



**HURON COUNTY LAND REUTILIZATION CORPORATION
CODE OF REGULATIONS**

ARTICLE I

CORPORATION

Section 1.1 – Corporate Name

The name of the corporation shall be “Huron County Land Reutilization Corporation” (hereinafter referred to as “HCLRC”).

Section 1.2 – Principle Office

The place in the State of Ohio (the “State”) where the principal office of the HCLRC is located is Huron County, Ohio.

Section 1.3 – Non-Profit Corporation

HCLRC has been organized as a county land reutilization corporation, under Chapter 1724 of the Ohio Revised Code (the “Community Improvement Corporation Law”) and Chapter 1702 of the Ohio Revised Code (the “Non-profit Corporation Law”). HCLRC shall carry on only such activities as are consonant with the purposes set forth in Section 1.4 of this Code of Regulations and in its Articles of Incorporation and in the laws of the State applicable to HCLRC. It is intended that HCLRC shall have the status of an organization which derives its income from the exercise of essential governmental functions and the income of which, if not used by HCLRC for the continuance of its purposes, accrues to the County of Huron, Ohio (the “County”) and is not included in the gross income for federal income tax purposes under Section 115(1) of the Internal Revenue Code of 1986, and all regulations issued thereunder (the “Code”). All authority and activities of HCLRC shall be limited accordingly. Notwithstanding any other provision of HCLRC’s Articles of Incorporation or this Code of Regulations, HCLRC shall not directly or indirectly carry on any activity which would prevent it from claiming or maintaining exemption from federal income taxation. HCLRC is not organized for profit and shall not have any authority to issue capital stock. HCLRC shall have perpetual existence.

Section 1.4 – Corporate Purposes; Powers

HCLRC is a county land reutilization corporation, as defined in R.C. 1724.01(A)(3) of the Ohio Revised Code and shall be operated for the purposes of exercising the essential governmental purposes provided for under Chapter 1724 and Chapter 5722 of

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the Ohio Revised Code (the “Land Reutilization Law”). In furtherance thereof, HCLRC shall have and may exercise the powers granted to it in Revised Code Chapters 1724 and 1702, including the enablements afforded to land reutilization corporations under S.B. 353, 127th General Assembly, and any other section of the Ohio Revised Code in which it is expressly given, whether specifically as a county land reutilization corporation or a nonprofit corporation as principal or agent, the power to take any action or refrain from taking any action, including but not limited to, the following powers:

- a. To borrow money for any of the purposes of the HCLRC by means of loans, lines of credit and other financial instruments or securities, including the issuance of its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust, or other lien on its property, franchises, rights, and privileges of every kind and nature or any part thereof or interest therein.
- b. To request by resolution that the Huron County Board of County Commissioners (the “Board of Commissioners”) pledge a specifically identified source or sources of revenue pursuant to division (C) of Section 307.78 of the Ohio Revised Code as security for a borrowing of the HCLRC.
- c. To make loans to any person, firm partnership, corporation, joint stock company, association, or trust, and to establish and regulate the terms and conditions with respect to any such loans.
- d. To purchase, receive, hold, manage, lease, lease-purchase or otherwise acquire, and to sell, convey, transfer, lease, sublease, or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including but not restricted to, any real or personal property acquired by HCLRC from time to time in satisfaction of debts or enforcement of obligations, and to enter into contracts with third parties, including the federal government, the State, and political subdivision or any other entity, except as otherwise limited in Section 1724.02 (C) of the Ohio Revised Code.
- e. To acquire the good will, business, rights, real and personal property, and other assets, or any thereof, or interest therein, of any persons, firms, partnerships, corporations, joint stock companies, associates, or trusts, and to assume, undertake or pay the obligations, debts, and liabilities of any such person, firm, partnership, corporation joint stock company, association, or trust; to acquire, reclaim, manage, or contract for the management of, improved or unimproved and underutilized real estate for the purpose of constructing industrial plants, other business establishments or housing thereon, or otherwise cause the same to occur, for the purpose of assembling and enhancing utilization of the real estate, or for the purpose of disposing of such real estate to others in whole or in part for the construction of industrial plants, other business establishments or housing; and to acquire reclaim, manage, contract for the management of, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, sublease, or otherwise dispose of industrial plants, business establishments or housing, except as otherwise limited in Section 1724.02 (D) of the Ohio Revised Code.

