

CODE OF REGULATIONS

OF

DOWNTOWN AKRON SPECIAL IMPROVEMENT DISTRICT, INC.

ARTICLE I

OFFICE

The principal office of Downtown Akron Special Improvement District, Inc. (the "Corporation") shall be at such place as may be determined and designated from time to time by the Board of Directors of the Corporation.

ARTICLE II

MEETING OF MEMBERS

Section 1. Annual Meeting. The annual meeting of Members ("Members") of the District (as defined in the Corporation's Articles of Incorporation) for the purpose of electing Directors of the Corporation ("Directors") and for the transaction of such other business as may properly come before the meeting shall be held at such place, date (in November) and hour as shall be determined by the Board of Directors, provided, however, that the initial meeting of the Members may be held at such place, date and hour as shall be determined by the Incorporator of the Corporation.

Section 2. Special Meetings. Special meetings of the Members may be called by the Chairman or the Board of Directors by action at a meeting, or by any two Directors acting without a meeting, and shall be called by the Secretary upon written request of Members entitled to exercise twenty-five percent or more of the voting power of the Members. No business other than that specified in the notice shall be considered at any special meeting except with the unanimous consent of all Members entitled to receive notice of such meeting.

Section 3. Notice of Meeting.

A. A written or printed notice of each annual or special meeting stating the time and place and the purpose or purposes thereof shall be mailed, postage prepaid to each Member not more than twenty days nor less than seven days before any annual meeting and any special meeting where possible. If it is not practicable to provide notice at least seven days prior to any special meeting, written notice of such shall be made at least twenty-four hours prior to the meeting by personal service or electronic device. Notices shall be mailed to the tax mailing address used by the Summit County Auditor unless the Member has requested in writing that notices be served at another address.

B. Notice shall also be delivered to the Akron Beacon Journal or any other newspaper of general circulation within the Akron area not more than twenty days nor less than seven days before any annual meeting or any special meeting where possible. If it is not practicable to provide notice at least seven days prior to any special meeting, notice must be delivered to the Akron Beacon Journal or any other newspaper of general circulation within the Akron area at least twenty-four hours in advance of the meeting.

C. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

Section 4. Quorum. At any meeting preceded by proper notice, the Members present in person or represented by proxy or designee shall constitute a quorum for all purposes, except when a specific proportion or number is required by law. At any meeting at which a quorum is present, all questions and business which shall come before the meeting shall be determined by the vote of Members entitling them to exercise a majority of the voting power of those Members present in person or by proxy or designee at the meeting, except when a different proportion is required by law.

Section 5. Proxies and Designees. A Member may file a signed written statement with the Secretary of the Corporation appointing a proxy at least three (3) days prior to any meeting at which a vote is to be taken. A Member may also select a designee to carry out the Member's rights and responsibilities by filing a signed written designation form with the Secretary of the Corporation, indicating the name and address of the Member, the name and address of the designee, and the expiration date, if any, of the designation, and may authorize the designee to vote on the Member's behalf at any meeting of the Members. Any person so appointed as a proxy or designee need not be a Member. A proxy or designee may be designated by and vote for no more than one Member other than himself or herself if he or she is also a Member of the District, unless permitted by State Law.

Section 6. Voting.

A. At any meeting of Members, each Member shall, except as otherwise provided by law or by these regulations, be entitled to the number of votes as calculated below to be cast in person or by proxy or designee:

There shall be a total of 700,000 possible votes ("Total Possible Votes") by Members for each meeting (increased as necessary only to reflect the "rounding up" of votes to be cast by each Member as described below). Three-quarters of the Total Possible Votes (likewise increased only to reflect "rounding up"), shall be based on the assessed valuation of real property owned by the Members. One-quarter of the Total Possible Votes (likewise increased only to reflect "rounding up"), shall be based on front footage of the real property owned by such Members. All assessed valuations and front footage calculations shall be determined from the

Summit County Auditor's records by the Corporation within twenty (20) days of the first meeting of the Corporation. Members may review these calculations at or prior to the meeting to determine the number of votes they will be entitled to cast at the meeting.

The total number of votes each Member shall be entitled to cast shall be the sum of votes as calculated in (1) and (2) below:

(1) The total assessed valuation of all real property in the District owned by such Members shall be the "Total Assessed Valuation". The Total Assessed Valuation shall be divided by 3/4 of the Total Possible Votes to calculate the "Per Vote Valuation". The assessed valuation of real property in the District owned by each such Member shall be divided by the Per Vote Valuation and each such Member shall be entitled to the number of votes (rounded up to the next whole integer) equal to the quotient of that calculation. The valuation of each parcel shall be that reflected in the Summit County Auditor's records by the Corporation within twenty (20) days of the first meeting of the Corporation.

