

In this translation an attempt has been made to be as literal as possible without jeopardizing the overall continuity. Inevitably, differences may occur in translation, and if so, the Dutch text will by law govern.

#### DEED OF INCORPORATION

Of the association incorporated under the laws of the Netherlands:

**International Association for Disabled Sailing,**

with its corporate situs registered at The Hague, the Netherlands

This \*\* day in the month of \*\* in the year two thousand and four, there appeared before me, Cornelis Adrianus de Zeeuw, civil law notary of The Hague, the Netherlands:

\*\*

The undersigned declared:

whereas:

- a. the foundation: Stichting International Foundation Disabled Sailing, hereinafter referred to as: "the Foundation" was incorporated on the thirteenth day of August nineteen hundred ninety-two
- b. the General Board of the Foundation has decided that the legal form of a foundation is no longer appropriate for the organisation of the Foundation;
- c. the General Board of the Foundation has therefore decided to incorporate as an association;
- d. the association will take over the entire organisation of the Foundation, and will incorporate an association by means of this deed, which shall be governed by and subject to the following

#### ARTICLES OF ASSOCIATION.

NAME.

Article 1.

1. The association shall bear the name:

## **International Association for Disabled Sailing.**

2. The association will also be referred to by the name: IFDS, International Foundation for Disabled Sailing.

### CORPORATE SITUS.

#### Article 2.

IFDS shall have its corporate situs registered in The Hague, the Netherlands

### OBJECTIVES.

#### Article 3.

1. IFDS shall:
  - a. promote and develop sailing for people with disabilities throughout the world;
  - b. foster equitable competition;
  - c. encourage integration;
  - d. facilitate communication;
  - e. set standards in classification, race management, sports medicine, access, technology, safety and any other relevant field, and
  - f. do anything that is conducive or incidental to the fulfillment of the role and attainment of the objectives of the association, without regard to race, religion, gender, colour, nationality, age or sexual preference.
2. IFDS shall be the world authority for sailing for people with disabilities, and shall as such liaise with the organisations: International Paralympic Committee ("IPC") and the International Sailing Federation ("ISAF"), and any other relevant body.
3. IFDS shall endeavour to reach its objectives by all lawful means.

### MEANS.

#### Article 4.

IFDS shall be funded through:

- a. annual contributions made by ordinary members, determined in compliance with that stipulated by article 8;
- b. donations;
- c. subsidies / grants;
- d. bequests and legacies;
- e. other revenues obtained by the association.

Bequests may solely be accepted under the benefit of inventory.

### MEMBERS.

Article 5.

1. IFDS has the following types of membership:

- a. ordinary members;
- b. honorary members;
- c. affiliate members, and
- d. associate members.

Only ordinary members are members within the meaning of Title 2 of Book 2 of the Dutch Civil Code.

2. a. Legal bodies/legal entities or organisations, complying with the terms laid down in by-laws, determined by the Board, may be ordinary members of the association.
- b. Honorary membership may be awarded in exceptional circumstances, to individuals who have given special service to the organisation. They may be proposed by the Board and appointed by the General Meeting.
- c. Affiliate members are those who comply with the terms laid down in by-laws, determined by the Board.
- d. Associate members are those who comply with the terms laid down in by-laws, determined by the Board.
4. Membership is not transferable.
5. The secretary shall maintain a register in which the names and addresses of all the members shall be listed.
6. Any reference to members and membership, shall also include honorary members, affiliate members, associate members and their membership, unless otherwise stated.

ADMISSION.

Article 6.

1. The Board shall have the power to confer provisional ordinary membership upon an applicant organisation.
2. Ordinary membership conferred by the Board shall not be valid beyond the end of the first General Meeting held after the decision of the Board to confer ordinary membership unless endorsed by that General Meeting.
3. A refusal by the Board to grant provisional membership to an applicant may be reviewed by the General Meeting should a request be submitted

to this end by the applicant in question. Such a review may result in that applicant being granted membership status.