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- f. To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership including the right to vote therein; provided, however, that no tax revenue, if any, received by HCLRC shall be used for such acquisition or subscription in violation of Article VIII, Section 6, Ohio Constitution.
- g. To mortgage, pledge, or otherwise encumber any property acquired pursuant to the powers contain in divisions d, e, or f of this Section.
- h. To serve as an agent for grant applications and for administration of grants or to make applications as principal for grants for HCLRC.
- i. To exercise the powers enumerated under Chapter 5722. of the Ohio Revised Code on behalf of the County or a county which contracts with HCLRC.
- j. To enter into agreements with a political subdivision that has designated HCLRC as its agency for reclamation, demolition, rehabilitation, reutilization of vacant, abandoned, tax-foreclosed, or other real property within the political subdivision.
- k. To engage in code enforcement and nuisance abatement, including, but not limited to, cutting grass and weeds, boarding up vacant or abandoned structures, and demolishing condemned structures on properties that are subject to a delinquent tax or assessment lien, or property for which a municipal corporation or township has contracted with HCLRC to provide code enforcement or nuisance abatement assistance.
- l. To charge fees or exchange in-kind goods or services rendered to political subdivisions and other persons or entities for whom services are rendered.
- m. To employ and provide compensation for an executive director who shall manage the operations of the HCLRC and shall employ others for the benefit of the HCLRC as approved and funded by the Board of Directors, as defined in Section 6.1 hereof.
- n. To purchase tax certificates at auction, negotiated sale, or from a third party who purchased and is a holder of one or more tax certificates issued pursuant to Sections 5721.30 to 5721.43 of the Ohio Revised Code.
- o. To be assigned a mortgage on real property from a mortgagee in lieu of acquiring such real property subject to a mortgage, except as otherwise limited in Section 1724.02(N) of the Ohio Revised Code.
- p. To do all acts and things necessary or convenient to carry out the purposes of Section 1724.01 of the Ohio Revised Code and powers especially created for a county land reutilization corporation in Chapter 1724 of the Ohio Revised Code, including, but not limited to, contracting with the federal government, the State or any political subdivision thereof (including agreements pursuant to divisions (A)(3) and (B) of Section 1724.10 of the Ohio Revised Code , and any other party, whether non-profit or for-profit.

ARTICLE II

MEMBERS; AUTHORITY OF MEMBERS

Section 2.1 – Designation of Members

The members of HCLRC (“Members”) shall be those Directors prescribed in Article III hereof and those persons who from time to time are appointed by the Board of Directors in accordance with this Section.

ARTICLE III

DIRECTORS; OFFICERS

Section 3.1 – Number and Term of Office of the Board of Directors; Representatives

Pursuant to and in accordance with R.C. 1724.03(B) in effect upon the date of the Corporation’s incorporation, as may be supplemented by R.C. 1.62, the Board of Directors of HCLRC (the “Board of Directors”) shall be comprised of no less than five (5) and no more than nine (9) members including (1) two County Commissioners, (2) the County Treasurer (the County Commissioners and the County Treasurer are hereinafter referred to as the “Statutory Directors”), (3) one representative of the municipal corporation in the County with the largest population, based on the population according to the most recent federal decennial census (the “Municipal Director”) and (4) one Director representing a Huron County Township selected unanimously by the Statutory Directors (the “Township Director”). Any additional members shall be selected unanimously by the Statutory Directors (said members hereinafter referred to as the “Selected Directors”). (The Statutory Directors, the Municipal Director, the Township Director, and any Selected Directors, shall collectively be referred to as the “Directors”). The Directors, by majority vote, may alter the number of Directors in its sole discretion; provided further that any decrease in the number of Directors shall not, without decision of the majority of Directors, operate to terminate the existing unexpired term of any then-sitting Director.

a. Representatives of Statutory Directors

Representatives of Statutory Directors. Each of the Statutory Directors may appoint a representative, as a Director, to act for the Statutory Director at any meeting of the Directors that the Statutory Director would otherwise personally attend or in which the Statutory Director would otherwise participate or take action by vote. The appointment of such a representative shall not prohibit such Statutory Director from personally exercising all the rights of a Statutory Director at any meeting of the Directors that the Statutory Director personally attends or in which the Statutory Director otherwise participates or takes action by vote. The term of such appointment shall run until the earlier to occur of: (a) the expiration of the term of the appointing Statutory Director or (b) the appointment of a successor representative by the appointing Statutory Director. The term of office for each Statutory Director shall run concomitantly with the terms of office of the

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public official. As used in this Code of Regulations, a duly appointed representative of any Statutory Director means a Director of HCLRC for purposes of a quorum and all other business of the Board of Directors.

