

Minutes
USOC Board of Directors Meeting
Durham, North Carolina
June 20, 2017

A meeting of the Board of Directors (the “Board”) of the United States Olympic Committee (“USOC”) took place on June 20, 2017 following notice duly given pursuant to the USOC Bylaws. Present were Larry Probst (Chair and IOC Member, *ex officio*), Robbie Bach (attended by telephone), Jim Benson, Scott Blackmun (USOC CEO, *ex officio*), Cheri Blauwet, Anita DeFrantz (IOC Member, *ex officio*), Dan Doctoroff, Nina Kemppel, Susanne Lyons, Bill Marolt, Steve Mesler, Dave Ogreaan, Whitney Ping, Angela Ruggiero (IOC Member, *ex officio*; attended by telephone), Kevin White, and Robert Wood. Attending Board members constituted a quorum of the Board under USOC Bylaws.

Present from the USOC were Rick Adams, Alan Ashley, Lisa Baird, Angela Brunner, Jon Denney, Morane Kerek, Kevin Penn, Patrick Sandusky, Pam Sawyer, Chris Sullivan, Kacie Wallace, and Sarah Wilhelmi. The minutes were recorded by Christopher McCleary, Secretary.

1. Call to Order and Welcome

The Chair called the meeting to order at 7:30am local time and welcomed the Board and attending USOC staff. He expressed the Board’s appreciation for Kevin White and his staff’s hosting of the Board at Duke University for the current meeting and praised Mr. White’s team for efforts to make the meeting process smooth and convenient for all. He also thanked Mr. White and his wife for hosting the Board and USOC staff for dinner at their home the previous evening.

2. Advance Materials Q & A

USOC CEO Scott Blackmun referred to advance materials provided to the Board on the topics of USOC year-to-date 2017 financial results, a marketing revenue update, a development update, operational plans for the Pyeongchang Olympic Winter Games and Tokyo Olympic Games, USOC diversity information, and the USOC medal reallocation protocol (which protocol takes into account doping-related medal reallocations both where US athletes are to receive a new medal and where US athletes must surrender a medal.) He asked for any Board questions or discussion on these items, as the authors of each were on hand to provide further information.

Mr. Blackmun introduced USOC Chief of Sport Performance Alan Ashley and asked him to provide the Board with a high performance update, looking forward to the 2018 Olympic Winter Games. Mr. Ashley briefed the Board on efforts and prospects

in a number of sport disciplines and led a discussion on potential steps that could be taken to improve these US athlete prospects.

With the aid of prepared materials, Mr. Ashley set out a specific group of such steps involving USOC spending incremental to the current 2017 budget, which he felt would be advisable in order to maximize US athlete prospects in the run up to the 2018 Games. Board discussion followed, including as to the specific proposals and the particular funding requested.

After such discussion and upon a motion duly made and seconded, the Board voted to approve the high performance items and incremental spending set out in Mr. Ashley's presentation to the Board, for execution during 2017.

Further Board discussion centered on reallocations of Olympic medals in cases where later-discovered doping violations disqualify medalists and US athletes are to be granted the affected medal. There was general agreement as to the importance of following up on such cases to bring them to resolution as expeditiously as possible, and that the presentation of reallocated medals should be handled in a way that properly honors the US athlete now acknowledged as the medal winner, and honors his/her preferences as to how to be recognized and celebrated.

3. USOC SafeSport Update

Scott Blackmun introduced a Board update and discussion about the USOC's ongoing efforts and progress in the area of SafeSport. He asked that USOC Chief of External Relations Patrick Sandusky, Chief of Sport Operations Rick Adams, and General Counsel Chris McCleary lead this session.

Mr. Sandusky began the discussion by reviewing developments in federal legislation in the area of SafeSport and the USOC and NGB obligations thereunder. He reviewed the public testimony offered by Mr. Adams at a hearing conducted by the Senate Judiciary Committee in late March.

Mr. McCleary continued discussion on the legislation by outlining USOC and NGB Council contact with legislators and government staff to offer support and input as the legislation moves through the drafting and approval process. The Board discussed the content of the legislation and its possible effects within the US Olympic Movement.

Mr. Adams then updated the Board on the independent SafeSport audit commissioned by the USOC to review SafeSport policies and procedures across all NGBs and the USOC itself. He noted that the external auditors selected for this project are well underway in their work. Board discussion on this topic focused on the scope and scale of the audit and the information and insights it may afford.

Following up on discussions from the Board meeting of March 2017, Mr. Blackmun gave the Board updated information on ongoing SafeSport matters involving USA Gymnastics and USA Taekwondo. He described USOC efforts to provide guidance and support to these NGBs. Further comments on this topic were offered by Mr. Adams, Mr. McCleary, and USOC Athlete Ombudsman Kacie Wallace. Board discussion followed, including as to the USOC's role and capabilities in situations where an NGB faces organizational difficulties and challenges and the need to be both demanding and supportive of NGBs in the area of SafeSport in particular.

The Board also discussed the USOC's own SafeSport policies and procedures with an eye towards ensuring that athlete safety is a consistent and proactive area of focus. Mr. Adams updated the Board on USOC employee SafeSport training and the Board discussed the possibility of surveys within the US Olympic Movement directed towards understanding individuals' perspectives and concerns on issues such as SafeSport, and to encourage positive focus and behavior overall.

Referring to advance materials for the meeting, Mr. McCleary described a proposal to adopt new versions of the USOC's chief SafeSport-related policies, revised over the existing policies in order to reflect the existence and jurisdiction of the USCSS. Mr. McCleary pointed out other clarifications and simplifications included in the policy revisions.

Upon a motion duly made and seconded, the Board voted to approve the revised USOC SafeSport and NGB Athlete Safety Policies as presented in the advance materials for the meeting.

4. USCSS Update

At this point, US Center for SafeSport ("USCSS") Chief Executive Officer Shellie Pfohl joined the meeting.

The Chair introduced and welcomed Ms. Pfohl and invited her to provide the Board with information about the progress and prospects of the USCSS.

Ms. Pfohl thanked the Board and the USOC for its strong and mission-critical support for the USCSS. She discussed the first three months of operation for the USCSS including in case management, education, fundraising, government relations, and other operational matters. She reviewed statistics on cases reported and resolved, the current USCSS caseload overall, the USCSS's approach on personal and subject matter jurisdiction, and progress on building the USCSS team.

Board questions and discussion followed, including as to these topics and on the USOC's and USCSS's ability to set a standard for SafeSport practices that inspires and helps other entities internationally.

With the Board's thanks, Ms. Pfohl left the meeting.

5. LA 2024 Update

LA 2024 Bid Committee Chief Executive Officer Gene Sykes and Chief Operating Officer John Harper joined the meeting.

At the Chair's invitation, Mr. Sykes provided the Board with information about the progress of the Los Angeles bid to host the 2024 Olympic and Paralympic Games. Mr. Sykes reviewed recent milestones and accomplishments in the bid process, including a thorough recap of the IOC Evaluation Commission visit to Los Angeles in May. He underlined the importance and value of the positive partnership between LA2024 and the USOC throughout the bid process. Board discussion followed, focusing on specifics of the IOC evaluation process and LA2024 and USOC approaches and efforts to date.

Looking ahead, Mr. Sykes briefed the Board on upcoming steps and discussions in the bid process, including the scheduled bid city presentations to IOC members set for Lausanne in July, and on LA2024 plans and preparations in that regard. He and the Board discussed other LA2024 programs and bid-related planning currently ongoing, and public speculation about potential IOC plans to award both the 2024 and 2028 Games during 2017 and how such an approach might affect the bid cities and Los Angeles in particular.

After further Board questions and discussion, the Chair congratulated LA2024 on its progress and accomplishments to date, and thanked Mr. Sykes and Mr. Harper for joining the meeting and sharing their thoughts.

6. Collegiate Partnership Update

Next, Scott Blackmun asked Rick Adams and USOC Director of Collegiate Partnerships Sarah Wilhelmi to provide the Board with an update on USOC's collegiate partnership program.

Mr. Adams opened the topic by reviewing the importance of collegiate sports programs to the US Olympic and Paralympic athlete development process, and the concomitant need for strong and positive working relationships with college athletic programs and conferences. He remarked on efforts to build such relationships and communication, especially on the part of Board member Kevin White, and how they led to the creation of the USOC position now held by Ms. Wilhelmi to lead this work. He introduced Ms. Wilhelmi to provide the Board with an update on her progress and plans.

Ms. Wilhelmi reviewed the initial focus and direction of her role during its first year to date. She provided a picture of the current landscape in collegiate Olympic sport programs and current USOC efforts in analytics, communications, and strategic

alliances. She noted that approximately 80% of US Olympic athletes and 45% of US Paralympic athletes come out of collegiate athletics programs.

Board questions and discussion centered around trends in support for Olympic, or “non-revenue” sports in the collegiate sphere and opportunities for the USOC to advocate and support colleges in this area, work with collegiate athletic conferences and the NCAA, and defining collegiate partnership success for USOC in the near- and long-terms.

7. Discussion re Council Structure

Scott Blackmun introduced a Board discussion on the roles and missions of the USOC-created councils: The Athletes’ Advisory Council (“AAC”), the Multisport Organizations Council (“MSOC”), and the National Governing Bodies Council (“NGBC”). He asked Chris McCleary to provide the Board with background information on these bodies and launch Board discussion on the topic.

Mr. McCleary referred to advance materials for the meeting in setting out fundamental council roles and duties under the Ted Stevens Olympic and Amateur Sports Act, the USOC Bylaws, and the bylaws of the councils themselves. He noted that these points of guidance leave open certain questions as to the applicability of the USOC’s policies on media and communications to the councils.

Kacie Wallace added thoughts and comments on these questions from the perspective of her work with the AAC specifically.

Board discussion followed, including as to the need for the councils to be able to speak freely in exchanges with the USOC, the need for the USOC to take advice and views from the councils in forming its own plans and approaches, and the value in seeking council involvement in key matters and efforts. Board members reflected on the value and importance of athlete and NGB viewpoints as they come to the Board from the AAC and NGBC-nominated USOC Board members, and those members’ ability to seek and secure input from the AAC and NGBC in their work.

8. Working Group Updates

Referring to the recently created working groups on the topics of NGB compliance, qualifications to serve, and youth sport, Scott Blackmun invited these working groups to share their thinking and progress with the Board, and to engage the Board in discussion on next steps.

First, Rick Adams provided a short update on the work of the NGB compliance working group. He laid out their planned timeline and scope of work, and gave the Board an early sense of certain ideas of the working group as to how the USOC can best support and compel effectiveness and efficiency within and among NGBs, allowing each the freedom to operate in the way it deems best while also helping to

ensure a consistently high level of performance. Mr. Adams indicated that a detailed report would be forthcoming for discussion at the Board's October 2017 meeting.

Next, Susanne Lyons discussed the work of the qualifications to serve working group. She described the group's work on defining scope and output goals and its preliminary work on benchmarking with similar organizations, the merits of disclosure requirements (as opposed to simple prohibitions) in certain areas, and on defining what elements of the US Olympic and Paralympic movements should be covered by qualifications policies that may result from the group's work. This group too expects to have a substantive report for discussion in October.

Finally, Rick Adams described the work of the youth sport working group. He noted that the group's project stems from questions about what the USOC, NGBs, and Multisport Organizations can and should be doing in the area of youth activity and obesity levels, promoting the benefits of participation in sports. He reported that the group has been looking at "physical literacy" efforts in other organizations, the "Project Play" program of the Aspen Institute, and possibilities of teaming with such non-Olympic organizations in efforts in this area. Board discussion on the group's work followed, and Mr. Adams promised a further update at the October Board meeting.

9. Comprehensive Fundraising Campaign

Scott Blackmun introduced USOC Chief Development Officer Jon Denney to present the Board with information on the upcoming USOC comprehensive fundraising campaign. Mr. Denney outlined the anticipated form and timeline of the campaign, potential links with a US-based Olympic and Paralympic Games, the importance of large and small donors under the campaign, coordination with other US Olympic and Paralympic Foundation programs and goals and with the USOPF Board, and related plans to create a standing endowment.

Subsequent Board questions and discussion focused on the timing for launch and implementation of the campaign and possibilities for the campaign to benefit from larger social and political trends in the US.

10. NGB/Athlete Commercial Terms Policy

At Scott Blackmun's invitation, USOC Ombudsman Kacie Wallace and Chris McCleary led a short Board discussion on the agreements that help form the relationship between NGBs and elite athletes.

Ms. Wallace reviewed the basic structure of these agreements and how they can vary from NGB to NGB. She discussed recent cases involving confusion or disagreement between NGB and athletes as to what NGBs may require of all athletes (e.g., codes of conduct, training standards), and what NGBs may ask of particular athletes only within the scope of a specific commercial agreement that involves additional NGB

obligations on the one hand, and specific athlete duties and/or grants of rights to the NGB on the other (e.g., athlete marketing rights and sponsor endorsements).

Referring to advance materials for the meeting, Mr. McCleary described the existing “commercial terms” policy approved by the Board in 2012 in this area and the need for an updated and clarified version of that policy in order to best serve the needs of athletes and NGBs alike. Mr. McCleary reviewed a proposed new NGB Athlete Agreements Policy intended to capture the principles underlying the current policy in a form more accessible and understandable to all stakeholders.

Board questions and discussion followed, including as to proposed policy specifics, benefits, and the importance of securing informed input from affected stakeholders. After this discussion, Mr. McCleary agreed to review the proposed policy with AAC and NGBC leadership and seek input from both before formally seeking Board approval of the new policy.

11. Administrative Items

At the Chair’s invitation and referring to advance materials for the meeting, USOC General Counsel Chris McCleary took the Board through several administrative matters for Board attention or action.

11.1 2018 Meeting Schedule

As a preliminary matter, Mr. McCleary noted the inclusion of final 2018 Board meeting dates and locations in the advance materials for the meeting and thanked the Board for its cooperation in finalizing them.

11.2 USOC Bylaws Amendment

Referring to advance materials for the meeting, Mr. McCleary noted that the USOC Compensation Committee had identified minor USOC Bylaws edits that would help clarify and make more specific certain of that committee’s duties. Board member Dave Ogreaan recommended that the Board consider approving these proposed amendments at a future Board meeting according to the procedure set out in the Bylaws. Mr. McCleary noted that these proposed revisions would be posted for public review and then brought back to the Board at its next meeting for discussion and possible approval.

11.3 NGB Status Change

Mr. McCleary briefly reminded the Board of the placement of several additional sports on the program for the 2020 Olympic Games in Tokyo, and that, in the case of each of these sports, current USOC member organizations are preparing to seek USOC Olympic Sport Organization status in anticipation of the Tokyo Games. He confirmed to the Board that one such organization had completed such preparations and been

recommended by the USOC Membership Working Group to be granted this status: USA Surfing, Inc. After Board discussion and upon a motion duly made and seconded, it was

RESOLVED, that USA Surfing, Inc., by action of the USOC Board of Directors, and pursuant to Section 220521 of the Ted Stevens Olympic and Amateur Sports Act and Section 8.1 of the USOC Bylaws, is recognized as the National Governing Body for the sport of Surfing in the United States and is admitted as an Olympic Sport Organization member of the United States Olympic Committee.

11.4. Pyeongchang Code of Conduct

Next, and referring to advance materials for the meeting, Mr. McCleary described for the Board the forms executed by all members of the U.S. delegation to international sporting events such as the Pyeongchang Olympic Winter Games and Paralympic Games. The forms include rules of conduct, grievance resolution procedures, releases, and other information. He noted a number of small edits to these forms (as against those most recently used in connection with the 2016 Olympic Games) proposed for implementation at the upcoming Games in Pyeongchang and asked the Board to approve these edits as reflected in the set of forms included in the advance materials and their accompanying memo.

After Board discussion and upon a motion duly made and seconded, the Board approved the revised delegation forms as set out in the advance materials, for use beginning with the 2018 Olympic Winter Games and Paralympic Games in Pyeongchang.

11.5 Section 10 Panel Discussion - Bowling

Finally, Mr. McCleary asked Board member Bill Marolt, Chair of the USOC's currently active Section 10 panel, to describe the work and recommendations of that panel in the US Bowling Congress case before it.

Mr. Marolt briefed the Board on the work and process followed by the panel, and, referring to the panel's report, decision, and recommendation included in the advance materials for the meeting, informed the Board of the decision of the hearing panel. He noted that the decision includes findings that the US Bowling Congress failed to meet the requirements of the Ted Stevens Olympic and Amateur Sports Act in connection with its management of a member grievance and hearing procedures. He noted further the hearing panel's request that the USOC Board place the US Bowling Congress on probation for a period of six months while it corrects these deficiencies.

After Board discussion and on a motion duly made and seconded, the Board approved placement of the US Bowling Congress on probation for a period of six months, during which time it may resolve the deficiencies found by the hearing panel.

12. IOC Matters

Scott Blackmun invited USOC Chief Marketing Officer Lisa Baird to brief the Board on IOC matters including developments in connection with the TOP global sponsorship program and the Olympic Channel.

Ms. Baird began by reviewing current IOC efforts and priorities in its TOP global sponsorship program and reviewed how they may relate to the IOC-USOC revenue sharing agreements currently in place. Ms. Baird reviewed the basic structure of the revenue sharing terms between the IOC and USOC under the agreements and applied current and possible future TOP developments to these terms to help the Board understand possible USOC impacts. She noted that the IOC's approach to TOP agreements with new and renewing sponsors emphasizes a broader set of value elements for the sponsors and, in some cases, changing and complex suppliership terms. She reviewed the recent termination of the McDonald's TOP agreement and addition of Intel as a new TOP partner.

Board discussion and questions followed, including on specifics around the IOC-USOC revenue sharing formula and discussions on how it should be applied in certain possible fact patterns, on recent sponsor category shifts from domestic sponsor to TOP status and their effect on USOC's projected revenue, and on the value-in-kind elements of certain sponsor agreements and how the USOC can maximize its activation and benefit from such value-in-kind rights.

Next, Ms. Baird updated the Board on previously-discussed negotiations over the IOC's developing Olympic Channel online platform and NBC's coming Olympic linear television channel, and how the IOC, NBC, and USOC should each participate in both. She reviewed the state of negotiations among the parties and the USOC's general approach to participation in the developing platforms.

Ms. Baird engaged the Board in questions and discussion on this matter and addressed a number of specifics of the planned platforms and USOC's potential rights and obligations in connection therewith. Other Board discussion focused on athlete compensation in connection with the platforms and the USOC's approach of compensating athletes for participation in entertainment and information programming.

Finally, she provided a thorough review of the element of the ongoing negotiations that would require the USOC to switch its own digital content and hosting to a technical platform operated by the provider who is creating the counterpart elements of the IOC. This switch would allow the two platforms to be operated in parallel in a way that is efficient and consistent, and if and when the parties agree that the two platforms should be combined, that combination should be seamless. The Board expressed general support for this element and the USOC's plans to pursue it.

13. Committee Reports and Executive Session

At this point, USOC staff (other than Scott Blackmun and Chris McCleary) left the meeting. At the Chair's invitation, committee leaders provided reports to the Board.

13.1 Ethics

Ethics Committee Chair Nina Kemppel updated the Board on the ongoing work of that committee and recent developments in the area. She reviewed the Committee's guidance on a matter brought to the Committee by Scott Blackmun and its instruction to USOC Ethics Officer Chris McCleary that he start work on an official USOC policy on outside work for USOC staff. She noted that the Committee plans an in person meeting in connection with the Board's October meeting and the USOC Olympic Assembly set to take place at that time.

Ms. Kemppel also noted, as the USOC's representative on the Board of Governors of the Partnership for Clean Competition, that the PCC conducted a highly successful anti-doping science conference in New York City during April 2017 and that the PCC Board of Governors would be conducting its next meeting in Salt Lake City, Utah at the end of June 2017.

13.2 Compensation Committee

Compensation Committee Chair Susanne Lyons updated the Board on that committee's meeting of the previous day. She reported that the Committee discussed current incentive plans and their targets, benchmarking work on employee compensation, results of the most current employee engagement survey, the tightening labor market in Colorado and nationwide, and ongoing efforts to ensure employee engagement and job satisfaction.

13.3 Audit

Audit Committee Chair Dan Doctoroff discussed the previous day's Audit Committee meeting and the current work of that committee. He noted that the Committee discussed updated financial reporting tools being employed to enhance the Committee's financial analysis work, an RFP being prepared to help select a new external auditor, results of the most recent NGB audits, and current litigation and dispute resolution matters.

Finally, Mr. Doctoroff led a short Board discussion on the USOC's current cash management approach and the potential benefits of looking at whether and how it might be changed to enable cash reserves to yield greater returns, while preserving needed liquidity. He indicated that the Committee would look into this further and report back to the Board.

13.4 IOC Update

The Chair invited comments from Board members serving also as IOC Members on IOC developments and issues.

Anita De Frantz noted the outcome of the recent IOC meetings in Tokyo at which the preliminary sports program for the 2024 Games was confirmed.

14. Adjournment

There being no further business, the meeting was adjourned at approximately 1:32pm.

This document constitutes a true and correct copy of the minutes of the June 20, 2017 meeting of the Board of Directors of the United States Olympic Committee.



Christopher McCleary
Secretary

7/25/17
Date