

**CODE OF REGULATIONS
OF THE BETSEY MILLS CORPORATION
A NONPROFIT CORPORATION**

ARTICLE I INTRODUCTION

Definition of Regulations

1.01. These Regulations constitute the code of rules adopted by The Betsey Mills Corporation for the regulation and management of its affairs.

Purposes and Powers

1.02. This Corporation will have the purposes or powers as stated in its Articles of Incorporation, and whatever powers are or may be granted by the Nonprofit Corporation Law of the State of Ohio or any successor legislation.

The primary purposes of this Corporation are owning and operating property to be used exclusively for charitable purposes; promoting and providing charity in various ways; receiving funds by gift or by bequest for charitable purposes; and the doing of all things necessary or incident thereto.

ARTICLE II OFFICES, DIVISIONS AND STATUTORY AGENT

Principal and Branch Offices

2.01. The principal place of business of this Corporation in Ohio will be located at 300 Fourth Street, Marietta, Ohio.

Corporate Divisions

2.02. As part of its activities, the Corporation shall have two (2) working subparts ("Divisions"), The Betsey Mills Club Division (hereinafter referred to as the "Club") and The Castle Division (hereinafter referred to as the "Castle").

Statutory Agent

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

ARTICLE III MEMBERSHIP

Definition of Membership

3.01. The Members of this Corporation are those persons who are members of either of the two (2) Divisions or one or more additional Divisions created in the future.

Classes of Members

3.02. This Corporation will have eleven (11) classes of designated members of the two (2) Divisions as follows:

The Betsey Mills Club

- (1) Adult Members
- (2) Patron Members
- (3) Family Membership
- (4) Student Members
- (5) 100-Circle Members
- (6) Betsey Benefactor Members (Lifetime Membership)

The Castle

- (7) Individual Members
- (8) Patron Members
- (9) Family Membership
- (10) Contributing Membership
- (11) Docent Members

Honorary Member is membership that may be conferred by the Board of Directors in recognition of exceptional service to the Corporation.

Qualifications of Members

3.03. Any person may become a member of one or more of the first eleven (11) classes of members of the Corporation by filing the appropriate membership form and paying the applicable fees.

Members Dues

3.04. The annual dues payable by Members of each class will be in the amounts and dates determined from time to time by resolution of the Trustees of the respective divisions. The first annual dues will be payable and submitted in full with the application for membership. Dues shall be payable to the Division to which the Member belongs.

Assessments

3.05. No assessments shall be made against the Members.

Place of Members Meetings

3.06. Meetings of Members will be held at the principal place of business of this Corporation in Washington County, Ohio, or at such other location in Washington County, Ohio as designated by the Board of Directors.

Members Annual Meetings

3.07. The annual meeting of the Members will be held on the third Monday of June of every calendar year. Among other matters, the election of the Directors by the Members shall be held at this meeting. (See Article 4.07)

Members Special Meetings

3.08. Special meetings of the Members may be called by any of the following:

- (1) A majority vote of the total number of Directors.
- (2) The President of the Corporation.
- (3) Ten percent (10%) of the voting members.

Notice of Members Meetings

3.09. Written or printed notice, stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, must be delivered not less than ten (10) or more than sixty (60) days before the date of the Members meeting, either personally or by first class mail, by or at the direction of the Board of Directors, the President, or Members calling the meeting, to each Member entitled to vote at such meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail addressed to the Member at the Member's address as it appears on the records of the respective divisions of the Corporation, with postage prepaid.

Voting Rights of Members

3.10. Each Member of the Adult, Patron, Family, 100-Circle, Betsey Benefactor, Contributing, Individual and Docent classes of membership will be entitled to one vote on each matter submitted to a vote of Members. Members of more than one class of membership and/or Division shall be entitled to only one vote. With respect to Family Memberships, the person designated to vote for the involved family will be noted on its membership form. Honorary and Student Members shall be nonvoting memberships.

Members Proxy Voting

3.11. A Member may vote either in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. The person so authorized must himself or herself be a Member, and such proxy must be filed with the Secretary before the person authorized thereby can vote thereunder. No proxy will be recognized as valid after eleven (11) months from the date of its execution unless expressly provided otherwise in the proxy.

Quorum of Members

3.12. Ten percent (10%) of the Members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Members. A majority vote of the quorum either present or by proxy shall be required to effect action.

