

ARTICLES OF FOUNDATION AND CONSTITUTION OF THE SCIA

On this 14th day of November, 2008, appeared before me, Mr Derk Brend Hesse van der Laan , a civil law notary, officiating in Groningen, Netherlands:

1. Mr. **COR BEN GÉRARD VAN AANHOLT**, (*Personal information deleted for security reasons, available at Board*);
2. Mr. **LUPPO FEIKENS**, (*Personal information deleted for security reasons, available at Board*)

The persons appearing declared that they had founded an organisation with the following articles of association:

TERMS

In the following articles the under mentioned terms and abbreviations shall be used:

ISAF: International Sailing Federation

NCA: National Splash Class Associations

SCIA: Splash Class International Association

SPLASH: Splash sailboat

Licence Holder: the person that holds the licence rights to the Splash.

NAME

Article 1

The association bears the name: SPLASH CLASS INTERNATIONAL ASSOCIATION (abbreviated name: SCIA).

SEAT

Article 2

The Association has its seat in Groningen, The Netherlands.

OBJECT

Article 3

1. The objects of the association shall be:
 - a. to promote and develop Splash Class racing under uniform rules throughout the world especially in relation to competition.
 - b. to further supervise the uniform practice of the international class regulations and remaining international rules that apply to sailing in the SPLASH;
 - c. to organise and lead the co-operation between the NCA's;
 - d. to provide information about sailing in the SPLASH;
 - e. to stimulate and encourage the international contacts between SPLASH sailors as well as their participation in national and international competitions;
 - f. to serve the interests of the members and those of their sailors providing these interests remain within the objectives of the association.
2. The Association endeavours to achieve these objectives by:

- a. stimulating the establishment of NCA's in as many countries as possible;
- b. ensuring that the World and Continental Championships are held in appropriate locations and to proper standards and adhering to the applicable rules and to oversee such events.
- c. stimulating international SPLASH competitions and the participation thereof and to oversee that these competitions are held to proper standards and adhere to the rules;
- d. publicising and supervising the compliance of the International SPLASH Class regulations;
- e. working in co-operation with the International Sailing Federation ISAF and recognising ISAF as the international global authority on sailing;
- f. working together with the NCA's , the national sailing federations and other national sailing authorities;
- g. any other means which may be beneficial to our objectives.

MEMBERS

Article 4

1. Membership of the association is only available to NCA's, except as provided in Article 5
2. Every member must appoint a representative who may attend general meetings and cast votes on behalf of that member.
3. The board of the association will keep a register wherein the names and addresses of all members and representatives shall be listed. All correspondence from the association and its bodies shall be addressed to the representative of the relevant member and will be sent to the last known address of the representative of the relevant member. When a change in name or address occurs, the relevant member is expected to provide written notice.
4. Members are obliged to acknowledge and abide by the ISAF regulations.

INDIVIDUAL MEMBERS

Article 5

1. Individual members of the association can only be individuals that reside in countries where no NCA is present.
2. Individual members have no other rights and obligations than those which have been granted to, or imposed upon them by the statutes or regulations.
3. Individual members do not have the rights and obligations which have been granted or imposed by these articles and by-laws to members of the association, unless explicitly granted to or imposed upon.
4. Individual members pay an annual contribution, as stipulated in the General Meeting.
5. Individual members may participate in Splash competitions.
6. The board of the association shall keep a register, in which the names and addresses of all individual members have been taken. All correspondence of the association and its bodies will be addressed to the known address of the individual member concerned. The board must receive written notification of

any modifications to the address of an individual member by the individual member concerned.

7. Individual members are obliged to acknowledge and abide by the ISAF regulations.

PATRONS

Article 6

1. Patrons are those who are prepared to financially support the association with a minimum contribution, the amount of which shall be determined at the General Meeting.
2. Patrons have no other rights and obligations than those which have been granted under these articles and by-laws or have otherwise been imposed.

