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**[SWORN TRANSLATION INTO ENGLISH OF ARTICLES OF ASSOCIATION WRITTEN  
IN SPANISH]<sup>1</sup>**

*[The document consists of 19 pages. All pages bear in the left margin the signatures of the three persons who also sign at the end of the document.]*

*[Seal in all pages:]*

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*[Signed; bears a handwritten date:] 17/06/10*

*[First page. Bears a seal reading INTERNATIONAL TAEKWON-DO FEDERATION in the upper left corner.]*

**INTERNATIONAL TAEKWON-DO FEDERATION - ITF**

**ARTICLES OF ASSOCIATION**

**PREAMBLE**

Taekwon-do is the art of physical, mental and moral training, practised by means of techniques used in combat without weapons. It has practical applications in self-defence, resulting in a beneficial method for people's health.

Those who practise taekwon-do are committed to encouraging and promoting it through the International Taekwon-Do Federation - ITF, which was founded by General Choi Hong Hi, without any kind of discrimination (religious, racial, national or ideological), adjusting its operation to democratic purposes at all times, according to the tenets of taekwon-do: courtesy, integrity, perseverance, self-control and indomitable spirit.

As eternal students of the teachings of General Choi, the members of the Federation are aware of his contribution and his dedication to taekwon-do and also to his organization, and have the aim to honour him, his knowledge and his vision of this art.

The official languages of the Federation will be Spanish and English indistinctly. Also, other languages may be authorized occasionally.

Finally, the members of the Federation must give their word to act as good citizens, integrated into a society whose principles are peace, liberty, justice, humanity and morality.

**CHAPTER I. NAME, ADDRESS, SCOPE, PURPOSES AND ACTIVITIES**

Art. 1 Name

<sup>1</sup> The document received by the translator was not an original but a scanned copy in PDF format. *[Trans. note.]*



Under the name of **INTERNATIONAL TAEKWON-DO FEDERATION - ITF**, a FEDERATION of TAEKWON-DO associations/federations is hereby constituted for an indefinite period of time, which will be governed by these Articles of Association and the by-laws of the organization; what is not provided for therein will be governed by the current legislation applicable to federations under article 22 of the Spanish Constitution and Organic Law 1/2002, of the 22<sup>nd</sup> of March, regulating the right of association. The Federation is constituted with a non-profit purpose.

*[Second page.]*

#### Art. 2 Legal Status

The Federation has its own legal status and full capacity to act in order to administrate and dispose of its properties and to fulfil its intended objectives.

#### Art. 3 Address and Scope

The Federation establishes its headquarters in C/ Mercado, n.º 3, Benidorm, Alicante, Spain, which headquarters may be transferred to any other address in Spain by agreement of the Extraordinary General Meeting.

The Federation shall function all over Spain and on an international – i.e. supranational – level.

If it is considered advisable by the Extraordinary General Meeting, the Federation will also be able to join other federations or associations in the European Community, as well as those from other continents, of supranational – i.e. international – scope, with identical or very similar aims to those contained in these Articles of Association.

#### Art. 4 Purposes

The existence of this Federation is aimed to promote the Korean art of self-defence known as taekwon-do and to foster the study, knowledge, teaching, communication, promotion and development of the cultural practise and sport training of this martial art. The Federation will ensure that no member or practising person is discriminated against because of race, religion, gender or political beliefs, adjusting its operation to democratic purposes at all times.

Its specific aim is to avoid the taekwon-do ASSOCIATIONS/FEDERATIONS being diverted from their real functional and operational objectives, and consequently to ensure that they fulfil the specific aims for which they were created and also to maintain a unity of criteria among the existing taekwon-do ASSOCIATIONS/FEDERATIONS and those which may be created in the future, resolving any potential discrepancies and conflicts among its members, and coordinating and regulating taekwon-do activities.

#### Art. 5 Activities

In order to achieve the objectives listed in the previous article, activities may be organized, such as championships, seminars, training courses, cinema and video projections, conferences, debates, conventions, meetings, congresses and whatever other act of a similar nature, creating training, promotion and teaching centres which regulate the proper taekwon-do methods or practises.



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The International Taekwon-do Federation - ITF will observe the protocol of the World Anti-Doping Agency, WADA, and will develop anti-doping rules in its by-laws in accordance with the WADA protocol. The anti-doping rules of the International Taekwon-do Federation - ITF shall be binding and apply on both national and international levels to all associations/federations belonging to it, as well as in all international competitions or events organized by the International Taekwon-Do Federation - ITF.