Transferability of Membership

3.13. Membership in this Corporation is nontransferable and nonassignable.

Termination of Membership

3.14 Membership will terminate in this Corporation on the death of a Member or upon the occurrence of any of the following events, and for no other reason, subject to reinstatement if approved by the Board of Directors:

- (1) Receipt by the Board of Directors of the written resignation of a Member, executed by the Member or the Member's duly authorized attorney-in-fact.
- (2) The failure of a Member to pay annual dues on or before their due date.
- (3) For cause, inconsistent with membership, after notice.

ARTICLE IV DIRECTORS

Definition of Board of Directors

4.01. The Board of Directors is that group of persons vested with the management of the business and affairs of this Corporation.

Structure of Board

4.02. The Corporate Board of this Corporation will be divided into the following classes:

(1) Designated Directors. If willing to serve, the persons holding the noted offices shall serve as Directors as long as they hold the indicated occupation or position:

- (A) The current President of The Betsey Mills Club Trustees.
- (B) The current President of The Castle Trustees.
- (C) The current Treasurer of The Castle Trustees.
- (D) The current Treasurer of The Betsey Mills Club Trustees.
- (E) The President of Marietta College, or her / his designee
- (F) The Minister, First Congregational Church of Marietta, Ohio, or her / his designee.
- (G) & (H) An Official from two (2) different banks to be chosen by the Board.

Vacancies shall be filled by the next person occupying the involved position or, if none, then by a majority vote of the remaining Directors, in which case, suitable candidates shall be nominated by the Nominating Committee. (See: Article 4.07.)

(2) Elected Directors. Seven (7) Directors shall be elected by the Members of the Corporation. Candidates for these directorships shall be advanced by the Nominating Committee. (See: Article 4.07.) On choosing the candidates, reasonable

efforts should be expended by the Nominating Committee to name a certified public accountant; an attorney – estate planning / probate specialist, and an insurance agent / broker – life insurance specialist with respect to three (3) of the seven (7) directorships to be elected.

Qualifications of Elected Directors

4.03. In order to be qualified to become and remain as an elected Director of this Corporation, the candidate must be a Member of the Corporation.

Number of Directors

4.04. The number of Directors of this Corporation will not be less than ten (10) nor more than fifteen (15) at any time.

Terms of Directors

4.05. For the first election of the seven (7) Elected Directors chosen by the Members, three (3) Elected Director shall be elected for a term of one (1) year, two (2) shall be elected for a term of two (2) years, and two (2) shall be elected for a term of three (3) years. Thereafter, Elected Directors shall be elected by the Members for a term of three (3) years. No Elected Director shall serve more than two (2) consecutive terms, but terms of less than three (3) years shall not be considered in connection with this provision. After being away from service to the Board for one (1) year, former Directors shall be eligible for reelection to the Board.

Chairperson of the Board

4.06 The Directors shall choose amongst themselves a Chairperson of the Board. One or more candidates shall be nominated by the Nominating Committee. The candidate securing the most votes shall become the Chairperson and shall also serve as the President of the Corporation. However, no Director shall act as Chairperson, and President, for more than two (2) consecutive annual terms. However, after a one (1) year separation from the office of Chairperson / President, a person who had previously served two (2) consecutive annual terms as such will be eligible once again for reelection as the Chairperson / President. The Chairperson / President / Director shall have one (1) vote as in the case of the other Directors. This election shall be held at the annual meeting of the Board of Directors taking place on the third Monday of June immediately after the annual meeting of the Members held on that date.

Nominating Committee Re Directors

4.07. At the March regular meeting of each year of the Directors, the Chairperson of the Board of Directors shall appoint a Nominating Committee of three (3) persons who shall be Directors of the Corporation. This Committee shall select candidates for positions open on the Board of Directors. Pursuant to Robert's Rules of

Order, Newly Revised, the President is not eligible to serve on the Nominating Committee. The Committee will also be responsible to conduct the elections of the new Directors and shall adopt and proscribe appropriate rules regarding the same. (See Article 3.07)

Attendance at Meetings

4.08. In order to remain cognizant of the business of the Board and to provide continuity and leadership to the Board, it is necessary for the Directors to attend all meetings. Any Director who is absent from three (3) consecutive meetings without an excuse satisfactory to the Board shall be deemed to have surrendered his/her Directorship unless the Board determines otherwise. Unless meeting in Executive Session, all general meetings of the Corporation shall be open to all Members.

Vacancies on Board

4.09. Any Elected Director vacancy occurring on the Board of Directors will be filled by appointment by a majority of the remaining Directors. A suitable candidate(s) shall be advanced by the Nominating Committee. (See: Article 4.07.) The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office.