ELIGIBILITY/ADMISSIONS

Article 7

1. The eligibility of members will be decided by the General Meeting.
2. Application for membership of the Association must be submitted to the Secretary.

Article 8

1. The application for membership by an NCA must be accompanied by:
 - a. a copy of the articles of association of the NCA, or of a similar document that is based upon the national law that applies to this organisation.
 - b. a recent list with an overview of the names and addresses of all members and board members of the NCA, accompanied by an overview of all registered SPLASHES. If, due to national law such a list cannot be made available, then only the number of members and the number of SPLASHES associated with the NCA, need be mentioned in the application for membership.
 - c. a registration fee, of the amount which shall be determined by the General Meeting.
2. Membership of the association may be granted to an NCA provided the NCA satisfies the following requirements:
 - a. the organisation aims to develop and stimulate SPLASH sailing in the country concerned.
 - b. the conditions yet to be determined by the General Meeting including those concerning the minimum amount of members and registered Splashes in the country concerned.
 - c. that there is no other NCA in the country concerned which is already a member of the association.

SUSPENSION AND REMOVAL FROM MEMBERSHIP

Article 9

1. Membership ends:
 - a. by the resignation of the member
 - b. by resignation on behalf of the association. This resignation can occur when a member no longer meets the requirements for the membership

according to the articles or on the basis of the regulations determined by the General Meeting, when he does not fulfil his obligations to the association, as well as when the association cannot reasonably be requested to allow the membership to continue.

- c. by expulsion. This can only be imposed when a member acts in breach of the articles of association, rules, by-laws and resolutions of the association, or when he behaves in a manner, contrary to the interests of the members of the association.
2. Resignation on behalf of the Association shall be administrated by the board.
 3. Resignation of Membership by a member or by an association may only occur at the end of an association year and requires a notice period of four weeks
 4. Resignation in conflict with the stipulated in the preceding paragraph terminates the membership on the earliest available date following the date of resignation.
 5. The membership can be immediately terminated if the association or the member cannot be reasonably requested to allow the membership to continue.
 6. Expulsion from membership shall be administrated by the board.
 7. When the board decides to require a member to resign immediately according to paragraph 5 of this article or decides an expulsion, the member will be informed in writing of the decision and the reason for the decision as soon as possible. The member shall be entitled to appeal to the next General Meeting against the decision within one month of receiving such notification. Until the decision of the General Meeting is made, the member shall be suspended.
 8. Should a membership terminate, or if a member is suspended during the course of the Association's subscription year, the annual contribution remains payable in full.
 9. A member may only be suspended by the Board after he has been granted the opportunity to put forward his points of view, either in writing or orally, and to submit documentation.
 10. A member may be suspended if:
 - a. the member commits an unlawful act in relation to the Association or one of its members;
 - b. the member violates the International Class Rules and ISAF regulations;
 - c. the member, in spite of repeated opportunities to pay within a reasonable time period, does not fulfil his financial obligations to the Association.

END OF THE RIGHTS AND OBLIGATIONS OF THE PATRONS

Article 10

1. The Patrons rights and obligations may be terminated at any time providing the yearly subscription of the current Association year is paid in full.
2. Resignation on behalf of the Association shall be done by the board.

ANNUAL CONTRIBUTION

Article 11

1. The members and the patrons are obliged to pay an annual contribution, the amount of which will be determined by the General Meeting. These may be divided into categories with varying contributions.
2. In special circumstances the board may grant whole or partial dispensation from the obligation to pay a contribution and on doing so, must present the decision for approval to the General Meeting.

BOARD

Article 12

1. The board consists of a minimum of three (3) and a maximum of nine (9) persons, and will consist of at least a:
 - a. President
 - b. Treasurer
 - c. Secretary
2. The board members are elected by the General Meeting in a written poll (closed voting cards) for a period of three (3) years. A retiring board member is re-eligible, under the condition that he has held no longer than nine (9) consecutive years in this function within the board.
3. The appointment of board members occurs from one or more binding nominations, subject to the provisions in paragraph 4.