[Third page.]

## CHAPTER II. MEMBERS

### Art. 6 Eligibility

Any associations/federations which are legally constituted as non-profit organizations may be members of the Federation, by previous and explicit agreement of their own General Meetings, deciding freely and voluntarily to join the Federation due to an interest in the development of the aims of the Federation.

They must present a written request to the ITF Board of Directors, which will be resolved on at the next Board meeting.

Each ASSOCIATION/FEDERATION will be represented in the ITF by their Presidents in all cases.

The status of member of the Federation is not transferable.

Becoming a member of the Federation implies full acceptance of and submission to its Articles of Association, any applicable by-laws, internal regulations and, especially, the intended objectives of the Federation.

### Art. 7 Rights of the Member Associations of the Federation

All the members acquire such status with a clear understanding that this implies more duties than rights, and the members will make their utmost to fulfil them.

The rights of the member associations of the Federation are the following:

- a. To participate in the activities of the Federation and in its governing and representative bodies, to exercise the right to vote, and to attend the General Meeting, according to these Articles of Association. The representation of the associations in the Federation is the responsibility of the person(s) who has(/ve) been appointed by the competent bodies of each association. In order to be able to be a member of the representative bodies, a person must be of legal age, be in full use of his/her civil rights and not fall within the grounds of incompatibility laid down in current legislation.
- b. To propose to the bodies of the Federation as many initiatives as are considered appropriate, within the purposes of the Federation.
- c. To elect and be elected for positions in the bodies of the Federation, as stipulated in these Articles of Association.



- d. To be informed about the composition of the governing and representative bodies of the Federation, its bank balance and the development of its activities. To be able to receive any information and documents through the representative bodies.

[Fourth page.]

- e. To have (a) hearing(s) previously to the adoption of disciplinary measures against them and to be informed of the facts that have led to these measures. Any agreement which leads to a penalty must be justified.
- f. To challenge any resolutions of the Federation bodies considered contrary to the law or to the Articles of Association within a forty-day period from the date of approval thereof, urging their modification or revocation and their preventive suspension when appropriate, or accumulating both claims by the procedures established in the Spanish Civil Procedure Law (*Ley de Enjuiciamiento Civil*).

Being a member of the Federation does not give any rights at all to enjoy the benefits or assistance provided by the Federation in fulfilling its assistance purposes.

#### Art. 8 Duties of the Member Associations of the Federation

The duties of the members are:

- a. To obey the Articles of Association and the by-laws, as well as the resolutions or decisions of the Federation bodies.
- b. To coordinate their operations with the Federation, always respecting the Articles of Association and reporting their activities to the Federation.
- c. To refrain from any action which would jeopardize the reputation or the good credit of the Federation or which would distort its purposes.
- d. To cooperate actively and with a spirit of service to the fulfilment of the purposes of the Federation.
- e. To fulfil with the utmost fidelity the duties of the positions for which the members have been elected.
- f. To attend the General Meetings, assemblies or similar events for which the members have been called.
- g. To share the aims of the Federation and actively contribute towards their achievement.
- h. To pay the fees, surcharges and other contributions that may correspond to each member in accordance with the by-laws.

#### Art. 9 Causes of Membership Withdrawal

Members can lose their membership by resigning or by being expelled.



The resignation must be presented in writing to the BOARD OF DIRECTORS OF THE FEDERATION.

On receiving the notification, the Board will automatically cancel the relevant membership.

*[Fifth page.]*

Members have the right to leave the Federation voluntarily at any time, but this will not release them from fulfilling any pending obligations towards the Federation.

At the first General Meeting members will be informed of any new registered members and the ones who have withdrawn their membership, or have had their membership cancelled for any reason.

#### Art. 10 Penalty System

Members may be penalised by the Board of Directors. Depending on the severity of the wrongdoing, sanctions may be suspension of their rights, in case of minor wrongdoing, or expulsion, in case of serious wrongdoing.

Sanctions to members may be agreed by the Board of Directors for any of the following causes:

- a. When a member does not act according to the Articles of Association, by-laws, or resolutions or decisions of the Federation bodies.
- b. When, according to the judgement of the Board of Directors of the Federation, a member carries out or induces to carry out activities which are against the aims of the Federation, or when a member interferes in any way with the operations of the governing and representative bodies of the Federation.
- c. When a member repeatedly fails to fulfil other duties established in these Articles of Association.
- d. When his/her behaviour is disloyal, i.e. when they belong to another international entity with identical aims.