#### TERMINATING MEMBERSHIP.

##### Article 7.

1. Membership terminates:
  - a. if a member ceases to exist;
  - b. as a result of a member resigning;
  - c. as a result of membership having been terminated by the association should:
    - the member in question cease meeting the demands to be complied with for membership as laid down in the articles of association;
    - the member in question fail to meet and comply with its obligations in respect of the association;
    - in all reasonableness the association no longer be required to allow the membership in question to continue;
  - d. as a result of disqualification:

should a member act in conflict with the articles of association, the rules and regulations which apply or the resolutions adopted by the association, or should the association have been unreasonably disadvantaged by the member in question.
2. Terminating membership on the part of the association shall be carried out by the Board.
3. Terminating membership on the part of a member shall be carried out by giving notice in writing to the Board.
4. Terminating membership on the part of a member or on the part of the association may only be carried out in writing, at the end of a month and in compliance with a period of notice of one month.

Membership may however be terminated, effective immediately should the association or the member in question no longer, in all reasonableness, be required to allow the membership to continue.
5. Giving notice to terminate in a manner which conflicts with that determined in the previous section shall render the membership terminated at the earliest permissible moment in time subsequent to the date on which notice to terminate was given.
6. After having been informed that a resolution has been adopted to

change the legal entity or form of the association, or of it were to merge, or sub-divide, a member may also give notice to terminate his membership, effective immediately.

A member shall not be entitled to give notice to terminate membership effective immediately should monetary rights and obligations be amended.

7. Disqualification from membership shall be carried out by the Board.
8. Should a resolution on the part of IFDS be adopted terminating a membership on the grounds that IFDS no longer, in all reasonableness, be required to allow membership to continue and should a decision be made to disqualify a member from the membership of the association, the member concerned shall retain the right to appeal provided any such appeal is instituted within one month after receipt of the notice to terminate, which appeal shall be required to be submitted to the General Meeting.

The member in question shall be notified as soon as possible, in writing, as to the decision, together with reasons for making the decision. For the period during which any appeal is underway and pending the appeal, the member in question shall be suspended.

9. When membership terminates in the course of the association's year, the annual contribution due shall remain due in full.

#### ANNUAL CONTRIBUTIONS.

##### Article 8.

Ordinary, affiliate and associate members shall be bound to pay an annual contribution which shall be determined by the General Meeting.

#### GENERAL MEETING.

##### Article 9.

1. All authority in respect of the association by the general meeting which is not imposed by the law or the articles of association on other bodies shall be retained by the General Meeting.

The General Meeting shall have the following tasks and authority, inter alia:

- a. fixing of the general policy to be pursued;
- b. fixing of the budget;
- c. appointing, suspending and dismissing members of the Board;
- d. taking decisions to amend the articles of association and to dissolve

- the association;
- e. fixing the annual contribution to be made by the ordinary members;
  - f. approving resolutions of the Board as referred to in article 17, sections 4, 5 and 6.
2. The general meeting shall meet at least once a year. Annually, and no later than six months after the close of the association's year unless this period has been extended by the General Meeting, a general meeting shall be held, the Annual General Meeting which shall deal with the following, inter alia:
- a. the annual report and the annual accounts and explanatory notes as referred to in article 18, together with the report to be drawn up by the committee mentioned therein;
  - b. making appointments to fill any vacancies which might have arisen;
  - c. proposals made by members, as made the subject of the document convening the meeting;
  - d. fixation of the general policy plan;
  - e. extension of the period for fixing the documents mentioned above sub 2.a.
3. Other general meetings may be held as frequently as the Board shall deem to be desirable.
4. The Board is moreover authorized and indeed bound, should a written request be made to this end, by at least as many ordinary members as shall be required to cast one tenth part of the votes, to convene a general meeting and do so within a time period of no longer than four weeks.
- Should no response have been given to the aforementioned request within fourteen days the persons submitting the request may themselves convene a meeting in accordance with that stipulated by article 13.