Formula:

$$\text{Per Vote Valuation} = \frac{\text{Total Assessed Valuation}}{3/4 \text{ of the Total Possible Votes}}$$

$$\text{Number of Votes} = \frac{\text{Owner's Assessed Valuation}}{\text{Per Vote Valuation}}$$

based on valuation

(2) The total front footage of real property that abuts upon any street, alley, public road, place, boulevard, parkway, park entrance, easement or other existing public improvement within the District shall be the "Total Front Footage". The Total Front Footage shall be divided by 1/4 of the Total Possible Votes to calculate the "Per Vote Front Footage". The total front footage of real property owned by each such Member that abuts upon any street, alley, public road, place, boulevard, parkway, park entrance, easement or other existing public improvement within the District shall be divided by the Per Vote Front Footage and each such Member shall be entitled to the number of votes (rounded up to the next whole integer) equal to the quotient of that calculation.

Formula:

$$\text{Per Vote Front Footage} = \frac{\text{Total Front Footage}}{1/4 \text{ of the Total Possible Votes}}$$

$$\text{Number of Votes} = \frac{\text{Owner's Front Footage}}{\text{based on front Per Vote Front Footage footage}}$$

These votes will be used for election of Elected Directors except as to one Director who will be elected based on voting as provided in the following Paragraph B.

B. One of the five (5) Elected Directors, as defined in Article III, Section 2.B. below, shall be selected based on votes cast in person or by proxy or designee with the amount of such votes determined as follows:

Each Member shall be entitled to one vote for each parcel which is owned by the Member and located in the SID.

ARTICLE III DIRECTORS

Section 1. Number of Directors. The number of Directors of the Corporation shall initially be seven (7). The number of Directors may be fixed or changed by amending the Articles of the Corporation. The Directors shall be classified with respect to their terms of office by dividing them into three cycles, each consisting as nearly as possible of one-third of the whole number of Directors to be elected.

Section 2. Election of Directors.

A. After the initial meeting of the Members, Directors shall be elected at the annual meeting of Members held in November of each year. Such election shall be by ballot whenever requested by any Member entitled to vote at such election, but unless such a request is made, the election may be conducted in any manner approved at such meeting.

B. As described in the Corporation's Articles of Incorporation, one Director shall be the Chief Executive Officer of the City of Akron, or alternatively an employee of the City of Akron involved with its planning or economic development functions who shall serve at the pleasure of such Chief Executive Officer ("Executive Director"). One Director shall be appointed by the City Council of the City of Akron ("Commission Director"). The remainder of the Directors shall be Members or executive representatives of Members ("Elected Directors"). At each meeting of Members for the election of Directors the persons receiving the greatest number of votes of the Members voting for such position shall be elected. Four (4)

of the Elected Directors shall be voted upon based upon the formula set out in Article II, Section 6. A. above. The remaining Elected Director shall be voted upon based upon the formula set out in Article II, Section 6.B. above.

Section 3. Term of Office. Each Elected Director shall hold office for a term of two (2) years (except that, in order to ensure that as close to one-third as possible of the Elected Directors have terms expiring in any given year, the Directors will, at their first meeting, select shorter initial terms to be served by some of the Directors, and thereafter, whenever necessary, a Director may be elected for a shorter term) and until his successor is elected and qualified, or until his earlier resignation, removal from office, or death. The Appointed Executive Director and Commission Director shall serve a continuous term and shall be subject to replacement by the Chief Executive Officer or City Council respectively from time to time.

Section 4. Vacancies. The remaining Directors, though less than a majority of the whole authorized number of Directors, may, by the vote of a majority of their number fill any vacancy in the Board of Directors until an election to fill such vacancies is had. Members entitled to elect Directors shall have the right to fill any vacancy in the Board of Directors (whether or not the same has been temporarily filled by the remaining Directors) at any meeting of the Members called for that purpose, and any Director elected at any such meeting of Members shall serve until the expiration of the original term or until his successor is elected and qualified.

ARTICLE IV

POWERS, MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. Powers of the Board. Except as otherwise provided in Chapters 1710 and 1702 of the Ohio Revised Code, or in the Articles of Incorporation, in respect of action required to be taken, authorized or approved by the Members, all the capacity of the Corporation shall be vested in and all its authority shall be exercised by the Board of Directors.

Section 2. Meetings of the Board. A regular meeting of the Board of Directors shall be held immediately following the adjournment of each annual meeting of Members and notice of such meeting need not be given. Special meetings of the Board of Directors may also be held at any time upon call of the Chairman or any two Directors. Meetings of the Board of Directors shall be held at the principal office of the Corporation, unless the Board of Directors determines that a meeting shall be held at some other place within the City of Akron, Ohio and causes the notice thereof to so state. Written notice of the time, date, place and agenda for each meeting of the Board of Directors shall be given to each Director at his last known address by certified mail, personal service or electronic device prior to the date of said meeting (at least one week prior to the meeting, if possible).

Section 3. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business, provided that whenever less than a quorum is present at any time or place appointed for a meeting of the Board, a majority of those present may adjourn the

meeting from time to time without notice, other than by announcement at the meeting, until a quorum shall be present. The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 4. Action by Communications Equipment. Directors may participate in a meeting of the Board by means of conference telephone or other communications equipment if all persons participating can hear each other and participation in a meeting pursuant to this Section shall constitute presence at such meeting.