In case of severe wrongdoing that leads to a suspension, disciplinary proceedings will be brought against the relevant member, who will be entitled to testify in such proceedings.

In order to resolve on any differences that may arise between the affiliated members and the Federation on matters of sport discipline or sports sponsorship contracts, and after the exhaustion of the domestic remedies provided for in these Articles of Association and in the national law, the controversy or case will be submitted to arbitration of the COURT OF ARBITRATION FOR SPORT (CAS/TAS) located in Lausanne, SWITZERLAND.

### **CHAPTER III. GOVERNING BODY**

The management bodies of the Federation are:

- 1.- The General Meeting
- 2.- The Board of Directors



Art. 11 The General Meeting

The General Meeting is the supreme governing body of the Federation, formed by associations in their own inalienable right and in absolute equality. It adopts its agreements by the majority principle or by internal democracy.

[Sixth page.]

All the member associations/federations are subjected to the resolutions of the General Meeting, including those who are absent, the dissidents and those that even being present have abstained from voting.

All the members who are present are eligible voters.

Each member representing their country has the right to have two delegates and from one to five votes, depending on the number of association/clubs in their country, except if such member is representing another country in accordance with a written statement.

Art. 12 Convention of Meetings

The General Meeting will be held in ordinary sessions once a year, on the date and in the place stated in the calling, and will deal at least with the issues included in art. 14 hereof.

The General Meeting will be held in extraordinary sessions whenever it is considered necessary by the President, by agreement of the representative body, or when a tenth of the members so propose by means of a written request, and provided that all the members have convened and decide to constitute an Extraordinary General Meeting, which will be considered a Universal Meeting.

Art. 13 Calling of Meetings

Both Ordinary and Extraordinary General Meetings shall be called in writing. Calls shall be signed by the President of the Federation, or by the person replacing the President, or by the person whom the representative body has expressly authorized for that purpose. Calls will be announced in the usual places. Whenever it is possible, meetings should be communicated to each member by means of written notices sent by to the address figuring in the members' book. Notices shall state the date, time and place of the meeting, as well as the agenda to be discussed.

The General Meeting will be legally constituted, having being called 60 days before its convention, when attended by one third of the members, either present or represented. The President and the Secretary will be designated at the beginning of the meeting and will lead it.

The General Meeting will be chaired by the President of the Federation, and the Secretary will be the same as in the representative body. If one or the other does not attend the meeting, they will be substituted by the Vice-Presidents, if any, and if not by any member of the representative body who may be appointed in each specific case by the General Meeting. The head committee will also include the members of the representative body.

Members will be able to confer their representation on others who will attend the meeting, in order to be able to vote in the General Meeting. Those belonging to the Board of Directors are



not permitted to represent other members. Representation must be requested individually for each meeting and granted in writing.

[Seventh page.]

#### Art. 14 Responsibilities and Validity of Resolutions

The General Meeting will be legally constituted on the first calling thereof with the presence of a minimum of a third of the member associations, either present or represented, with the right to vote. On second calling, the Meeting will be held no matter how many members attend it, half an hour later and in the same place.

In case that the second call has not been provided for in the meeting notice, it must be announced eight days before the date of the meeting.

Depending on the number of clubs/associations forming each member association of the Federation, each of these shall be entitled to one to five votes at the General Meeting.

The responsibilities of the General Meeting are to:

- a. Approve or reject the proposals of the representative body.
- b. Approve the management of the representative body when appropriate.
- c. Study and approve or reject the annual budget of income and expenses, as well as the annual reports of activities.
- d. Establish general lines of action which will allow the Federation to achieve its aims, and to ensure permanently that these are carried out.
- e. Provide all the measures aimed to guarantee the democratic functioning of the Federation.
- f. Set ordinary and extraordinary fees.

The responsibilities of the Extraordinary General Meeting are to:

- a. Appoint, elect and remove the members of the representative body.
- b. Dissolve the Federation.
- c. Transfer the Federation to a different address.
- d. Become associated with supranational associations or federations.
- e. Decide on the compensations of the members of the representative body, which must appear in the annual accounts approved in the Meeting.
- f. Amend the Articles of Association.
- g. Dispose of and transfer properties.



- h. Request the declaration of public utility.
- i. Expulsion of members, at proposal of the representative body.

[Eighth page.]

Resolutions will be approved by simple majority of the persons who are present or represented, when more affirmative votes than negative ones are cast. However, a qualified majority of the persons who are present or represented will be required (i.e. the number of affirmative votes shall be more than a half of the total votes cast) in the following cases: resolutions related to the dissolution of the Federation, amendments of the Articles of Association, disposal and transfer of properties, compensations to the members of the representative body, appointment of the members of the governing and management bodies, and request of a declaration of public utility, provided that the corresponding meeting has been convened specifically for that purpose.