Such a nomination may only be submitted by the board or jointly by two members. The nomination of the board is announced in the notice to convene to the General Meeting. A nomination of two or more members must be submitted to the board in writing two weeks prior to the General Meeting.
4. It is possible to dismiss the binding character of each nomination by a vote of not less than two thirds of the cast votes in a meeting where at least two thirds of the members are represented.
5. If no nomination has been made, or if the General meeting takes a resolution conform to the preceding paragraph, then the General Meeting is free in its choice of appointment.
6. In the case of more than one binding nomination, the appointment shall be made from those nominations.
7. Persons with an interest in the SPLASH for business/commercial purposes are not eligible for a function in the board of the Association.
8. In the event of a vacancy of the position of President, Treasurer or Secretary, between two General Meetings, then this position will be filled until the following General Meeting by one of the remaining board members. The members of the board will designate one of them per vacancy.
9. More specific regulations regarding the election of board members can be stipulated by the General Meeting in a by-law.

END OF BOARD MEMBERSHIP – PERIODIC MEMBERSHIP – SUSPENSION

Article 13

1. Each board member, even when he has been appointed for a certain period, can be dismissed or suspended at any time by the General Meeting. A

suspension which is not followed by a decision to dismiss within a term of three months ends at the expiration of that term.

2. The Board membership ends:
 - a. by resignation;
 - b. when the three year term of office comes to an end after which the board member in question is not re-elected.

BOARD MEETINGS

Article 14

1. Board Meetings will be held at the place and the time determined by the President, or at the place and the time determined in the previous meeting (s) of the board.
2. Board Meetings shall be called by either the President or the Secretary. The notice to convene will be sent in writing or by means of E-mail to the addresses of the board members. The period of notice for the Board Meeting is at least three (3) weeks, unless at least three quarters of the board members eligible to vote have agreed in advance in writing or by means of electronic mail on a shorter period.
3. The agenda points will be mentioned in the notice to convene.
4. The President shall chair the board meetings. If the President is absent, the meeting shall be chaired by one of the other present board members who will be elected from amongst themselves.
5. Minutes will be taken by the Secretary at each meeting and will be confirmed by President and the Secretary.
6. The board is authorised to use telephonic or electronic means of communication for the meetings, provided that all participants can hear or read and participate in these communications.

BOARD RESOLUTIONS

Article 15

1. Each member of the board has one (1) vote in the board meetings.
2. In the meeting, the proclaimed judgment of the President with regards to the outcome of a vote is decisive. The same applies to the contents of a resolution taken by the board concerning a proposal that was not confirmed in writing.
3. Unless otherwise stipulated by these articles or the law, all decisions of the board are taken by absolute majority of the votes cast.
4. Blank votes will be deemed not cast.
5. If the votes "for" and "against the resolution are equally divided, then the President of the meeting has the decisive vote.
6. If a board member so desires, written votes shall be taken. Written votes shall be taken on sealed, unsigned voting papers.
7. At a board meeting, valid decisions can only be taken if at least three (3) board members are present.
8. More specific regulations regarding board meetings and board resolutions can be stipulated in a by-law.

BOARD TASKS - REPRESENTATION

Article 16

1. Subject to the restrictions according to these articles the board has been charged with the task of managing the association.
2. If the number of board members has decreased below three (3), the board remains authorised. The vacancy(ies) within the board shall be filled in accordance with the provisions in Article 12 paragraph 8 of these articles.
3. The board is authorized under its own responsibility to delegate certain tasks to a board member or to committees named and recognised by the board. Such delegation of powers and roles by the board are solely for the purpose of reaching special goals and are for a limited period.
4. With prior consent of the General Meeting the board is authorized to enter into contracts of purchase, sale or mortgage of registered goods, enter into contracts in which the association assumes liability as guarantor or joint debtor for a debt of a third party.
5. The board also needs approval of the General Meeting to:
 - I. Engage into legal actions and making investments surpassing the amount of five thousand euro (€ 5.000,00), notwithstanding the following provisions under II;
 - II.
 - a. To rent, let, use or obtain/provide benefits from use of real estate;
 - b. To enter into contracts in which a bank loan is granted to the Association;
 - c. To provide loans, as well borrowing monies, not including however bank credits that have been made available to the Association;
 - d. To enter into a settlement;
 - e. To perform legal actions, amongst others engaging into arbitration procedures, yet with the exception of taking conservatory measures and other legal actions that can not afford any delay;
 - f. To enter into and to amend employment contracts.