b. Selected Directors

The term of office of each Selected Director shall run from such Director's selection in accordance with Ohio law and acceptance thereof to the **second anniversary** of such Selected Director's acceptance of selection and the selection of such Selected Director's successor and such successor's acceptance of the selection.

i. Resignation of Selected Director

ii. Resignation of Selected Director *DELETE FOLLOWING. REVISIONS FOLLOWING:*

Resignation of Selected Director. A Selected Director may, at any time resign as a Director of the HCLRC. Notification of intent to resign as a director needs to be in writing directed to the Executive Director of HCLRC. Notification of intent to resign is requested prior to the next scheduled board meeting.

iii. Removal of Selected Director

Removal of Selected Director. Any Selected Director may at any time be removed from office upon a majority affirmative vote of the Directors at a meeting called for such purpose.

iv. Vacancy in the Office of Selected Director

Vacancy in the Office of Selected Director. If a vacancy occurs in one or more of the offices of Selected Director, whether from death, disability or otherwise, the Secretary of the Board shall notify all Statutory Directors and shall schedule a meeting of such Statutory directors for the purpose of selecting a replacement to fill the vacancy in accordance with Section 3.b.

c. Municipal Director

Municipal Director. The term of office of the Municipal Director shall run until the first to occur of: (a) the replacement of such Municipal Director pursuant to Section 3.1 hereof by the municipal corporation that appointed such Director, provided the appointing municipality shall at the time still be the municipal corporation with the largest population according to the most recent federal decennial census, or (b) the day on which the official results of a new federal decennial census are announced and such results evidence that the municipal corporation appointing the Municipal Director is no longer the largest municipal corporation in the County based on the population.

i. **Replacement of Person Serving as Municipal Director**

The municipal corporation that appointed the Municipal Director pursuant to Section 3.1 hereof may replace such person at any time with thirty (30) day's prior written notice signed by the chief executive officer, the chief legal officer, the president of council or other duly authorized public official of such municipal corporation and delivered to the Secretary of the Board (which thirty-day notice period the Board Chair may, in his discretion, waive). Such notice shall include a statement that the municipal corporation is replacing the person serving as the Municipal Director and shall state the name of such person's respective replacement. Except for such written notice as provided in this Section, the Board need not obtain any further evidence of the replacement of a Municipal Director and shall not have any power to veto or void such appointment.

d. **Authority and Duties of Directors**

Except where the Community Improvement Corporation Law, the Nonprofit Corporation Law, and the Land Reutilization Law, the Articles of Incorporation or this Code of Regulations require that action be otherwise authorized or taken, all of the authority of the HCLRC shall be vested in and exercised under the direction of, and by the affirmative vote of the majority of the Board of Directors acting at a meeting of such Board at which a quorum is present. The Board of Directors shall have the authority to make, prescribe and enforce all rules and regulations for the conduct of business and the affairs of the Corporation and the management and control of its properties. Without limiting the generality of the foregoing, HCLRC acting through its Board of Directors may contract with any agency or entity to provide management and administrative services to the HCLRC. The agency or entity shall have the full authority to hire and employ other persons in such capacities as are necessary or appropriate for achieving the purposes of HCLRC and shall fix the compensation for such other persons, subject to the budgetary limitations fixed by the Board of Directors.

e. **Election of President and Vice President of the Board of Directors**

At the initial meeting of the Board of Directors at which this Code of Regulations is adopted, the Board of Directors shall elect a President and a Vice President. The President shall preside over all meetings of the Board of Directors. The Vice President shall preside over all meetings in the absence of the President. The term of the President and Vice President shall run from, but excluding, the date of election of each as President and Vice President to, and including, the next succeeding Annual Meeting. At each Annual Meeting following the adoption of this Code of Regulations, the Board of Directors shall elect a new President and Vice President each of whom shall assume their role at the next succeeding regular quarterly or special meeting of the Board of Directors; provided that there shall be no prohibition on electing a member of the Board of Directors to successive terms as President or Vice President. If at an Annual Meeting the election of a new President or Vice President is not held for any reason, such election shall be held at a succeeding quarterly or regular meeting, and the

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President and Vice President shall continue in their respective roles as such until the first meeting immediately following the meeting at which a new President and Vice President were elected. Notwithstanding the foregoing, noncompliance with the provisions of this Section shall have no legal effects on any actions taken by the Board of Directors at a meeting chaired by a President or Vice President whose election or re-election was not held as provided in this Section.

f. **Election of Secretary**

At the initial meeting of the Board of Directors at which this Code of Regulations is adopted, the Board of Directors shall elect a Secretary.