#### ACCESS TO AND VOTING RIGHTS AT THE GENERAL MEETING.

##### Article 10.

1. Access to the general meeting shall be granted to all the members of the association.  
Suspended members shall not be granted access, aside from that determined in the following full sentence and suspended members of the Board shall also not be granted access. A member who has been

- suspended shall however be granted access to the meeting at which the decision to suspend that member is to be dealt with and that member shall be entitled to speak in connection with the proposed suspension.
2. An ordinary member-legal entity shall be represented in the General Meeting by no more than two natural persons (hereinafter referred to as: "Delegate(s)"), of whom one shall cast the votes in the name of the ordinary member-legal entity. Each Delegate shall be deemed to be able to submit a written power of attorney, to the effect that he/she holds the authority to represent the ordinary member-legal person.
  3. Admitting any persons other than those referred to in section 1 and 2 shall be decided on by the General Meeting.
  4. Each and every ordinary member of the association who is not suspended shall retain the right to cast one single vote. Other members have no right to cast a vote,
  5. An ordinary member may only cast a vote by being represented by a Delegate at the General Meeting.

#### CHAIRMAN OF THE MEETING – MINUTES OF THE MEETING.

##### Article 11.

1. The general meetings shall be chaired by the Chairman of the Board. Should the Chairman be absent, the general meeting shall be chaired by another member of the Board appointed by the general meeting.
2. The proceedings of each meeting shall be minuted by the Secretary of the Board or by another person appointed by the Chairman. These minutes shall be signed by the Chairman and the Secretary subsequent to those minutes having been ratified. Those persons who convened the meeting may have a notarised deed drawn up of the proceedings. The content of the minutes or of the official record thereof drawn up as a notarised deed shall be made known to the general meeting.

#### DECISION-MAKING - GENERAL MEETING.

##### Article 12.

1. The Chairman of the meeting shall have the decisive vote in connection with the results of any round of voting. The same holds true for the content of a decision reached, when voting on any proposal which was not tabled in writing.
2. However, should the correctness of the Chairman's decisive vote be disputed immediately after the Chairman has uttered his opinion, a new

round of voting shall be held and should the majority of the meeting, or, should the original votes not have been cast by means of a poll or by means of written ballots, should one enfranchised party require this. This new round of voting renders the lawful consequences of the original round of voting no longer valid.

3. Where the articles of association or the law do not determine otherwise, all decisions reached by the general meeting shall be adopted on the strength of an absolute majority of the votes cast, in a general meeting in which at least one third of the ordinary members are present or represented.
4. Blank votes shall be deemed not to have been cast.
5. Should, when electing persons, no one person have received an absolute majority of votes, a second vote shall be held, or should a binding proposal have been made, a second vote shall be held on the candidates proposed. Should no one person once again have received an absolute majority of votes, re-votes shall be held until either one person shall have acquired the absolute majority of votes or two persons shall have been voted for but shall have tied. Should the aforementioned re-votes (not including the second round of voting) be held, then they shall be carried out between those persons for whom votes were cast in the previous round of voting, with the possible exception of the person who acquired during that previous vote the smallest number of votes. Should more than one person have acquired the smallest number of votes during the previous vote, lots shall be drawn to determine who may not participate in the re-vote. Should a vote between two persons be tied, lots shall be drawn to determine which of these two persons shall have been chosen.
6. Should votes be tied on a proposal which has nothing to do with electing persons then deciding on the proposal shall be adjourned until the subsequent meeting. Should votes be tied once again, the proposal shall be deemed to have been rejected.
7. All voting on appointing persons shall be carried out by means of written ballots. All other voting shall be done orally unless the Chairman is of the opinion that a written ballot is desirable or unless one of those enfranchised shall desire this and make this desire known prior to votes being cast. Written ballots shall be unsigned, blank ballots. Decision-

- making by means of acclamation may be implemented unless one of those enfranchised shall require that a poll and a count be carried out.
8. A unanimous decision reached by all ordinary members, even if they are not present at a meeting shall have the same force as a resolution adopted by the general meeting providing it shall be reached with the prior knowledge of the Board. The Board may also propose this kind of decision-making. With due observance of the first sentence, a procedure for this kind of decision-making may laid down in By-laws.
  9. For as long as all ordinary members are present or represented at a general meeting valid decisions may be reached providing this shall be done unanimously, on all subjects dealt with, hence also a proposal to amend the articles of association or to dissolve the association, even if the document convening the meeting shall not have made mention thereof, or even if the meeting shall have been convened in the manner required, or should any other rule or regulation concerning convening and holding meetings or any other formality related thereunto not have been complied with.