The omission of this approval can not be appealed by or held against third parties.
6.
 - a. The board represents the association in all matters, including but not limited to legal matters.
 - b. The right of representation is also jointly bestowed upon the President and Treasurer together.
 - c. The board may appoint a proxy to one or more board members, as well as to others, to represent the association within the limits of the proxy.

TECHNICAL COMMITTEE

Article 17

1. The Board will appoint a technical committee.
2. The President and the other members of the technical committee are appointed for one year. Unlimited re-appointment is permitted.
3. The task of the technical committee is:

To advise the General Meeting and the Board on technical relevant issues regarding the SPLASH;

To ensure that in co-operation with the technical department of the ISAF, the "One Design Control" of SPLASHES is properly implemented by manufacturers and suppliers in agreement with the "Manufacturing specifications" and the "Handbook"; To investigate and perform measurements to the "One Design Specification" of the SPLASH at the request of the board and to report such findings to the board;
To ensure that SPLASHES, used in world- and continental championships and other international competitions are complying with the class rules.

INCOME AND COSTS

Article 18

1. The Association can obtain income from:
 - a. Subscriptions from members and patrons;
 - b. Part of the "building fee" which is paid for each manufactured SPLASH;
 - c. Part of the "fee" which is paid for each manufactured SPLASH sail and/or other SPLASH parts;
 - d. Television broadcasting rights of international events in compliance with regulations of the ISAF;
 - e. Part of the "entrance fee" which is paid at world- and continental championships, as agreed between the Board and the organizers of the event in question;
 - f. Any other source of income that is not conflicting with the objections of the association.
2. The Membership Contribution and fees are due annually.
3. The Membership Contribution is determined by the General Meeting.
4. The fees and other dues, amongst which amounts to be paid to obtain approval for events, or for services rendered during events, will be established by the board. Annually the board will report to the General Meeting on these accounts.

Article 19

1. Annually the General Meeting shall establish an expense budget. These costs and compensations are to be shown separately in the annual accounts.
2. Expenses made by board members and other persons hired or employed by the association, will be compensated in compliance with the budget established by the General Meeting, from association funds after receipt of the claims by the treasurer.

ANNUAL ACCOUNT – ACCOUNTS AND JUSTIFICATION

Article 20

1. The Associations year calendar runs from January 1st up to and including December 31st.
2. The board is obliged to keep records of the financial situation of the Association in such a manner that the assets and liabilities are known at all times.
3. Except for an extension of the period by the General Meeting, the Board will present its annual report within 12 months of closing of an Association year.

The report will detail the state of affairs within the Association and a justification for the policies pursued. A balance sheet and a profit and loss statement with explanations shall be included. These documents are to be signed by the board members. If one or more signatures are missing an explanation shall given together with the notification.

4. The General Meeting shall appoint yearly an independent financial expert who shall not be a board member. This expert shall investigate the accounts and justifications of the board and report his findings to the General Meeting.
5. The Board is obliged to provide all information requested by the expert. If required the funds and assets should be made available and insight should be provided into the administration of the association.
6. The General meeting can dismiss the expert at any time but only after the appointment of another expert.
7. The Board is obliged to keep the records as mentioned in paragraphs 2 and 3, for ten years.