i. **Authority and Duties of Secretary**

The Secretary shall be responsible for keeping the minutes of all meetings and proceedings of the Board of Directors and shall make a proper record of the same, which shall be attested by the President of the Board. The Secretary shall keep such other books as may be required by the President or the Board of Directors and shall generally perform such other duties and functions as may be required or assigned by the President, subject to any express limitations on such other duties and functions as may be adopted by the Board of Directors. All or a portion of the duties of the Secretary may be transferred to the Executive Director at the discretion of the Board of Directors.

g. **Election of Treasurer**

At the initial meeting of the Board of Directors at which this Code of Regulations is adopted, the Board of Directors shall elect a Treasurer.

i. **Authority and Duties of Treasurer**

The Treasurer shall be the fiscal officer of the Corporation. Subject to the direction of the President, the Treasurer shall be responsible for all fiscal affairs of the Corporation, including but not limited to, (a) preparing annually a budget estimating the revenues and expenditures of the Corporation for the next subsequent fiscal year and delivering a copy of such budget to the Executive Director and the Board of Directors in sufficient time for their review, revision, and adoption of the same prior to the end of the fiscal year immediately preceding the fiscal year for which such budget will be effective, (b) opening demand deposit and other bank accounts in which all moneys of the Corporation will be deposited, (c) receiving and depositing and have charge over all money, bills, notes, bonds and similar property belonging to the Corporation, (d) keeping or causing to be kept under his/her supervision an accurate set of accounting books of all financial transactions and assets of the Corporation in accordance with generally accepted accounting principles and holding the same open for inspection and examination by the Directors and the Auditor of State or other independent public accountant or firm of accountants as required by law, (e) preparing interim and annual financial reports of the Corporation for the Board of Directors, (f) managing the

investment of moneys of the Corporation, (g) complying with applicable State public bidding requirements, and (h) establishing of fiscally sound internal control procedures. In addition, the Treasurer shall perform any other duties or functions that may be assigned or delegated to such Officer by the President, subject to any express limitations on such other duties and functions as may be adopted by the Board of Directors. All or a portion of the duties of the Treasurer may be transferred to the Executive Director at the discretion of the Board of Directors.

ARTICLE IV

MEETINGS; NOTICES THEREOF

Section 4.1 – Definitions of Words and Terms Used in Article IV

The following words and terms shall have the following meanings for the purpose of their use in this Article IV.

- a. **“Meeting”** including when used in connection with the terms “annual meeting”, “regular meeting”, and “special meeting”, means any pre-arranged discussion of the Public Business of HCLRC (as hereinafter defined) by a majority of the members of the Board of Director, or by any committee of the Board of Directors if there sits on such committee at least a majority of the Directors, and there is present at such meeting at least a majority of the Directors.
- b. **“Oral Notification”** means notification given orally either in person or by telephone, directly to the person for whom such notification is intended, or by leaving an oral message for such person at the address, or if by telephone, at the telephone number (including any oral message left in the voice mail or similar recording device provided for messages at such telephone number), of such person as shown on the records kept by HCLRC pursuant to this article.
- c. **“Public Business of HCLRC”** means business of the Board of Directors which concerns HCLRC in its capacity as the designated agency of the County for purposes of exercising the powers given it in, among others, Chapters 1702, 1724, and 5722 of the Ohio Revised Code, and which business is conducted at a meeting at which a decision or determination of the Board of Directors is required in pursuit of any such purposes, but such business shall not include any business the information with regard to which is not a public record subject to R.C. 149.43 or pursuant to the provisions of R.C. 1724.11.
- d. **“Written Notification”** means notification in writing mailed by first class mail, faxed, telegraphed, electronically mailed (e-mailed) or otherwise delivered to the address, including an e-mail address, of the person for whom such notification is

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intended as shown on the records kept by HCLRC under this Article IV, or in any way delivered to such person.

Section 4.2 – Annual Meeting

The Board of Directors shall hold an annual meeting each year in conjunction with a regular meeting within the first quarter of the year following the close of the HCLRC fiscal year or on such later date for which notice of such annual meeting is given in accordance with Section 4.1 hereof, but in no event later than the date by which HCLRC is required to file with the Auditor of State the financial report described in R.C. 1724.05. Each annual meeting shall be held in the County at the place set forth in the notice thereof. Notice of such annual meeting shall be given by HCLRC in accordance with Section 4.1 hereof. The purpose of the annual meeting shall be to release the annual report of HCLRC, the preparation of which is required pursuant to R.C. 1724.05, and any other annual or special reports to the Board of Directors and to transact such other business as may properly come before the Board of Directors at the annual meeting.