Section 5. By Laws of the Board. The Board of Directors may adopt bylaws for the government of its actions consistent with the Articles of Incorporation and these Regulations.

Section 6. Committees. The Board of Directors, by resolution adopted by a majority of the whole Board, may appoint two or more Directors to constitute one or more committees of Directors. The Board of Directors may delegate to any such committee any of the authority of the Board of Directors, however conferred, other than that of filling vacancies among the Directors or in any committee of the Directors. Each such committee shall serve at the pleasure of the Board of Directors and shall be subject to the control and direction of the Board of Directors. An act or authorization of an act by any such committee within the authority delegated to it by the resolution establishing it shall be as effective for all purposes as the act or authorization of the Board of Directors. The Board of Directors may likewise appoint other members of any committee who are not Directors who shall act in an advisory capacity but who shall have no vote upon any matter of business before the committee.

ARTICLE V OFFICERS

Section 1. General Provisions. The Board of Directors shall elect a Chairperson, a Vice-Chairperson, a Secretary and Treasurer (the "Officers"). The Chairperson of the Board shall be, but the other Officers need not be, chosen from among the Directors. Any two or more of such offices other than that of Treasurer and any other office, may be held by the same person.

Section 2. Term of Office. The Officers of the Corporation shall hold office during the pleasure of the Board of Directors, and unless sooner removed by the Board of Directors, until the next annual meeting of the Board of Directors following the date of their election and until their successors are chosen and qualified. The Board of Directors may remove any Officer at anytime with or without cause, by a majority vote. A vacancy in office, however created, shall be filled by the Board of Directors.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. Chairperson. The Chairperson shall have such duties as may from time to time be required of him by the Board of Directors, which duties so required may include, without limitation thereto, general supervision, administration and direction of all the Corporation's affairs subject to the direction of the Board of Directors. He shall preside at all meetings of Members and Directors. He shall sign all contracts, notes, deeds, mortgages, bonds, and other obligations, or other papers requiring his signature.

Section 2. Vice-Chairperson. The Vice-Chairperson shall perform all duties of the Chairperson, in case of his absence or disability, together with such other duties as the Board of Directors may from time to time prescribe. The authority of the Vice-Chairperson to execute contracts, deeds, notes, mortgages, bonds, other obligations and other papers in the name of the Corporation shall be coordinate with like authority of the Chairperson.

Section 3. Secretary. The Secretary shall keep minutes of all the proceedings of the Members and Board of Directors, and shall make proper record of the same, which shall be attested by him, sign all contracts, deeds, notes, mortgages, bonds, other obligations and other papers executed by the Corporation requiring his signature; give notice of meetings of Members and Directors; keep such books as may be required by the Board of Directors and perform such other and further duties as may from time to time be required of him by the Board of Directors.

Section 4. Treasurer. The Treasurer shall have general supervision of all finances. He shall receive and have in charge all money, bills, notes, deeds, leases, mortgages, insurance policies and similar property belonging to the Corporation, and shall do with the same as may from time to time be required by the Board of Directors. He shall cause to be kept adequate and correct accounts of the business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and stated capital, together with such other accounts as may be required, and, on the expiration of his term of office shall turn over to his successor or to the Board of Directors all property, books, papers and money of the Corporation in his hands. By the first day of March of each year, the Treasurer shall submit to each member of the District and to the Mayor, the chief fiscal officer of the City, and the legislative authority of the City, a report of the District's Activities and financial condition for the previous year. He shall also perform such other duties as may be assigned to him by the Board of Directors.

ARTICLE VII

LIMITATION OF LIABILITY AND INDEMNIFICATION OF DIRECTORS,

OFFICERS, EMPLOYEES AND AGENTS

Section 1. No person shall be liable to the Corporation for any loss or damage suffered by it on account of any action taken or omitted to be taken by him as a Director, Officer, employee or agent of the Corporation, if such person (a) in good faith exercised or used the same degree of care and skill as a prudent man would have exercised or used under the circumstances in the conduct of his own affairs, or (b) in good faith took, or omitted to take, such action in reliance upon advice of counsel for the Corporation or upon the books and records of the Corporation, upon reports made to the Corporation by an Officer or employee or by any other person selected for the purpose with reasonable care by the Corporation, or upon financial statements or written reports prepared by an Officer or employee of the Corporation in charge of its accounts or certified by a public accountant or firm of public accountants, or (c) in good faith considered the assets to be of their book value or followed what he believed to be sound accounting and business practice.

Section 2. The Corporation will indemnify each Director, Officer, employee and agent of the Corporation to the maximum extent permitted under Section 1702.12(E) of the Ohio Revised Code, including amendments thereto, or any comparable provisions of any future Ohio statute.

ARTICLE VIII AMENDMENTS

This Code of Regulations may be amended or repealed at any meeting of Directors called for that purpose by the affirmative vote of the a majority of the Directors.