The decisions and resolutions of the General Meeting shall be binding for all. The members of the Board of Directors will be jointly and severally responsible for the resolutions adopted, except those in disagreement who expressly recorded their votes in the minutes of the Meeting.

The resolutions adopted in the General Meetings will be reflected in the minutes to be approved in that same Meeting or in the following one. The approved minutes will be signed by the Secretary with the approval of the President, who will be able to issue certificates of such minutes.

#### CHAPTER IV. THE REPRESENTATIVE BODY

##### Art. 15 Composition of the Representative Body

The Board of Directors of the Federation is the permanent management body of the Federation, and governs, develops and promotes, and coordinates the Federation and the associations that are members of it.

The Board of Directors shall be elected by the General Meeting at the proposal of the associations that integrate the Federation and shall consist of a maximum of THIRTEEN members with the following positions: one President, three Vice-Presidents, one Secretary, one Treasurer, one Director and up to six members representing each one of the continental federations.

The members of the representative body will be elected in a free and secret voting process by the members of the Federation. The members representing the continental federations will be previously proposed by the continental members and subsequently approved by the General Meeting.

Candidacy will be open, i.e. any member may to present himself/herself as a candidate. The essential requirements are: to be of legal age, have been a member of the Federation for at least four years, be in full use of his/her civil rights and not fall within the grounds of incompatibility laid down in the existing legislation. The candidates who have obtained the highest number of votes shall be elected for the positions of President, Vice-Presidents, Secretary, Treasurer and Director, in this order. The six members proposed by the continental federations shall be elected among the candidates proposed by these federations.

The positions of President, Secretary and Treasurer must be held by different persons.



The members of the representative body may receive compensations according to their positions, provided such compensations are agreed by the General Meeting and approved in the annual accounts. Compensation paid to the members of the representative body may not be covered from public funds or subsidies.

[Ninth page.]

Art. 16 Term of Office of the Representative Body

The persons assuming the positions that make up the representative body will be chosen by the General Meeting, and shall take office for a four-year period. Once this term has expired, their commission will be extended automatically until the next General Meeting.

The members of the Board of Directors may not be elected for the same position for more than two consecutive terms.

Leaving a position before the end of the corresponding term may be due to:

- a. Voluntary resignation presented in a written notice stating the reasons for such resignation.
- b. Sickness that render a person unable to fulfil his/her duties.
- c. Withdraw as a member of the Federation.
- d. Being sanctioned for committing a fault while exercising an office.
- e. Cease of the representation granted by the member association in whose name a person is holding his/her position, either due to the end of the corresponding term or to an early decision of the member association.

The vacancies that may occur in the representative body for whatever reason will be covered by one of the individual members selected by said body. The member so designated will hold this position until the following General Assembly is called, where this position will be confirmed or removed. If the position is confirmed, it will be understood that the term of office will begin at the moment of confirmation thereof.

The members of the representative body whose commission has expired will continue to hold office until the acceptance of those who will replace them.

Art. 17 Responsibilities of the Representative Body

The representative body has the mission of governing the Federation and, consequently, is vested with full powers of representation, management and direction which have not been assigned exclusively to the General Meeting. The Board of Directors will also be in charge of carrying out the decisions of the General Meeting.

In order to be able to fulfil the obligations assigned to it, the Board of Directors will have powers that will be as broad as may be necessary, specifically including, but not limited to, the following:



- a. To hold and carry out the functions of representing the Federation and conduct the direction and management thereof in the most comprehensive manner recognized by law. To fulfil the decisions taken by the General Meeting, according to the rules, directions and *[tenth page]* general guidelines established by the General Meeting.
- b. To set the specific objectives that must be achieved each year, within the aims of the Federation and the limits agreed by the General Meeting.
- c. To represent the Federation before any kind of person, either natural or legal, public or private, including the Administration of the State and all of its bodies, whether these are central, public sector, local or autonomous community institutions.
- d. To represent the Federation before any kind of juries and courts pertaining to the ordinary, labour, contentious-administrative or any other special jurisdiction, exercising any actions and lodging as many pleas as may correspond to the Federation, and following the entire process of such actions or pleas, even appealing to the Supreme Court, naming attorneys and giving authorizations to solicitors. This faculty includes the power to represent the Federation in any kind of procedures, administrative proceedings and acts of voluntary jurisdiction.
- e. To make decisions concerning the admission of associations as members, keeping the list of all the member associations updated.
- f. To carry out all types of administrative actions, without limitation, related to any chattels, real estate or rights, or intellectual or industrial property rights.
- g. To open and close current accounts, saving accounts and credit accounts with any banks or credit institutions, whether official or private. To dispose of the funds deposited in these accounts by means of cheques, bank transfers, money orders and any other documents used for this purpose. Likewise, the Board of Directors may make deposits and take out money from any safe deposit boxes.
- h. To give and take loans providing the required guarantees for them.
- i. To provide, when considered necessary or advisable, any kind of guarantees, including pledges and mortgages, having express powers to establish, modify and cancel chattel or real-estate mortgages on the properties of the Federation.
- j. To obtain all the advice that is considered suitable from experts on the issues needed to be dealt with, hiring their services in whatever way or conditions considered appropriate.
- k. To interpret these Articles of Association.
- l. To inform the General Meeting about the activities of the Federation.
- m. To promote the actions of the Federation and of the associations.
- n. To decide the general guidelines of action of the Federation and of the *[eleventh page]* associations.
- o. To arbitrate, if necessary, any conflicts which might arise among the associations.



- p. To ensure the appropriate management of the economy and the property of the Federation.
- q. To carry out as many functions and tasks as are necessary in order to reach the maximum and ideal aim of the Federation and of the ASSOCIATIONS.
- r. To open an office in each continent, appointing a delegate among the members in said continent, who will be a member of the supra-continental consultative body of the Board of Directors mentioned in art. 15 herein, section 5.
- s. To propose to the General Assembly the establishment of the fees that the member associations of the Federation will need to pay.
- t. To call the General Meetings and ensure that the resolutions which are adopted in it are carried out. Especially as regards any resolutions to amend the Articles of Association, the Register of Associations will be notified of any such amendment within one month after the Meeting called for that purpose.
- u. To submit the annual balance and accounts to the General Assembly for approval, and to prepare the budget for the following year.
- v. To keep the books according to the specific rules that may apply, in order to have a true and fair view of the situation of the property, the profits and the balance of the Federation.
- w. To make an inventory of the assets owned by the Federation.
- x. To prepare the annual report of activities and submit it to the General Assembly for approval.
- y. To resolve provisionally on any situation not provided for in these Articles of Association and to inform of it in the following General Meeting.
- z. To designate one or more committees, in which all or part of its authority may be delegated, subject to any powers of attorney that the Board may grant to specific persons, who will not need to be members of the representative body.
- aa. The Board of Directors will set up an Executive Committee among its members, formed by the President, the three Vice-Presidents, the Secretary General, the Treasurer and the Director. The Board of Directors will be the competent body to interpret the rules included in these Articles of Association and to fill any loopholes thereof, always in accordance with the existing laws on associations. These Articles of Association will be developed and fulfilled by the resolutions which are validly adopted by the representative body [twelfth page] and the General Meeting, within their respective powers.

The authority of the representative body will be extended, in general terms, to all the activities pertaining to the aims of the Federation, provided that such activities do not require the express authorization of the General Meeting under these Articles of Association.

Art. 18 Meetings of the Representative Body



The Board of Directors will meet as often it may decide, and shall be called by the President with the agenda mentioned above.

A meeting shall also be called within 15 days if one third of the Presidents of the member ASSOCIATIONS of the Federation so request in writing to the President.

In addition, a meeting shall be called also within 15 days if one third of the Board members so request in writing.

In any case, a meeting will be held when called by the President or, in his absence, by the Vice-President.

An extraordinary session of the Board of Directors shall be held if so required by a third of its members.

The members of the Board of Directors are required to attend all meetings being called; otherwise their absence must be justified. The attendance of the President and the Secretary or the persons who will substitute either of them will be necessary in any case.

The members of the representative body may transfer their representation to another Board member through a written statement that shall only be valid for that meeting.

For the Board of Directors to be established and considered valid, it must meet where stated in the agenda. Regardless of how many members attend the meeting, the issues in the agenda will be adopted by simple majority.

To reach agreements which are not listed in the agenda, the presence of at least a half of the members plus one shall be needed. Resolutions will be adopted by a simple majority of the members attending the meeting and, if there is a tie, the vote of the President will decide.

Non-Board members who are invited to the meeting may give their opinions, but shall not be entitled to vote.

The agreements adopted in the meetings of the Board of Directors will be recorded in the minutes and approved by the Board at the same meeting or at the following one. The minutes will be signed by the Secretary with the approval of the President or by those who substitute either of them.

Certificates of the minutes will be issued with the signature of the Secretary and the approval of the President or those who substitute either of them.

The resolutions of the Board of Directors shall be binding for all the members of the Federation and for any bodies of a lower rank, and will be carried out immediately.

*[Thirteenth page.]*

The Board of Directors may suspend the activities of any bodies of a lower rank.

If a decision taken by the Board of Directors of the FEDERATION is not approved, the Board of Directors may call a General Meeting of the Federation within the following 30 calendar days



with the only purpose to decide on that issue. The decision of the General Meeting will be irrevocable.

Art. 19 President

The President shall be elected by the General Meeting among the member associations, and must have been a member of Federation for the last four years. The term of office of the President shall be four years.

The President will hold the legal representation of the Federation in all kinds of actions and contracts in which the Federation needs to take part, acting as executor of the resolutions adopted by the General Meeting or by the Board of Directors.

The President of the Federation will also be the President of the representative body.

The responsibilities of the President are the following:

- a. To represent the Federation before any kind of person, either natural or legal, public or private, including the Administration of the State and all of its bodies, whether these are central, local or public sector institutions.
- b. To represent the Federation before any kind of juries and courts pertaining to the ordinary, labour, contentious-administrative or any other special jurisdiction, exercising any actions and lodging as many pleas as may correspond to the Federation, and following the entire process of such actions or pleas, even appealing to the Supreme Court, naming attorneys and giving authorizations to solicitors. This faculty includes the power to represent the Federation in any kind of procedures, administrative proceedings and acts of voluntary jurisdiction.
- c. To obtain all the advice that is considered suitable from experts on the issues needed to be dealt with, hiring their services in the way and conditions approved by the Board of Directors.
- d. To chair and direct the debates of the governing and representative bodies; to execute the decisions of the representative body and the General Meeting; to call and close the sessions of the meetings held by the representative and governing bodies, direct the discussions of either body, and exercise a casting vote in case of a tie.
- e. To propose the plan of activities of the Federation to the representative body, promoting and directing the tasks.
- f. To sign the callings for the General Meetings and the meetings of the representative body.
- g. To endorse the documents and certificates prepared by the Secretary of the Federation.

[Fourteenth page.]

- h. To abide by and make others abide by these Articles of Association and all the decisions taken by the representative and governing bodies in the exercise of their powers.



- i. The remaining responsibilities pertaining to his/her position or delegated by the General Meeting or the representative body.

In case of absence or illness, the President will be replaced by the Senior Vice-President or the eldest Vice-President in the Board, who will have the same responsibilities as the President.

#### Art. 20 Treasurer

The responsibilities of the Treasurer are the following:

- a. To appropriately watch over the situation of the economy and the treasury of the Federation.
- b. To produce annual budgets to be submitted to the Board of Directors.
- c. To conduct the monitoring.
- d. To keep the accounts.
- e. To report to and advise the Board of Directors on the economic situation.
- f. To assist the President and the Board of Directors in every economic decision to be taken.
- g. To assist in whatever other economic issue at the request of the President, the Board of Directors or the Meeting.
- h. To render accounts to the Board of Directors, which shall be jointly and severally responsible for the Treasurer's actions.

#### Art. 21 Secretary

The responsibilities of the Secretary are the following:

- a. To ensure the implementation of and implement, if appropriate, the resolutions adopted by the Board of Directors.
- b. To coordinate and promote the actions of the Federation of ASSOCIATIONS, and coordinate the relationship among the members of the Federation and among the different ASSOCIATIONS.
- c. To conduct the works and the administrative, economic and financial matters of the Federation, except if there is a Treasurer who assumes these responsibilities.
- d. The Secretary may propose the designation of Vice-Secretaries to assist him/her in his/her work. This proposal must be approved by the Board of Directors.

[Fifteenth page.]



- e. To hold, by delegation of the President, the representation of the Federation concerning civil, mercantile, administrative and court issues, also being able to delegate these faculties and to provide all the necessary documents possibly needed.

The Secretary will be in charge of conducting the administrative work of the Federation, writing out and authorizing the certificates that must be issued, keeping the legally established minutes of the Federation and updating the members' register, keeping the documents of the Federation, ordering that the designations in the representative and governing bodies and any other resolutions of the Federation be communicated to the relevant Registers when such designations or resolutions are to be registered with said Registers, and presenting the annual accounts, fulfilling any documentary duties in the corresponding legal terms.

#### Art. 22 Vice-President

The Vice-President will assist the President in his/her functions and will be able to substitute him/her in case of absence.

In case of absence of the President, the Senior Vice-President may substitute him/her in his/her role.

The Second Vice-President will be responsible for technical issues.

The Third Vice-President will be responsible for the strategy concerning the development and expansion of the Federation.

The members of the Board of Directors will have the obligations that pertain to their position as members of the representative body, as well as any other obligations that may arise from any delegation or commission of work decided by the representative body itself.

### **CHAPTER V. ECONOMIC RULES OF PROCEDURE**

#### Art. 23 Initial Net Worth and Economic Resources

A foundational net worth does not exist.

The annual common budget is that approved by the Board of Directors and ratified by the General Meeting.

The fiscal year of the Federation will be from the 1<sup>st</sup> of January to the 31<sup>st</sup> of December of each year.

The Federation will have its own net worth, constituted by the foundational net worth and by the resources obtained in order to carry out its purposes. Therefore, the Federation will be able to acquire and administer assets and rights of all kinds, as well as to transfer, impose a lien on, mortgage and take part in litigations related to them, and carry out as many acts as are necessary to fulfil the purposes of the Federation.

[Sixteenth page.]

Its sources of income may be any of the means provided for by the law, including, among others:



- a. Membership fees.
- b. Contributions from the ASSOCIATIONS, which must be set in the Ordinary General Meeting of the Federation every year, and previously presented once approved by the respective associations.
- c. Any kind of contributions from both public and private institutions.
- d. Inheritance, legacies and donations, subscriptions and subsidies received.
- e. Rent of its properties and, if appropriate, the product of the transfer of such properties, as well as the interests which these may yield.
- f. Loans considered necessary.
- g. Income from parallel activities of the institution.

Mandatorily and statutorily, inheritances will be accepted conditionally on benefit of inventory.

The FEDERATION will have a different net worth from those of the associations and so must organize its own forms of income according to the previous article, meaning that voluntary contributions made by the different associations may in no case consist in funds or subsidies which have been received from public institutions, but should always be from private funds or incomes from parallel activities, and never from official ones.

#### Art. 24 Revenues from Activities

Revenues obtained from exercising economic activities, including any services rendered, will be exclusively destined to fulfil the aims of the Federation. In no case will these revenues be distributed among the associates, their spouses, those having any kind of personal or emotional relationship with them, or their relatives, nor will said revenues be distributed through a free cession to natural or legal persons with an interest in receiving benefits.

#### Art. 25 Membership Fees

All the members of the Federation have an obligation to provide financial support to it, by means of membership or special fees, in the form and proportion that may be determined by the General Meeting at the proposal of the representative body.

The General Meeting may establish admission, regular monthly and extraordinary fees.

#### Art. 26 Withdrawals of Funds

The signatures of two members who may be the President, the Vice-President, the [seventeenth page] Treasurer or the Secretary must appear in the current or savings accounts opened with credit institutions.

By agreement of the Board of Directors of this Federation, the signature of any two of the authorized members will be sufficient to withdraw funds.



An accounting committee may be established in order to supervise the correct administration of the Federation's resources. Such committee shall be made up by three persons, one of whom must necessarily be a creditable professional not belonging to the institution.

## CHAPTER VI. DISSOLUTION OF THE FEDERATION

### Art. 27 Causes of Dissolution and Distribution of Surplus

The Federation may be dissolved:

- a. If so agreed at the will of the members in the General Meeting called expressly for this purpose, and with the favourable votes of more than half of the persons who are present or represented.
- b. By the causes determined in article 39 of the Spanish Civil Code (*Código Civil*).
- c. By final court sentence.

When the members of the Federation intend to propose the dissolution thereof, a petition shall be sent to the President which shall be signed by three fourths of the total number of members. The President, with the agreement of the Board of Directors, will then set a date to hold the Extraordinary General Meeting and decide on such request. Maximum publicity should be given to this meeting so that all the members of the Federation are informed of it. The Federation will not be dissolved as long as three members want it to continue.

The Federation may only be dissolved by an agreement adopted by the General Meeting in accordance with these Articles of Association, or by a legal requirement if those are difficult to realize.

In case of dissolution, the General Meeting will name one or more receivers, always in an odd number, who will have the powers granted to them for this purpose by the General Meeting.

### Art. 28 Liquidation

The dissolution of the Federation will mark the beginning of the liquidation period, until the end of which the Federation shall keep its status as a legal entity.

