

Governance Implementing Procedures

These Governance Implementing Procedures (the “Implementing Procedures”) have been developed, approved and adopted by the USA Gymnastics Interim Board of Directors in conjunction with and as an integral part of the amendment to the USA Gymnastics Bylaws approved and adopted by the Interim Board on May 22, 2018 (the “May 2018 Bylaw Amendments”). The May 2018 Bylaw Amendments are incorporated herein by this specific reference.

The Bylaw Amendments reconstitute and reduce the size of the USA Gymnastics Board of Directors in accordance with requirements of a letter to the USA Gymnastics Board of Directors from the United States Olympic Committee (the “USOC”) dated January 25, 2018 (the “USOC Letter”). In follow-up to the USOC Letter, the USOC expressed further requirements that the newly-constituted Board of Directors have a majority of its members be independent directors and the new Board be seated no later than June 1, 2018.

These Implementing Procedures confirm the timely adoption of the May 2018 Bylaw Amendments accomplishing the reconstitution and reduction in the size of the USA Gymnastics Board of Directors. These Implementing Procedures also confirm mechanisms and timing for the election and seating of the New Board (as defined below) in accordance with its new composition and size in order to accomplish proper, orderly, and timely elections. The timing for doing this has been discussed with and is acceptable to the USOC.

The May 2018 Bylaw Amendments provide for a new 15-member Board of Directors (the “New Board”), composed as follows:

- 8 Independent Directors
- 3 Athlete Directors
 - 1 being an athlete from the largest discipline by athlete membership
 - 1 being an athlete from the second largest discipline by athlete membership
 - 1 being an athlete from all other disciplines
- 3 National Membership (Program) Directors
 - 1 being a representative from the largest program by professional membership
 - 1 being a representative from the second largest program by professional membership
 - 1 being a representative from all other programs
- 1 Advisory Council Director

Based on the May 2018 Bylaw Amendments, Section 4.6(d) of the USA Gymnastics Bylaws provides that unless otherwise specified in the Bylaws or pursuant to any implementing procedures adopted by the Board of Directors to effectuate staggered terms, (i) Directors shall be elected for four (4) year terms, (ii) no Director may serve more than 2 full terms, and (iii) a Director elected to serve at least three (3) years pursuant to any implementing procedures adopted by the Board of Directors shall be deemed to have served one full term. Further, Section 4.6(c) of the Bylaws provides that unless otherwise specified in the Bylaws or pursuant to any implementing procedures adopted by the Board of Directors to effectuate staggered terms, a Director’s term of service shall commence on January 1.

The following provisions confirm the seating of the entire New Board and the assignment of initial terms of service for members of the New Board in order to create the staggering of terms of service:

1. The goal of USA Gymnastics is to seat the entire New Board with terms of service that begin no later than June 30, 2018 notwithstanding the current terms of service of members of the Interim Board and the provisions of Section 4.6(c) of the Bylaws.

2. Notwithstanding that the members of the Interim Board of Directors were appointed to fill vacancies created by resignations of the prior USA Gymnastics Board (as required by the USOC Letter) and that such vacant positions had existing terms of service, by approving and adopting the May 2018 Bylaw Amendments, all members of the Interim Board of Directors will be deemed to have agreed that their service on the USA Gymnastics Board of Directors ends coincident and effective with the commencement of the terms of service of the members of the New Board. Therefore, no Interim Board member will assert that he or she remains a Board member of USA Gymnastics by virtue of serving on the Interim Board.
3. The process of identifying Independent Director candidates for election to the New Board began on April 14, 2018 with the posting on the USA Gymnastics website of a Call for Nominations for the Chair and other Independent Directors for the USA Gymnastics Board of Directors. The USA Gymnastics Nominating and Governance Committee has reviewed and vetted all interested candidates and submitted recommendations and nominations to the Interim Board prior to the May 22, 2018 meeting of the Interim Board. At that meeting, the Interim Board has elected the eight (8) Independent Directors (including the Chair) who will serve on the New Board and be seated as described in these Implementing Procedures.
4. The USA Gymnastics Athletes' Council, the Advisory Council, the National Program Committees and newly established Programs Council, will promptly initiate and conduct appropriate actions to identify and vet candidates and elect their representatives to the New Board, in accordance with the May 2018 Bylaw Amendments with the goal of seating of the entire New Board no later than June 30, 2018.
5. To implement the staggering of Director terms of service, the following will be the initial terms of service of the Directors serving on the New Board (notwithstanding the provisions of Section 4.6(d) of the Bylaws), with it being expressly understood and agreed that once a Director has served an initial term of less than 4 years in the position to which they have been elected to serve, the term of the successor Director elected to that position will be a normal term of 4 years as contemplated by Section 4.6(d) of the Bylaws:
 - a. Independent Directors (8):
 - i. 2 Independent Directors – Initial term ending on December 31, 2018. (Eligible to serve 2 additional consecutive full terms of 4 years.)
 - ii. 2 Independent Directors – Initial term ending on December 31, 2019. (Eligible to serve 2 additional consecutive full terms of 4 years.)
 - iii. 2 Independent Directors – Initial term ending on December 31, 2020. (Eligible to serve to 2 additional consecutive full terms of 4 years.)
 - iv. 2 Independent Directors – Initial term ending on December 31, 2021. (Eligible to serve 1 additional consecutive full term of 4 years.)
 - b. Athlete Directors (3):
 - i. 1 Athlete Director - Initial term ending on December 31, 2019. (Eligible to serve 2 additional consecutive full terms of 4 years.)
 - ii. 1 Athlete Director - Initial term ending on December 31, 2020. (Eligible to serve to 2 additional consecutive full terms of 4 years.)
 - iii. 1 Athlete Director - Initial term ending on December 31, 2021. (Eligible to serve 1 additional consecutive full term of 4 years.)

- c. National Membership Directors (3):
 - i. 1 National Membership Director - Initial term ending on December 31, 2018. (Eligible to serve 2 additional consecutive full terms of 4 years.)
 - ii. 1 National Membership Director - Initial term ending on December 31, 2019. (Eligible to serve 2 additional consecutive full terms of 4 years.)
 - iii. 1 National Membership Director - Initial term ending on December 31, 2020). (Eligible to serve 2 additional consecutive full terms of 4 years.)

- d. Advisory Council Director (1) - Initial term of ending on December 31, 2021. (Eligible to serve 1 additional consecutive full term of 4 years.)

Unless a Director expressly states a preference for a shortened term due to his or her personal or professional circumstances, the determination as to which initial term of service will be assigned to the Independent, Athlete and National Membership Directors will be made by random draw conducted by the Chair of the Interim Board with a corroborating witness present.

As a result of the foregoing assignment of terms, there will be the following number of Directors in each of the initial terms of service:

- Initial term ending Dec. 31, 2018 3 Maximum service time: 8 yrs. 6 mo.*
- Initial term ending Dec. 31, 2019 4 Maximum service time: 9 yrs. 6 mo.*
- Initial term ending Dec. 31, 2020 4 Maximum service time: 10 yrs. 6 mo.*
- Initial term ending Dec. 31, 2021 4 Maximum service time: 7 yrs. 6 mo.*

*Estimate based on New Board members being seated no later than June 30, 2018.