#### CONVENING A GENERAL MEETING.

##### Article 13.

1. The General Meetings shall be convened by the Board, without prejudice to that determined by article 9, section 4. Convening a meeting shall be done in writing by forwarding a document to the addresses of members as listed in the Register of Members referred to in article 5. The time period to be complied with in connection with convening a meeting shall amount to no less than seventy days.
2. When convening a meeting the subjects to be dealt with at that meeting shall be listed, without prejudice to that stipulated by articles 20 and 21.

#### THE BOARD.

##### Article 14.

1. The Board of the association shall consist of one or more executive members and one or more non-executive members. The General Meeting determines the number of executive and non-executive members of the Board, provided that the Board shall consist of no less than five persons and no more than eight persons, among which at least one executive member.  
The executive members and non-executive members hereinafter jointly

referred to as: "members of the Board" or one of them as: "member of the Board.

Appointing members of the Board shall be done by the General Meeting and those appointments shall be filled by ordinary members or other persons.

2. An appointment shall be made by reviewing one or more binding proposals. Aside from that determined in section 3, the Board and one or more ordinary members may submit a binding proposal. A proposal made by the Board shall be the subject of a notice included in the document forwarded convening a general meeting. Furthermore, the Board requests the ordinary members to submit a binding proposal in the notice convening a general meeting. The ordinary members have the right to submit their binding proposal four weeks before the general meeting to the Board in writing.
3. Each proposal may cease to be binding should a decision on this be reached by at least two-thirds of the votes cast on a resolution of the general meeting.
4. Should no proposal have been made or should the general meeting preclude the binding nature of the proposal in accordance with the previous section, the general meeting shall be at liberty to make its choice.
5. Should there be more than one binding proposal, the appointment shall be made from among those proposals.

TERMINATING MEMBERSHIP OF THE BOARD – TERMS OF OFFICE –  
SUSPENSION.

Article 15.

1. Each and every member of the Board may, even when appointed for a pre-determined time period, be dismissed or suspended at any and all times by the general meeting. A suspension which does not terminate within three months due to a decision to dismiss the Board member in question shall terminate upon the expiry of that time period.
2. Each and every member of the Board shall terminate his term of office no later than four years after his appointment to the Board and those periods of office shall run in accordance with a roster drawn up by the Board for this purpose. A Board member who shall be required to resign his membership of the Board because of the close of his term of office

shall be eligible for re-appointment twice; a person who was appointed to fill a vacancy which had arisen shall occupy the position of his predecessor.

3. Membership of the Board shall also terminate:
  - a. upon a Board member tendering his resignation;
  - b. as soon as a Board member is no longer connected to an ordinary member.

#### BOARD POSITIONS – DECISION-MAKING ON THE PART OF THE BOARD.

##### Article 16.

1. From its executive members the Board shall appoint:
  - a. one member as Chairman and President, and
  - b. no fewer than four and no more than six members as Vice-Presidents, of which at least:
    - one shall be appointed as Secretary,
    - one shall be appointed as Treasurer,
    - two shall be of different continents, and
    - one shall liaise with the International Paralympic Committee.

An executive member of the Board may fill more than one position.

From its non-executive members the Board shall appoint one member as President of Honor;

2. The proceedings of each Board meeting shall be minuted by the Secretary, which minutes shall be ratified and signed in token thereof by the Chairman and the Secretary.

That determined in article 12, sections 1 and 2 shall be accordingly applicable.
3. Bye-laws may further regulate matters pertaining to meeting and matters pertaining to decision-making on the part of the Board.

#### BOARD TASKS AND RESPONSIBILITIES - REPRESENTATION.

##### Article 17.

1. Aside from the limits imposed by the articles of association, the Board shall be charged with the management of the association.
2. Should the number of Board members fall below three the Board shall remain authorized. However, the Board shall be bound to convene and hold a general meeting as soon as possible in order deal with the vacancy or the vacancies which have arisen.

