote for the family or group will be identified in a form submitted to the Secretary of the Board of Directors.

With input from the divisions, the Board of Directors may confer an Honorary Membership on individuals in recognition of exceptional service to the corporation and its divisions. An Honorary Membership will not require the payment of dues, but Honorary Members will have the same voting rights as other Members.

Membership in the corporation is not transferrable or assignable.

Section 6: Division Member Dues, No Assessments

The annual dues payable by Members of each class will be in the amounts determined by the respective divisions. The divisions may also set the time at which dues will be collected. No assessments shall be made against Members.

Section 7: Division Member Meetings

Notice of regular and special meetings of the divisions, stating the place, day, and hour of the meeting, will be delivered to Members via email, posted on the divisions' web sites, and posted in the corporation's principal office and at the Carriage House of the Castle at least ten (10) days prior to the meeting.

Attendance of a Member at any meeting of the divisions will constitute a waiver of notice of that meeting, except when the Member attends a meeting for the express purpose of asserting, at the beginning of the meeting, that the meeting is not properly called or convened.

Section 8: Annual Meeting of All Members, Quorum, and Proxy

The annual meeting of all Members will be held in December of each year. Notice of the annual meeting, stating the place, day, and hour of the meeting, will be delivered to Members via email, posted on the divisions' web sites, and posted in the corporation's principal office and at the Carriage House of the Castle at least ten (10) days prior to the meeting.

Attendance of a Member at the annual meeting will constitute a waiver of notice of that meeting, except when the Member attends the meeting for the express purpose of asserting, at the beginning of the meeting, that the meeting is not properly called or convened.

A quorum of Members, which is ten percent (10%) of the Members entitled to vote, must be present at the annual meeting or represented by valid proxies to transact business. To be valid, the written or electronic proxy must be provided to the Secretary of the Board prior to the beginning of the meeting and clearly state the meeting date for which the proxy is effective, which may only be for a single meeting.

Section 9: Special Meetings of All Members

Special meetings of all Members may be called by:

- A majority vote of the Board of Directors; or
- The Chair of the Board of Directors; or
- Ten percent (10%) of the Members.

The notice, quorum, and proxy rules established under Article VII, Section 8 will apply to special meetings called under this section.

Section 10: Termination of Membership, Resignation of Member

The divisions will establish guidelines for termination of membership within their divisions. The guidelines will address the termination process, and the potential grounds for termination, which may include failure to pay annual dues at the required time, engaging in activities inappropriate to membership, and/or other items deemed inappropriate by the divisions.

A Member may resign his/her membership by delivering a written resignation to the Secretary of the Board of Directors.

Article VIII: Amendment of the Code of Regulations

The Code of Regulations may be altered, amended or repealed, by the voting Members at a meeting held for that purpose. A quorum of Members, which is ten percent (10%) of the Members entitled to vote, must be present at that meeting or represented by valid proxies. The vote of a majority of the Members present, personally or by proxies, at such a meeting will be effective to alter, amend, or repeal the Code of Regulations.

Article IX: Indemnification and Insurance

Each Director of the corporation shall be indemnified to the full extent allowable under the provisions of the Ohio Nonprofit Corporation Law currently in effect and as that statute may be amended.

The corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, and/or volunteer of the corporation against any liability asserted against him/her and incurred by him/her in any such capacity, arising out of his/her status as such, regardless of whether the corporation would have the power to indemnify him/her against such liability under the provisions of this Article X or the Ohio Nonprofit Corporation Law currently in effect and as that statute may be amended.

Article X: Dissolution

The corporation may be dissolved by the Board of Directors via resolution in the following cases:

- When the corporation has been adjudged bankrupt or has made a general assignment for the benefit of creditors;
- By leave of the court, when a receiver has been appointed in a general creditors' suit or in any suit in which the affairs of the corporation are to be wound up; and/or
- When substantially all of the assets have been sold at judicial sale or otherwise.

The voting Members at a special meeting held for that purpose may adopt a resolution of dissolution by the affirmative vote of a majority of the voting members present in

person or by valid proxy. The notice, quorum, and proxy rules established under Article VII, Section 8 will apply to special meetings called under this section.

In the event of dissolution, the following distribution of assets will occur:

- All remaining funds in the Bertlyn Bosley Trust will be distributed to Ohio State University, Department of Neurology for work on Parkinson's disease and to research labs recommended by the National Institute of Health that investigate problems relating to Parkinson's disease, cancer, and training for the blind, especially blind children, in accordance with the trust documents;
- All remaining funds in the Stewart Bosley Fund will be distributed to the Washington County (OH) Historical Society;
- The real property at 418 4th Street in Marietta, Ohio, known as the Castle, will be given to Washington County (OH) Historical Society; and
- The real property at 300 4th Street in Marietta, Ohio, known as the Betsey Mills Club will be given to Marietta College.

The Board of Directors will see that all other remaining assets, including real property, are distributed to one or more organizations that qualify as exempt organizations under the Internal Revenue Code.

This Code of Regulations was approved by the Members on December 19, 2016.