Location of Directors Meetings

4.10. Meetings of the Board of Directors, regular or special, will be held at the principal place of business of this Corporation or such place or places in Washington County, Ohio, as the Board of Directors designates by resolution duly adopted.

Directors Regular Meetings

4.11. Regular meetings of the Board of Directors shall be held every three (3) months. The meetings shall take place on the third Monday of the month in March, June, September and December. The annual meeting for each year will be held on the third Monday of June immediately following the annual meeting of the Members held on that date. In the event that the prescribed meeting date falls upon a holiday then, the meeting shall occur on the next business day at the designated time and place.

Notice of Directors Meetings

4.12. Written or printed notice stating the place, day and hour of each regular or special meeting of the Board of Directors will be delivered to each Director not less than ten (10) days or more than thirty (30) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, or the Secretary, or the Directors calling the meeting. If mailed, the notice will be deemed to be delivered when deposited in the United States mail addressed to the Director at the Director's address as it appears on the records of the Corporation, with postage prepaid. The notice shall state the business to be transacted at, or the purpose of, the meeting.

Call of Special Board Meetings

- 4.13. A special meeting of the Board of Directors may be called by either:
- (1) Chairperson of the Corporate Board or.
 - (2) A majority of the Board of Directors.

Waiver of Notice

4.14. 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 objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Quorum of Directors

4.15. A majority of the whole Board of Directors will constitute a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required under the law. A director may appear by written or electronic proxy to another director. Oral declaration and instant messaging are not valid methods of communicating a proxy.

Procedure for Meetings

4.16. Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or in his/her absence, the Vice President of the Corporation. Any meeting may be adjourned to a specific day, on motion duly made and carried. No notice of adjourned meeting need be given, except by announcement in open meeting, unless the meeting is adjourned for more than ten (10) days. Notice of the adjourned meeting, including the time and place, then shall be given as in the case of a special Directors meeting. On questions of parliamentary procedures not covered by these Regulations, Robert's Rules of Order, Newly Revised shall govern. The order of business, at any meeting of the Board of Directors, shall be as follows:

- (1) Determination of Directors present and existence of quorum.
- (2) Proof and filing by Secretary of notice of meeting, if notice is required.
- (3) Reading and disposal of prior unapproved minutes of the Board.
- (4) Executive Director's Report re the Club.
- (5) Executive Director's Report re the Castle.
- (6) Reports of officers and committees.
- (7) Appointment of Nominating Committee (March regular meeting only. See Articles 4.07 and 5.03)
- (8) Election of officers (annual meeting only.)
- (9) Disposition of unfinished business.
- (10) Presentation and disposition of new business.
- (11) Adjournment.

4.17 The Corporate Board shall ensure that each respective division maintains appropriate D&O insurance for its Board of Directors, Trustees, and Executive Directors.

ARTICLE V OFFICERS

Roster of Officers

5.01. In addition to the President, the Officers of this Corporation will consist of the following personnel, each of whom shall be chosen from the Directors:

- (1) A Vice President
 - (2) A Secretary
 - (3) A Treasurer
- (See section VII for historic preservation committee)

Selection of Officers

5.02. Each of the four (4) noted Officers of this Corporation will be elected and appointed annually by the Board of Directors. They shall remain in office until a successor to the office has been selected and qualified. However, in no case shall any such Officer serve more than two (2) consecutive annual terms. Nevertheless, in the case of the four (4) noted officers, after a one (1) year separation from office, a person, who had previously served two (2) consecutive annual terms as one (1) of the four (4) noted officers, will be eligible once again for re-election to one (1) of those four (4) offices. Elections will be held at the annual meeting of the Board of Directors which will take place immediately after the annual meeting of the Members.

Nominating Committee Re Officers

5.03 At the March regular meeting of the Directors each year, the Chairperson shall appoint a Nominating Committee of three (3) persons who shall be Directors of the Corporation. The Committee shall suggest candidates for each of the four (4) noted offices of the Corporation. The Committee will also be responsible to conduct the elections of the new officers and shall adopt and proscribe appropriate rules regarding the same. In the event the Nominating Committee should see fit to nominate more than one (1) candidate for one or more of the offices of the Corporation, then, the candidate securing the most votes of the Directors shall be elected. Pursuant to Robert's Rules of Order, Newly Revised, the President is not eligible to serve on the Nominating Committee.