Section 4.3 – Regular Meetings

In addition to the annual meeting, the Board of Directors shall hold at least one regular meeting per calendar quarter of each fiscal year of HCLRC on such dates and at such times as the Board of Directors shall determine. Notice of each regular meeting shall be given by HCLRC in accordance with the provisions of Section 4.1 hereof. The purpose of regular meetings of the Board of Directors shall be to receive reports from the Executive Director, Officers, and Committees, if any, of the Board of Directors, to approve or disapprove actions, if any, by HCLRC requiring action by the Board of Directors, and to consider and act upon any other matter requiring action by the Board of Directors.

Section 4.4 – Special Meetings

The President of the Board of Directors, a majority of the Directors, a Statutory Director or the Executive Director may call a special meeting of the Board of Directors. Notice of any such meeting shall be given in accordance with provisions of Section 4.1 hereof.

Section 4.5 – Notices to Directors of Meetings

Notice of each regular meeting, special meeting and annual meeting of HCLRC shall be given to each Director in accordance with the provisions of this section.

a. Annual Meeting

Not less than seven (7) days and not more than thirty (30) days prior to an annual meeting, notice stating the date, time, place of meeting shall be given to the Directors by HCLRC. Such notice shall be given to the Directors in writing which shall be given by personal delivery, mail, facsimile, telegram, e-mail, or other written media addressed to the Directors at their respective email or business address as they appear on the records of HCLRC.

b. Regular Meetings

Not less than seven (7) days and not more than fourteen (14) days prior to a regular meeting, notice stating the date, time, place of meeting shall be given to the

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Directors by HCLRC. Such notice shall be given to the Directors in writing which shall be given by personal delivery, mail, facsimile, telegram, e-mail, or other written media addressed to the Directors at their respective email or business address as they appear on the records of HCLRC.

c. Special Meetings

Special Meetings. At least twenty-four (24) hours prior to a special meeting, notice stating the date, time, place of meeting shall be given to the Directors by HCLRC. Such notice shall be given to the Directors in writing which shall be given by personal delivery, mail, facsimile, telegram, e-mail, or other written media addressed to the Directors at their respective email or business address as they appear on the records of HCLRC.

Section 4.6 – Place of Meetings

All meetings of the Board of Directors shall be held at the principal place of business of HCLRC or at any other place within the boundaries of the County, as the Board of Directors shall determine and include in any notice given with respect to such meeting.

Section 4.7 – Quorum; Voting; Adjournment

Except as otherwise provided in this Code of Regulations, a majority of the Board of Directors of HCLRC, including a majority of the Statutory Directors (or their representatives as prescribed in Section 3.1.a hereof) of HCLRC, shall constitute a quorum for the transaction of business. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board of Directors. After a quorum has been established at a meeting of the Board of Directors, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present at any meeting to fewer than the number required for a quorum shall not affect the validity of any action taken by the Board of Directors at the meeting or any adjournment thereof, if a quorum was present when the action was taken. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place.

Section 4.8 – Waiver of Notice by a Director

Notice of the time, place, and purpose of any meeting of the Board of Directors may be waived by a Director in writing either before or after the holding of such meeting. The attendance of any Directors at any such meeting, without protesting the lack of proper notice prior to or at the commencement of the meeting, shall be deemed to be a waiver by such Director of the requirement hereunder for notice of such meeting.

Section 4.9 – Open Meeting Requirement

Except as otherwise provided in Section 1724.11(B)(1) of the Ohio Revised Code, all meetings of the Board at which a determination of the Board is required shall be open to the public. In connection with compliance with this provision, notice to the public, including the news media, of meetings of the Directors for the purpose of conducting the Public Business of HCLRC shall be given as provided in this Section.

a. In General

Any notification provided herein to be given by HCLRC may be given by any person acting on behalf of or under the authority of HCLRC. HCLRC shall maintain a record of the date and time, if pertinent under this Article, of all notices and notifications given or attempted to be given under this Article, and to whom such notifications were given or unsuccessfully attempted to be given.

b. Posted or Published Notice of Meetings

Notice of all meetings, specifying the time, place and purpose thereof, shall be given not later than twenty-four (24) hours in advance thereof (1) by posting at the office of HCLRC and at the offices of the County Commissioners and the County Treasurer and (2) by publishing the notice on the publicly accessible website of HCLRC, or if no such website exists, the website of the County Commissioners.