GENERAL MEETING

Article 21

1. The General Meeting consist of the members of the association, who in accordance with Article 4 paragraph 2, may be represented at the meeting
2. At the General Meeting the Association has all powers that have not been granted to the board by the legal regulations, or the Articles of Association.
3. Annually, not more than twelve months after the end of the association year, a General Meeting, the "Annual meeting" shall be held. At the Annual Meeting the following points, amongst others, will be brought to order:
 - a. The Annual Report and Account, along with the explanations/justifications referred to in article 20 with the report of the afore mentioned financial expert.
 - b. the financial forecast for the following fiscal year and the budget for that following year established by the board.
 - c. the appointment of the financial expert as mentioned in article 20 for the next Association Year; the filling of any vacancies.
 - d. proposals of the board and/or of the members which were announced in the convening notice.
4. The annual meeting is to be held at a place and time, which is considered by the board to be the most convenient for the majority of the members.
5. Further General Meetings shall be held as often as the board deems necessary.
6. Upon written request from a number of members representing not less than one third of the members eligible to vote, the board is obliged to call a General Meeting within four weeks of receipt of this request. Should there be no response received within fourteen days of the request, the petitioners may proceed with calling a meeting in accordance with Article 25. The petitioners may appoint non board members to chair the meeting and take the minutes.

7. Requests from members which require a decision by the General Meeting must be submitted to the board at least two months before the meeting is to be held, in order to be included in the agenda.

ADMISSION AND VOTING RIGHTS

Article 22

1. Members of the Association, Board members and Committee presidents are admitted to the General Meeting.
2. A delegate from the Licence Holder has access to the General meeting during the section of the meeting when subjects relating to the SPLASH class rules and regulations are being discussed.
3. Access to the General Meeting will not be granted to representatives of suspended members or suspended board members on the understanding that a suspended member has access to the meeting in which the decision of suspension is addressed. He also has the right to speak at that meeting.
4. The admission of persons other than those stated in paragraph 1 and 2 is decided by the General Meeting.
5. The members, other than those who have been suspended, are eligible to vote at the General Meeting.
6. The number of votes that a member may cast in the General Meeting depends on the total number of SPLASHES registered in the relevant country on January 1st of the year of that General Meeting. The holders of these Splashes shall be members of that NCA, and pay contribution to that NCA.
The voting distribution is as follows:

1 - 50	SPLASHES	1 vote
51 - 125	SPLASHES	2 votes
126 - 225	SPLASHES	3 votes
226 - 350	SPLASHES	4 votes
351 or more	SPLASHES	5 votes
7. Members must notify the board in writing or by electronic mail, of the total number of registered SPLASHES on January 1. This must be done by February 1 latest.
8. A member may give written authorization to another member to cast his vote(s). A member may receive a proxy from a maximum of two members.

CHAIRMANSHIP - MINUTES

Article 23

1. The General Meetings, unless the situation occurs such as is defined in the last sentence of Article 21 paragraph 6, will be chaired by the President of the board. In the absence of the President another board member will act as Chairman. If a board member can not chair the meeting the General Meeting will appoint a Chairman.
2. The Secretary, or another member appointed by the Chairman will draw up minutes of the meeting. Minutes will be taken by the secretary at each meeting and will be determined by Chairman and the Secretary or member appointed to draw the minutes.

RESOLUTIONS OF THE GENERAL MEETING

Article 24

1. Formal requests requiring a decision by the General Meeting may only be submitted by a member or a board member of the Association. Proposals to the General Meeting may only be addressed when announced in agreement with these Articles. Amendments to submitted proposals are not permitted unless in agreement with the member who submitted the proposal.
2. In the General Meeting, the proclaimed judgment of the Chairman with regards to the outcome of a vote is decisive. The same applies to the contents of a resolution taken by the board concerning a proposal that was not confirmed in writing.
3. Unless otherwise stipulated by these articles or the law, all decisions of the board are taken by absolute majority of the votes cast.
4. All decisions concerning changes to the Class Regulations require not less than 2/3 of the votes cast.
5. Blank votes will be deemed not cast.
6. If the votes "for" and "against the resolution are equally divided, then the proposal is dismissed.
7. If a member or board member so desires, written votes shall be taken. Written votes shall be taken on sealed, unsigned voting papers.
8. Lawful decisions during the General Meeting can only be taken when at least half of the members are represented.
9. When all members are present at the General Meeting all decisions on issues brought forward -including proposals for amendments to the articles or dissolution- can be taken providing all votes are in favor. This also applies when no convening notice to the General Meeting has been made or when the convening notice to the General Meeting has not been made appropriately or in accordance with any other regulations regarding the convening notice to and the holding of the General Meeting.