President

5.04. The President is the Chief Executive Officer of this Corporation and will, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation. The President will perform all duties incident to the office and any other duties that may be required by these Regulations or prescribed by the Board of Directors. The Chairperson of the Board shall be the President of the Corporation pursuant to Article 4.06 of this Code.

Vice President

5.05. The Vice President will perform all duties and exercise all powers of the President when the President is absent or otherwise unable to act. The Vice President will perform any other duties that may be prescribed by the Board of Directors.

Secretary

5.06. The Secretary will keep minutes of all meetings of Members and of the Board of Directors, be the custodian of the corporate records, give all notices as are required by law or these Regulations and, generally, perform all duties incident to the office of Secretary and any other duties as may be required by law, by the Articles of Incorporation, or by these Regulations, or that may be assigned by the Board of Directors.

Treasurer

5.07 The Treasurer will be the Chief Financial Officer for the Corporation and its Divisions. As such, the Treasurer will have charge, custody, and ultimate control, of all funds of the Corporation, and its Divisions, subject to the approval of the Board of Directors.

The Treasurer will delegate certain financial responsibilities to the finance committees of the Club and the Castle. It will be the responsibility of those finance committees to prepare an annual budget and to submit the same to the Treasurer for the Board's approval. Moreover, the head of each of the finance committees will oversee a checking account and such other bank accounts as are appropriate and which the Treasurer has approved, to serve the financial needs of the Club and Castle, respectively. Those accounts will also be subject to audit at the discretion of the Board of Directors.

The Treasurer will fund the operations of the Divisions as required by the Board of Directors, keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, render reports and accountings to the Directors and to the Members as required by the Board of Directors or by the Members or by law.

The Treasurer, and the head of each of the finance committees, will constitute an Advisory Committee which will be responsible for the investment of the funds designated for the support of each of the two (2) Divisions – the Club and the Castle. After consultations, with the head of each of the finance committees and with the Board, the Treasurer shall act with the Corporation's financial agents, such as a bank or a brokerage firm, to implement the fiscal decisions of the Corporation. All fiscal decisions will thus be made by the Corporation and shall not be delegated to an independent institution.

The Treasurer will perform in general all duties incident to the office of Treasurer and any other duties as may be required by law, by the Articles of

Incorporation, or by these Regulations, or that may be assigned by the Board of Directors.

Removal of Officers

5.08. Any Officer elected or appointed to office may be removed by a majority of the Board of Directors, whenever in their judgment the best interests of this Corporation will be served on doing so.

ARTICLE VI. INFORMAL ACTION

Waiver of Notice

6.01. Whenever any notice is required to be given under the provisions of the Nonprofit Corporation Law, the Articles of Incorporation of this Corporation, or these Regulations, a waiver of the notice in writing signed by the person or persons entitled to notice, whether before or after the time stated in the waiver, will be deemed equivalent to the giving of the notice. The waiver must, in the case of a special meeting of Members, specify the general nature of the business to be transacted.

Action by Consent

6.02. Any action required by law or under the Articles of Incorporation of this Corporation or these Regulations, or any action that otherwise may be taken at a meeting of either the Members or Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all the persons entitled to vote with regard to the subject matter of the consent and filed with the Secretary of the Corporation. Individual consents may be electronically transmitted to the Secretary who will tabulate the same and advise the Board of Directors of the total number of timely electronic consents received by her/him.

ARTICLE VII DIVISIONS AND COMMITTEES

7.01. This Corporation shall have one or more Divisions. Each Division will have and exercise the authority delegated to it by the Board of Directors in its management of the Corporation. Each Division shall have a President.

Appointment of Divisions

7.02. The Board of Directors will delegate certain managerial rights and obligations to each of its presently contemplated Divisions, pertaining to the Club and the Castle. Moreover, in the future, the Board of Directors may create and designate additional Divisions and delegate to such Divisions specific and prescribed authority. However, the creation and maintenance of these Divisions will not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law.

Committees

7.03. The titular head of each of the Divisions will be its President who will be a Member of the Board of Directors of the Corporation to which it shall be answerable. Each Division shall have the right to create its own governing structure including committees and sub-committees. The number and responsibility of each of the committees is left up to the discretion of each of the Divisions. Care shall be taken to guard against confusion on naming the said Committees. As far as possible, each committee shall have a distinctive name so as to distinguish it from any of the other involved committees of the entire Betsey Mills organization. For example, the financial committees shall be named: "Club – Financial Committee" and "Castle – Financial Committee".