c. E-Mail Notice to News Media of Meetings

Any news media that desires to be given advance e-mail notification of meetings shall file with the Executive Director of HCLRC a written request therefore. Notice pursuant to a request under this Section may be given only by e-mail. The request shall be effective until terminated by HCLRC at its discretion. Such requests may be modified or extended on by filing a complete new request with HCLRC. A request shall not be deemed to be made unless it is complete in all respects, and such request may be conclusively relied on by HCLRC. The written request shall specify the name of the news medium, the name and e-mail address of the person to whom written notification to the medium can be e-mailed.

d. Posting of Agenda for Public Meetings of HCLRC

HCLRC shall post or cause to be posted on the publicly accessible website of HCLRC and/or County Commissioners the agenda for all meetings of HCLRC at least twenty-four (24) hours in advance of such meetings, provided, however, that nothing in this Section shall be construed as prohibiting a change to such agenda, whether by way of addition of an item to or deletion of an item from such agenda.

ARTICLE V

COMMITTEES

Section 5.1 - Appointment

The Board of Directors by a majority affirmative vote of Directors present at duly constituted meetings of the Board may from time to time appoint certain of its members and the Executive Director to act as a committee or committees in the intervals between meetings of the Directors and may delegate to such committee or committees the powers that may be exercised under the control and direction of the Directors and in accordance with the applicable provisions of Ohio law. If any powers otherwise exercisable only by the Board of Directors are to be delegated to a committee pursuant to this Article, at least a majority of the Directors of the Board shall be appointed to such

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committee. Each such committee and each member thereof shall serve at the pleasure of the Directors. If no powers otherwise exercisable only by the Board of Directors are to be delegated to a committee pursuant to this Article, at least one (1) Director shall be appointed to such committee.

Section 5.2 – Executive Committee

In particular, the Board of Directors by a majority affirmative vote of Directors present at the meeting of the Board where a quorum is present may create and define the powers and duties of an Executive Committee consisting of three Directors and at least one (1) of which shall be a Statutory Director. During the intervals between meetings of the Board of Directors, the Executive Committee shall possess and may exercise all of the powers of the Board of Directors in the management and control of the business of HCLRC to the extent that the exercise of such powers are expressly permitted by law or otherwise do not constitute an unlawful delegation of fiduciary responsibility. All action taken by the Executive Committee shall be reported to the Board of Directors at its first meeting after such meeting of the Executive Committee. All meetings of the Executive Committee shall comply with the provisions of Section 4.9 of this Code of Regulations.

Section 5.3 – Committee Action

Unless otherwise provided by the Board of Directors, a majority of the members of any committee created by the Board of Directors pursuant to this Article shall constitute a quorum at any meeting thereof and the act of such committee. Any such committee shall prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Directors and the provisions of Section 5.4 hereof. Each committee shall keep a written record of all actions taken by it.

Section 5.4 – Notice to Committee Members of Committee Meetings; Open Committee Meetings

If the number of Directors appointed to a committee do not constitute a quorum under and pursuant to Section 4.1 hereof, such committee may determine its own rules or notification of its members and, if it so determines, the general public, with regard to all of its regularly scheduled or special meetings. If the number of Directors appointed to a committee constitute a quorum under and pursuant to Section 4.7 hereof, the Committee shall comply with the provisions of Article IV hereof regarding notification and other matters therein relating to meetings of the Board of Directors.

ARTICLE VI

EMPLOYMENT OR CONTRACT FOR SERVICES

Section 6.1 – Employment or Contract for Services

Pursuant to R.C. 1724.02(L), the Board of Directors may hire an Executive Director or contract with an agency or entity to provide management and administrative services to the HCLRC. Subject to any budgetary limitations imposed by the Board of Directors,

the Executive Director shall have the full authority to employ and fix the compensation for such other persons in such capacities as are necessary and appropriate for achieving the purposes of the HCLRC. The HCLRC shall provide the compensation for the Executive Director and required staff.

Section 6.2 – Authority

The Executive Director shall be the Chief Executive Officer of the Corporation. Subject to the direction of the Board of Directors, the Executive Director shall be responsible for carrying out the directions and policies of the Board of Directors, shall have responsibility for the general management and administration of the daily operations and affairs of the HCLRC and shall perform any other duties or functions that may be necessary in the best interests of the efficient operations of the HCLRC within limits established by the Board of Directors.

ARTICLE VII

INDEMNIFICATION

Section 7.1 – Rights of Indemnification

Each member of the Board of Directors, each Officer, and each employee or agent of HCLRC (and his or her heirs, executors and managers) who is made a party to any litigation, action, suit or proceeding, whether civil, criminal, or administrative, by reason of his/her being or having been a Director, Officer, or employee or agent of HCLRC shall be entitled to be indemnified, to the fullest extent permitted by law, by HCLRC against the reasonable expenses actually incurred by him/her in connection with the defense of such litigation, except in relation to the following matters:

- a. Those as to which he/she shall be finally adjudged in such litigation to be liable because of material dereliction in the performance of his/her duties as Director, Officer, or employee or agent of the HCLRC or
- b. Those which have resulted in a judgment in favor of the HCLRC and against him/her, or which are settled by any payment by him/her to the HCLRC.

The right of indemnification shall not be exclusive of other rights to which such person, his/her heirs, executors or administrators, may be entitled.

Section 7.2 – Purchase of Insurance

The HCLRC may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, or employee of the HCLRC against any liability asserted against such Director, Officer, or employee and incurred by him/her in any such capacity, or arising out of his status as such, whether or not the HCLRC would have the power to indemnify him/her against such liability under provisions of this Article or of the Nonprofit Corporation Law.

Section 7.3 – Determination of the Directors in Regard to Article VII

In connection with the provisions of Sections 7.1 and 7.2 hereof, the Board of Directors hereby determines that such provisions are necessary, or if a court of competent jurisdiction should find otherwise, then convenient, to carry out the purposes of Section 1724.01 of the Ohio Revised Code and the powers especially created for a community improvement corporation in Chapter 1724 of the Ohio Revised Code.

ARTICLE VIII

COMPREHENSIVE ETHICS POLICY

Section 8.1 – Adoption and Maintenance of a Comprehensive Ethics Policy

The Board of Directors, having duly adopted a Comprehensive Ethics Policy on August 3, 2018, directs such Policy to be attached to this Code of Regulations as Attachment A and incorporated into this Article VIII as if fully written herein and further directs the Conflicts of Interest Policy attached to the Code of Regulations prior to the approval of the Comprehensive Ethics Policy shall be removed from this Code of Regulations and replaced by the Comprehensive Ethics Policy. The Board shall maintain as a part of this Code of Regulations for the life of the HCLRC the Comprehensive Ethics Policy which may be amended from time to time in accordance with the provisions of Section 8.2, below.

Section 8.2 – Amendments to Comprehensive Ethics Policy

The Board of Directors may, from time to time, amend the Comprehensive Ethics Policy at any meeting of the Board of Directors called for such purpose, among others. Upon any such amendment, a copy of the amended Policy shall be attached to the Code of Regulations held in the HCLRC minutes book. HCLRC shall replace or cause to be replaced all prior versions of the Comprehensive Ethics Policy by delivery of the amended Comprehensive Ethics Policy to all Directors, Officers, and employees of HCLRC who have received a copy of the Comprehensive Ethics Policy in their possession. From and after such amendment, any copies of the Code of Regulations, including a copy of the Code of Regulations posted on HCLRC publicly accessible website, shall have affixed to them as Attachment A the amended Comprehensive Ethics Policy, and no further distribution of the form of the Policy prior to such amendment shall be made by any Director, Officer, or employee of HCLRC.

ARTICLE IX

FISCAL MATTERS; CONTRACTS; RECORDS

Section 9.1 – Fiscal Year End

The fiscal year of HCLRC shall begin on the same day of the year on which the fiscal year of the County begins and end on the last day of each such year.

Section 9.2 – Annual Budget

At least thirty (30) days prior to the end of each fiscal year of HCLRC, the Executive Director shall present to the Board of Directors the annual budget of HCLRC for the next succeeding fiscal year. The Board of Directors shall, at a regular or special meeting, conduct a public hearing on such budget and shall, at such meeting or at another meeting called for the purpose, adopt the annual budget which shall govern the

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expenditures of HCLRC during the fiscal year to which such budget applies. On and after the commencement of a fiscal year, the annual budget adopted for such fiscal year may be amended or supplemented by the Board of Directors as circumstances warrant. No binding monetary obligation of HCLRC shall be entered into unless there exists at the time in the applicable budget line item an unencumbered balance in an amount no less than lesser of (a) the amount of the monetary obligation to be incurred without either the amendment or supplement of such budget and line item by the Board of Directors and (b) the amount of the monetary obligation that will be due and payable in the fiscal year in which the monetary obligation is incurred. Nothing in this Section shall be construed as prohibiting the President from approving the transfer of an unencumbered balance from any line item, account or fund to a line item, account or fund with respect to which an insufficient unencumbered balance exists when it is in the best interest of HCLRC to enter into the binding monetary obligation. In the event that due to unforeseen circumstances the annual budget has not been adopted and is not ready for adoption by the last day of the fiscal year immediately preceding the year for which such budget is to be effective, the Board of Directors may adopt a temporary budget governing fiscal matters for the first three (3) months of the new fiscal year.

Section 9.3 – Contracts

The Board shall have the authority to execute contracts on behalf of the HCLRC, subject to any limitations provided in this Section and any other limitations adopted by resolution of the Board of Directors. In addition, the Board of Directors may authorize by resolution other Officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of HCLRC, with such authority being either general or confined to specific instances.

Section 9.4 – Loans & Indebtedness

No loans shall be contracted on behalf of HCLRC and no evidences of indebtedness shall be issued in its name unless authorized by the Ohio Revised Code and by a resolution of the Board of Directors with such authorization being either general or confined to a specific instance. When a line or lines of credit have been authorized by the Board of Directors, draw-downs upon the signature of two (2) board members are deemed authorized by the Board of Directors unless expressly prohibited by Board resolution.

Section 9.5 – Signatories on Checks, Drafts, and Evidences of Indebtedness

All checks, drafts or other orders for payment of money issued in the name of HCLRC or to HCLRC, shall be signed or endorsed by two (2) Board Members who shall be an authorized signatory on the account against which such check, draft or other order for the payment of money is drawn. All notes, bonds, or other evidences of indebtedness of HCLRC for borrowed money shall be signed by two (2) Board Members if so authorized in the resolution of the Board of Directors approving the borrowing of money and the issuance of notes, bonds, or other evidences of indebtedness.

The signatures of such persons may be by facsimile where expressly authorized but shall not be preprinted on the instrument.

Section 9.6 – Signatories on Deeds and Transfers of Real Property Interests

All deeds and other documents transferring an interest in real property of HCLRC shall be executed by the President and Vice President and shall otherwise be in compliance with the provisions of Ohio law applicable to disposition of real property.

All deeds and other documents transferring an interest in real property of HCLRC shall be executed by two (2) Board Members and shall otherwise be in compliance with the provisions of Ohio law applicable to disposition of real property.

Section 9.7 – Deposits

All funds of HCLRC not otherwise employed shall be deposited from time to time to the credit of HCLRC in such banks, trust companies, or depositories as the President of the Board of Directors may select after written solicitation to such banks, trust companies and other depositories for designation as a depository of HCLRC by the Treasurer.

Section 9.8 – Maintenance of Records; Open Records

HCLRC shall keep accurate and complete books and records of account according to generally accepted accounting principles relating to any moneys received or expended in connection with its pursuit of its purposes and in such a manner as to facilitate compliance with the requirements of ORC 1724.05. Maintenance of such books and record of account shall be the responsibility of the Executive Director with oversight from a certified public accountant or accounting firm selected by the Board. The Secretary of the Board shall also keep minutes of the proceedings of its Board of Directors, and any Committee created by and having any of the authority of the Board of Directors. Maintenance of such minutes of the proceedings of the Board of Directors, and any committee created by and having any of the authority of the Board of Directors, shall be the responsibility of the Executive Director. To the extent provided in ORC 149.431 and except as otherwise provided therein and in ORC 1724.11, the books and records of shall be public records, open for inspection in accordance with the provisions of ORC 149.43.

ARTICLE X

AMENDMENTS

Section 10-1 – Amendments to Articles of Incorporation and Code of Regulations.

Except as otherwise provided by the Articles of Incorporation or this Code of Regulations and applicable Ohio law, the Articles of Incorporation of HCLRC and this Code of Regulations may be amended, altered, or repealed at any duly scheduled meeting of the Board of Directors called for that purpose by the affirmative vote of (a) a majority of the Directors of the Board and (b) a majority of the Statutory Directors (or their representatives as prescribed in Section 3.1 hereof), provided that the notice of said meeting stated that consideration of the amendment of Articles of Incorporation or the Code of Regulations or both, as the case may be, is the purpose or a purpose of the meeting. Directors of the Board must be notified in written or electronic format of any proposed amendment, alteration, or repeal at least ten (10) days prior to the action on the amendment, alteration or repeal. Notwithstanding anything to the contrary in this Code of Regulations or the Articles of Incorporation, the Article of Incorporation and this Code of Regulations may not be amended if such amendment would be inconsistent with the status of the organization performing essential governmental functions and claiming exemption from federal income taxation pursuant to Section 115(1) of the Code.

Adopted August 3, 2018 by the Huron County Land Reutilization Corporation Board of Directors

Revised May 27, 2021 by the Huron County Land Reutilization Corporation Board of Directors.