3. The Board may entrust the executive members of the Board with the operational management of the association and with the preparation of the decision making process of the Board and the implementation of the decisions taken by the Board to the extent the Board has not instructed a committee to do so or has not decided otherwise.  
The non-executive members of the Board shall supervise the policy and the fulfillment of duties of the executive members of the Board, and the general affairs of the association.  
The Board shall remain authorised to have some of its tasks and responsibilities carried out by committees to be appointed by the Board.
4. Providing approval shall have been granted by the general meeting, the Board shall remain authorised to reach decisions as to entering into agreements to acquire, alienate or encumber registered goods and to enter into agreements by means of which the association binds itself to provide a guarantee, surety or become singly and severally liable for a debt, or a co-debtor, or act for and on behalf of a third party and furnish collateral for a debt incurred by another. Should no aforementioned approval have been granted, this may be invoked in respect of third parties.
5. The Board also requires the approval of the general meeting in connection with decisions to:
  - a. enter into lawful acts and make investments exceeding a sum of or exceeding a value of fifteenth thousand Euro (€ 15,000.--);
  - b. enter into a long-term collaboration or joint-venture with third parties as well as making a significant change or ceasing a long-term collaboration or joint-venture with third parties;
  - c. enter into credit agreements for monetary loans with banks and other financial institutions, for and charged to the association.The lack of any aforementioned approval may not be invoked in connection with third parties.
6. The Board requires the approval of the general meeting in connection with decisions to apply for bankruptcy and for suspension of payments in connection with the association. The lack of any aforementioned approval may not be invoked in connection with third parties.
7. Without prejudice to that determined in the last full sentence of section 4, the association shall be represented by:

- a. either the Board;
- b. or two executive members of the Board acting collectively.

#### SECRETARIAT.

##### Article 18.

1. The Association has a Secretariat for the purpose of preparing and executing the Board's resolutions.
2. The management of the Secretariat is assigned to the President of the Board. The Secretariat acts under the responsibility of the President of the Board.
3. The Board shall determine bye-laws regarding the tasks and the competence to be delegated to the Secretariat.

#### ANNUAL REPORT, ANNUAL ACCOUNTS AND EXPLANATORY NOTES.

##### Article 19.

1. The association's year shall run from the first day of January through to the thirty-first day of December.
2. The Board shall be bound to retain the records of the assets of the association and all that concerning the activities conducted by the association in accordance with the demands which arise out of those activities and do this in such a manner and administer those records and the books to be kept in this light, and all further documents and other data carriers so that the rights and obligations of the association may be tracked and plotted as a result thereof at any and all times.
3. The Board shall issue its annual report at the annual meeting as referred to in article 9, section 2, aside from when a postponement shall have been granted of the time period concerned by the general meeting as to the course of business conducted by the association and also on policy pursued. The Board shall draw up a balance sheet of the revenues and expenses together with explanatory notes and submit that balance sheet and those notes to the general meeting. Those documents shall be signed by members of the Board; should any signature be missing of one or more of those members of the Board, reasons for this shall be given. Upon the expiry of the time period within which the accounts and report should be submitted any member of the Board may require the Board to meet these obligations.
4. The general meeting shall appoint an expert within the meaning of Article 393, article 1, of Book 2 of the Dutch Civil Code. The expert as

mentioned in the preceding sentence shall audit the documents as mentioned in the second sentence of section 3 of this article. The aforementioned expert shall report on his audit to the General Meeting and reflect the results of his audit in a statement about the fairness of the documents referred to in the preceding sentence.

5. The general meeting may discharge the Board for the activities it shall have conducted during the previous year, as those activities appear from the accounts and reports and explanatory notes.
6. The Board shall be bound to retain the documents as referred to in sections 2 and 3 of this article for a period of seven years.