Financial Committees

7.04. As a minimum, each Division will have a financial committee. This committee will be responsible to prepare an annual budget for submission and approval by the Treasurer of the Corporation. Additionally, this committee shall receive funds from the Corporation to maintain and advance its operations and activities. In connection with such funds and other funds which the Division may generate, the head of this finance committee will maintain appropriate bank accounts for the safeguarding of the same and for easy distribution when appropriate. Such funds and accounts shall be subject to the control of the Treasurer. (See: Article 5.07.)

7.05. At a minimum, each Division will have a Historic Preservation Committee. The exact duties and responsibilities of each committee shall be prescribed by the respective divisions Trustees. At the direction of the Chairman of the Corporation, a member of the Board shall serve on the Historic Preservation Committees of the Club and the Castle. The Board Member shall report to the Board of Directors on the activities of the Committee, as needed. The Historic Preservation Committees shall be charged with collecting and preserving the history of their respective Divisions and establish procedures for any proposed architectural changes within or without the buildings, including improvements, replacement or addition of equipment; painting and the color scheme thereof and any other change to the physical plant of the respective buildings.

7.06. Women's Council and Girls Council are the primary fundraising committees of The Betsey Mills Club. Members of Women's Council and Girls Council may attend corporate board meetings and participate in discussions regarding the operation of The Betsey Mills Club.

ARTICLE VIII OPERATIONS

Fiscal Year

8.01. The fiscal year of this Corporation will be the calendar year.

Execution of Documents

8.02. Except as otherwise provided by resolution of the Board of Directors, checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of this Corporation will be signed by the Treasurer and countersigned by the President. Contracts, leases, for example, but not limited to, for the restaurant, or other instruments executed in the name of and on behalf of the Corporation will be signed by the Secretary or Treasurer and countersigned by the President, and will have attached copies of the resolutions of the Board of Directors certified by the Secretary authorizing their execution.

Books and Records

8.03. This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Members, Board of Directors and Divisions. It will also keep and maintain a membership register giving the names, addresses, classes and other details of the membership of each Member. Further, it will keep and preserve the original or a copy of its Regulations including amendments to date certified by the Secretary of the Corporation. All other significant books and records pertaining to the Betsey Mills Corporation, and its Divisions, will also be kept by the Corporation. The Corporation will keep all of its books and records at its principal place of business.

Inspection of Books and Records

8.04. All books and records of this Corporation may be inspected at its principal place of business by any Member, or the Member's agent or attorney, for any proper purpose, at any reasonable time on written demand under oath stating the purpose of the inspection. The Corporation's Secretary, or a member of the Corporation's Board of Directors, shall be in attendance for each such inspection.

Nonprofit Operations

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

Loans to Management

8.06. This Corporation will make no loans to any of its Officers or Directors or to any of its key management or other personnel.

8.07 No individual member of the Board shall have any authority to incur a liability which binds the board without the full written approval of the entire Board.

ARTICLE IX. TRANSITION AUTHORIZATION AND ACTIVITIES

9.01 As provided by Section 4.02 of this Code of Regulations, the Designated Directors are as follows:

- A. the President and Chairperson of the Corporation, John M. Halliday.
- B. the President of The Women's Board of The Betsey Mills Club Division, Janet Cranston.
- C. the President of The Castle Division, John Wharff.
- D. the President of the Betsey Mills Girls' Board, Merrilee Burton.
- E. the President of the Betsey Mills Girls' Council, Joyce Marr.
- F. the President of Marietta College, Jean A. Scott.
- G. the Minister, First Congregational Church of Marietta, The Rev. Linda N. Steelman.

9.02 The Designated Directors named in Section 9.01 shall appoint from the Recommended Slate of Directors as Permanent Directors, an official from two (2) different banks, and choose five (5) Elected Directors to serve for terms as designated in Section 4.05 of this Code of Regulations. If the Recommended Slate has been exhausted, but fifteen (15) Directors have not been nominated, other parties may then be considered.

9.03 After the above appointment and election of Directors, future appointments and elections shall be conducted as provided in Article IV Directors of this Code of Regulations.

ARTICLE X. AMENDMENT

Adoption / Modification / Repeal of Regulations

10.01 The former Regulations and all amendments thereto are repealed as of the effective date of the new Code.

10.02 The power to alter, amend or repeal the new Code of Regulations, or to adopt new Regulations, to the extent allowed by law, is vested in the voting Members. These Regulations may be altered, amended or repealed, by the voting Members at a meeting held for that purpose. At such a meeting, Members may be physically present or represented by duly executed proxies pursuant to Article 3.11. A quorum 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 corporate action.

Current Hierarchy:

