

NPO Kudo International Federation

** Articles of Incorporation **

Section 1 – General Provisions

1. (Name) - The name of the federation is “NPO Kudo International Federation” (hereinafter referred to as **"KIF"** or **“the Federation”**).
2. (Headquarters) – The Federation has its main office in Toshima-ku, Takada 2-10-11 Eastern Building, Tokyo, Japan.

Section 2 - Objectives and Activities

3. (Objectives) - The Federation aims at developing and promoting Kudo, a new comprehensive, unarmed martial arts discipline created by Mr. Takashi AZUMA, founder of the Daido Juku martial arts association. Kudo is at the same time meant to be useful in actual self-defence, to carry the values of the Japanese culture found in *budo*(classical Japanese martial arts), to serve a social purpose of education, as well as to be a competitive sport.

Through the promotion of Kudo, the Federation seeks to promote, inter alia, social education, awareness of the martial arts culture and sports, international exchanges as well as the healthy physical and mental development of the youth.

The Federation is not limited in its target public, whether individuals or organizations.

4. (Specific Non-Profit Activities) - in order to achieve the objective set above, the Federation, performs a number of activities, as follows:
 - (1) promotion of education
 - (2) promotion of culture, arts and/or sports
 - (3) promotion of international cooperation
 - (4) promotion of the sound development of youth
 - (5) advisory/assistance to organizations carrying out the activities listed above
5. (Business Activities) – In pursuing the objectives set in Article 3 above, the Federation engages in the following activities as a fee-generating business related to the aforementioned specific non-profit activities.
 - (1) teaching and training in Kudo
 - (2) to support the development of Kudo, practical teaching, publishing of books/magazines, publicity and communication leveraging on mass media and the internet
 - (3) ranking examinations, trainers certifications
 - (4) organization of the World Championships every four years
 - (5) other activities necessary for the purpose of meeting the Federation’s objectives above stated

Section 3 - Board Members

6. (Categories) Member of the Federation fall in 4 categories, in accordance with the Act on Promotion of Specified Non-profit Activities (hereinafter “**the Act**”)

(1) **ordinary members** supporting the concept underlying Kudo join with the main purpose of studying and practicing Kudo (dojo students).

(2) **full members** are members who submitted an application in that effect, and are recognized as such by the Federation

(3) **special members** are members with experience in martial arts or combat sports, or with an academic background, sympathetic to the Federations objectives and bringing their contribution thereto

(4) **supporting members** are individuals, corporations or organizations sympathetic to the ideas underpinning Kudo and willing to bring assistance

7. (Becoming a Member) A person intending to become a regular member shall submit the designed application to that effect to the president of the Federation (hereinafter “**the Head Director**”, see also Section 4. art. 13.(1)). If for some reason the Head Director was to reject the application, the candidate shall be informed promptly in writing and given the reason for rejection.

Persons recommended by honorary members need not follow the application procedure to be admitted as members.

8. (Admission fee and membership fee) regular members and supporting members are required to pay an admission fee and regular membership dues.

In case special expenses are needed, a temporary additional membership fee can be requested through a resolution of the Board of Directors.

9. (Loss of membership)

Members can lose membership under the following circumstances:

(1) submission by the member of a notice of withdrawal

(2) death of the individual member / dissolution of the corporate member

(3) failure to pay dues for more than one year

(4) expulsion

10. (Voluntary Withdrawal)

When a member wishes to withdraw from the Federation he/she can do so at his/her discretion by submitting to the Head Director a notice of withdrawal stating the reason.

11. (Exclusion) a member of the Federation can be expelled by a resolution of the Board of Directors for the following reasons. The member must however be given the chance to defend him/herself in front of the voting assembly.

(1) damage to the honor of the Federation, or in case of violation of the stated purpose and objectives of the Federation

(2) in case of violation of the Articles of Incorporation of the Federation or other relevant rules and regulations of the Federation

12. (Non-return of the fees, membership dues and other contribution) membership fees and other contributions that have already been paid/given to the Federation shall not be refunded/returned

Section 4 - Officers and staff

13. (Categories and Numbers) the Federation shall have the following governance set-up, comprised of a Board of Directors and 2 auditors.

- (1) 10 to 15 directors, out of which 1 Head Director, up to 2 Deputy Head Directors, and executive directors (together, **“the Board of Directors”**)
- (2) 2 auditors

14. (Election of officers) members of the Board of Directors and auditors shall be elected by the General Assembly.

2. The Head Director, Deputy Head Director and Executive Directors shall be elected by the Board of Directors.

3. Spouses or any relatives to the third degree or less of an officer of the Federation may not serve as an officer of the Federation.

4. Persons falling under the cases mentioned in accordance with Article 20 of the Act may not serve as officers of the Federation.

5. Auditors may not serve as Directors or staff of the Federation.

6. Pursuant to a resolution of the board of directors, the Head Director may appoint honorary chairman, chairman, of vice-chairman persons in agreement with the stated purpose of the Federation.

15. (Duties) The Head Director and representative of the Federation, preside over its business.

2. The Deputy Head Directors shall assist or replace the Head Director in its duties, when the Head Director is unable to fulfil them due to absence or accident.

3. The Executive Directors shall assist the Head Director and Head Deputy Head Directors, in diverse capacities.

4. The Directors shall constitute the Board of Directors, based on the resolution of which the operations of the Federation shall be decided.

5. The auditor shall perform the following duties.

- (1) audit the activities of the board of directors
- (2) audit the status of the assets of this Federation
- (3) in case a serious issue or violation of applicable laws and regulations is discovered pursuant to (2) above, to report it to the General Assembly or appropriate government agency
- (4) to call for a General Assembly whenever a report must be done per above
- (5) alert the board of directors in case of concerns relative to (1) and (2) above

16. (Term of office, etc.)