ANNOUNCEMENT OF THE GENERAL MEETING

Article 25

1. The General Meeting is called by the board. The members shall be called to the General Meeting in writing, sent to the addresses of the representatives of the members specified in the membership list mentioned in Article 4. The meeting shall be called with due observance of at least four weeks notice.
2. The convening notice shall state the items to be dealt with and the agenda for the meeting will be attached to this notice, together with copies of all requests requiring a decision by the General Meeting as they were submitted to the board.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 26

1. Amendments to the articles of Association may not be made other than by a decision of the General Meeting which has been called with the announcement that these amendments to the Articles shall be proposed.
2. Those who have proposed amendments to the Articles of association in the convening notice are obliged to place a statement of that proposal wherein the proposed amendments are written, in a suitable (electronically accessible) location for inspection by the members until the end of the day on which the meeting will be held. In addition the aforementioned statement will be sent to all members.
3. Resolutions to amend the Articles of Association may only be passed by at least two thirds of the votes cast.
4. Amendments to the articles shall not take effect until it has been recorded in a Notarial deed. Each member of the board shall have the power to cause such a deed to be executed.

DISSOLUTION

Article 27

1. The Association may be dissolved by a resolution of the General Meeting. The provisions stated in paragraphs 1, 2 and 3 of the preceding article apply.
2. Unless otherwise decided by the General meeting, the liquidation is to be done by the Board.
3. The surplus assets remaining after settlement are payable to the ones who were members of the association when the resolution to dissolve was taken. Each one shall receive an equal share. The board may however, in their resolution to dissolve, decide on another purpose for surplus assets.
4. The association ceases to exist when there are no more assets known to them or to the liquidators. The liquidators shall provide a statement of this to the Chamber of Commerce and Industry so the register may be amended.

APPLICABLE LAWS AND REGULATIONS

Article 28

1. The Association is subject to the Law of the Netherlands.
2. The Association shall be governed in accordance with:
 - a. the stipulations of these Articles
 - b. the regulations established by these Articles
 - c. the decisions taken within these Articles;
3. The Association subjects itself to the regulations stipulated by and in agreement with ISAF.

REGULATIONS

Article 29

1. The General Meeting may establish a by-law wherein further binding rules and regulations for th

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NAL STATEMENT

Article 30

The following persons are hereby appointed as first members of the Board

1. Mr. Cor Ben Gérard van Aanholt, the person sub 1., as President;
2. Mr. Luppo Feikens, the person sub 2., as Treasurer;
3. Mr. Johan Jozef Antoinette Devocht, *(Personal information deleted for security reasons, available at Board)*, as Secretary;
4. Mrs. Wilhelmine Aloysia Busch, *(Personal information deleted for security reasons, available at Board)*, as Member;
5. Mr. Robin Scott Clayton, *(Personal information deleted for security reasons, available at Board)* as Member;
6. Mrs. Pamela Johnson, *(Personal information deleted for security reasons, available at Board)* as Member.

The persons are known to me, notary.

The identity of the persons has been determined by a proof of identity.

Recorded and determined in Groningen on the date as mentioned in the head of this document. The concise content of this document has been communicated and explained to them. The persons sub 1. and 2. declared that a complete reading of this whole document prior to signing was not required, that they have received a concept of this document on time and therefore acknowledge the content and that they have been made aware of the consequences for all parties which may result from this document.

This document has been partially read and immediately signed, first by the persons sub 1 and 2 and thereafter by me, notary.