At the moment of dissolution, the members of the representative body shall become receivers, unless the General Meeting or a judge appoints other receivers.

The receivers' duties shall be the following:

- a. To ensure the integrity of the Federation's assets.
- b. To conclude any operations pending to be settled and execute any new ones that may be [eighteenth page] necessary for liquidation.
- c. To collect the credits of the Federation.
- d. To liquidate the Federation's assets and pay its creditors.



- e. To use any remaining assets of the Federation for the purposes provided for by these Articles of Association.
- f. To request the cancellation of entries in the corresponding Register.

In the event of insolvency of the Federation, the representative body or the receivers, if any, must immediately commence the corresponding bankruptcy proceedings before the appropriate judge.

The Federation's assets will be destined to pay all the liabilities and obligations of the Federation, and any remaining assets will be transferred to public or private entities, as resolved by the General Meeting, which are engaged in activities similar to those of the Federation.

Registered federations shall be liable for their obligations, ensuring the fulfilment thereof with all their present and future properties. The members shall not be personally liable for the Federation's debts.

The members or incumbents of the governing and representation bodies, and any other persons acting in the name and representation of the Federation, shall be liable before the Federation, its Members and any third party for any damages and debts caused by deliberate or negligent acts performed by them; and they will be held answerable before any third party, the Federation and its members, both in the civil and in the administrative jurisdiction, for any acts and omissions committed in the exercise of their obligations, and for any resolutions on which they have voted. All the members of the representative and governing bodies will be jointly and severally responsible for any such acts and omissions when no member of said bodies may be held liable for them, unless said members are able to prove that they did not participate in the approval and execution of such acts, or specifically objected to them.

## CHAPTER VII. RESOLUTION OF CONFLICTS

### Art. 29 Resolution of Conflicts

In accordance with the provisions of article 40 of Organic Law 1/2002, of the 22<sup>nd</sup> of March, regulating the right of association, any legal disputes that may arise in connexion with the private legal matters of federations and their internal functioning will be the competence of the civil jurisdiction.

Any agreements and acts of federations may be challenged by any associate or person who justifies his/her legal rights. Associates may challenge the agreements and acts of federations which they consider to be contrary to the articles of association of such federations, within forty days from the date of approval thereof, urging their modification or revocation and their preventive suspension when appropriate, or accumulating both claims in accordance with the procedures established in Spanish Civil Procedure Law (*Ley de Enjuiciamiento Civil*).

[Nineteenth page.]

## ADDITIONAL PROVISION

As an alternative to these Articles of Association and any valid resolutions adopted by the governing and representative bodies, and for all matters that are not provided for in these



Articles of Association, the existing Organic Law 1/2002, of the 22<sup>nd</sup> of March, of the Spanish Constitution, regulating the rights of association, and its complementary provisions shall apply.

Internal by-laws may be issued in order to develop these Articles of Association, which shall be approved by the representative body.

Any matters not provided for in these Articles of Association will be solved by the representative body, which shall report such matters to the first General Meeting to be held. These Articles of Association will be declared valid and enforceable from the date of approval thereof by the governmental authorities.

In order to amend these Articles of Association, either in full or in part, an Extraordinary General Meeting must be called with sixty days' notice, announcing the article(s) which is (are) intended to be cancelled or modified. The agreed amendment(s) must obtain the votes of two thirds of the members who are present and have the right to vote.

The members of this Federation and those who may be accepted as such in the future will consent to and accept all the provisions of these Articles of Association, for the mere fact of being members of the Federation.

These Articles of Association have been approved unanimously at the Extraordinary General Meeting held on the 28<sup>th</sup> of November in Mar del Plata, Argentina.

Given in Benidorm on this 20<sup>th</sup> day of December, 2009.

Vice-President: **Mr PABLO TRAJTENBERG KAVLIN** *[signed]*

Vice President: **Mr JUAN BAUTISTA FERRANDO SAVALL** *[signed]*

Secretary: **Mr WILLEM JACOB BOS** *[signed]*

*[End of translation.]*



I, CRISTINA RÍO LÓPEZ, a sworn translator of English to Spanish and vice versa, duly appointed by the Spanish Ministry of Foreign Affairs and Cooperation, holder of Spanish ID card no. 32701727M,

DO HEREBY CERTIFY

That the above text is, to the best of my knowledge and belief, an accurate and complete translation of the document presented to me, a copy of which appears in the following nineteen pages (nos. 22 to 40, both included).

Ferrol, Spain, 20 June 2010

  
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