#### AMENDING THE ARTICLES OF ASSOCIATION.

##### Article 20.

1. No amendments may be made to the articles of association of the association other than on the strength of a resolution adopted by a general meeting convened under cover of a notice that at said general meeting an amendment to the articles of association shall be tabled, after the Board shall have submitted its advice, in writing, to the general meeting.
2. Those persons who submitted a proposal to amend the articles of association which was listed in the document convening a general meeting shall be required to lodge a copy of that proposal which contains the literal text of that proposal at a suitable place for the members to peruse it at least ten weeks prior to that meeting where it shall remain until the close of the day on which that shall be held. Moreover, a copy of that aforementioned proposal shall also be forwarded to all members.
3. A resolution to amend the articles of association shall require no less than a three-fifth majority of the votes cast.
4. An amendment to the articles of association shall not become effective until a notarised deed thereof shall have been executed.

#### DISSOLUTION.

##### Article 21.

1. The association may be dissolved by a decision reached by the general meeting. That determined in sections 1 through 3 of article 20 shall be accordingly applicable in connection with a decision to dissolve the association.

2. The general meeting shall decide on the disbursement of any positive balance on hand which disbursement shall, as much as possible, agree with the object or objectives of the association.
3. The members of the Board shall act as liquidators of the assets of the dissolved association.
4. The liquidators shall be subject to and governed by the stipulations of these articles of association in respect of the appointment, suspension and dismissal of members of the Board. A liquidator shall retain the same authority, obligations and liabilities as those held by a member of the board, where these can be reconciled with his tasks and responsibilities as a liquidator.

The stipulations of articles 23 through 24 of Book 2 of the Civil Code of the Netherlands shall remain accordingly applicable.

#### DISPUTES.

##### Article 22.

Any and all disputes as to the interpretation to be given to the text of either these articles of association or matter which are not provided for herein or not sufficiently provided for herein shall be decided on by the general meeting.

#### BY-LAWS.

##### Article 23.

1. The general meeting may determine by-laws.
2. By-laws may not conflict with the law even when no mandatory stipulations of law are concerned neither may by-laws conflict with the articles of association.

#### CLOSING STIPULATIONS.

Finally, the persons who appeared before me declared:

1. The Board is composed for the first time as follows:
  - a. Serge Durand Jorgensen, living in (34237) Sarasota Florida (United States of America), 2180 Main Street, born in Boston (United States of America) on the second of December nineteen hundred and seventy-one, as \*\*;
  - b. Philip Henry Vardy, living in (2199 NSW) Yagoona (Australia), 6/133-137 Wycombe Street, born in Murwillumbah, New South Wales (Australia) on the twenty-fifth of February nineteen hundred and fourty-nine, as \*\*;

- c. Ian Hamilton Harrison, living in (LE7) 4 PJ (Great Britain), 16 Church Road, Wanlip, Leicester, born in Poole Dorset (Great Britain) on the twenty-first of March nineteen hundred and thirty-seven, as \*\*;
  - d. Hederikus Hatzmann, living in (1318 AS) Almere (The Netherlands), Vredelaan 42, born in Groningen (The Netherlands) on the twenty-first of February nineteen hundred and sixty-two, as \*\*;
  - e. Jan Wilhelm Frans Romme, living in (3723 DV) Bilthoven (The Netherlands), Da Costalaan 4, born in Medan (Indonesia) on the second of March nineteen hundred and fifty-three, as \*\*.
2. The first financial year of the association terminates on \*\*. Pursuant to section 3 of article 19, the term for drawing up the documents as referred to in this article shall be extended with six months.

The persons who appeared before me, civil law notary, are known to me, civil law notary.

**WHEROFF DEED** in The Hague, the Netherlands on the date as laid down in the preamble hereunto.

After having given a brief resume of the contents of this deed to the persons who appeared before me, the persons who appeared before me declared, in advance of this deed being executed that they have been afforded an opportunity to take cognizance of the content hereof and are cognizant of the content hereof and consent to the content hereof and hence do not require a full reading hereof.

Immediately after reading out loud those parts of this deed which the law requires being read out loud, this deed was thereafter signed by the persons who appeared before me, civil law notary and thereafter signed by me, civil law notary.