1. Officers shall be elected for four years, but can be re-elected thereafter.

2. In case an officer was appointed as a substitute of an existing officer, or appointed mid-term because of an increase in the number of officers, his/her mandate shall be aligned on the already existing director remaining mandate

3. The officers, even after resignation or expiration of their term, must perform their duties until their successor is appointed.

17. (Replacement of vacancy) Shall there be vacancies in the Board of Directors or among the auditors exceeding a third of the normal number of officers, new officers must be appointed promptly in replacement.

18. (Dismissal) In the below cases, officers may be subject to dismissal, such dismissal being subject to a decision by the General Assembly, provided the officer is given a chance to defend himself/herself in front of the General Assembly.

- (1) in case of due to a mental or physical issue interfering with the normal performance of

the officer's duties

(2) in case of failure in meeting his/her obligations violation, or when his/her conduct is deemed inappropriate in view of his/her role

19. (Remuneration of directors)

officers may receive payment in the following cases, subject to it concerning less than a third of officers.

2. reimbursement of expenses required for the performance of the officer's duties.

3. matters necessary for the preceding two paragraphs, subject to resolution of the general meeting and decision by the Head Director.

20. (Staff) The Federation may elect to have a Secretary-General and other staff.

2. the Secretary-General role may be given to a director.

3. staff member are appointed and dismissed by the Head Director.

4. necessary matters concerning the organization and operation of the Secretariat are decided by the Head Director.

Section 5 - Other officers

21. (Categories) the Federation may as needed appoint officers to the following positions.

Honorary Chairman 1 person

Chairman 1 person

Vice Chairman up to a few

Honorary adviser up to a few

Adviser up to a few

Consultant up to a few

Other up to a few

2. each of the above shall be appointed by decision of the Head Director, with consent of the board of directors.

3. each of the above appointee shall answer to enquiries from the Head Director regarding the activities of the Federation and issue reports/recommendation as needed.

Section 6 – General Assembly

22. (Types of Assemblies) The General Assembly of the Federation may take the two following forms: Ordinary and Extra-ordinary.

23. (Constitution) The General Assembly is constituted by the assembly of full members.

24. (Rights of the General Assembly) the General Assembly votes on the following matters.

(1) change of the Articles of Incorporation

(2) dissolution

(3) Merger

(4) business plan and income and expenditure budget, as well as change thereto

(5) business report and the settlement of accounts

- (6) the appointment or dismissal of an officer, his/her duties and remuneration
- (7) borrowings (excluding the short-term borrowings to redeem with the revenue of the business fiscal year. As per Article 50.), creation of liabilities, waiver of rights
- (8) the Federation grade certification rules and other important rules, their amendment and abolition
- (9) Other important matters concerning the operations of the Federation

25. (Schedule of Assemblies) the ordinary General Assembly every year within 3 months of closing the previous exercise.

2. The Extraordinary General Assembly is called in the following cases

- (1) upon convocation from the Board of Directors recognizing the need thereof, when the request for convocation
- (2) when more than a fifth of the full members so requests, citing a topic to debate/decide

- (3) when the auditors so request on the basis of the provisions of Article 15, paragraph 5.4

26. (Convocation) except in the case mentioned in Art. 25.2.(3) above, the Meeting of the General Assembly shall be called by the Head Director of the Federation.

2. When an extraordinary Meeting of the General Assembly is called under cases (1) and (2) of Art. 25.2, the Head Director shall call the meeting within 7 days of being notified of the need thereof.

3. Meetings of the General Assembly shall be notified by an e-mail indicating the date, time and location of the meeting, to be sent at least 5 days prior to the meeting.

27. (Chairman) a chairman of the meeting of General Assembly shall be elected among the full members attending the meeting.

28. (Quorum) The General Assembly cannot convene unless more than half of the full members are in attendance, except if the total number of full members exceeds 100 persons, in which case the General Assembly can convene as long as more than a tenth of the full members are in attendance.

29. (Voting) Matters to be discussed shall be scheduled in advance and notified in writing in the email mentioned in Art.26.3.

2. Decision at the General Assembly shall be taken in accordance with the provision of these Articles of Incorporation, and by decision of the majority of the full members in attendance. In case of tie, the Chairman will make the decision. Notwithstanding the above, decision pertaining to changes in grade certification rules shall be taken via unanimous decision of the presents.

30. (Voting rights, etc.) All full members shall have an equal vote in the General Assembly.

2. If for unavoidable reasons, a full member can not attend the General Assembly, he/she can vote in writing or e-mail on the schedule topics, or delegate his/her vote to another full member acting as a proxy.

3. Full members who vote pursuant to the provisions of the preceding paragraph, shall be deemed as being in attendance for the purpose of the next article and of Art. 52

4. For a resolution of the General Assembly, full members having a special interest in the matter discussed shall be excluded from the vote.

31. (Minutes) Proceedings of a meeting of the General Assembly shall be minuted. The minutes shall comprise the following items.

- (1) the date, time and location of the meeting
- (2) the total number of full members and the number of attendees (mentioning the number of full members voting in writing or via proxy)
- (3) agenda
- (4) proceedings including decisions taken, indicating the results of the votes
- (5) appointments of the witnesses signing the minutes

2. Minutes must be signed or stamped by the chairman and at least two witnesses elected during the meetings.

Section 7 – Board of Directors

32. (Constitution) The Board of Directors is constituted of directors.

33. (Rights and Powers) aside for matters set out in these Articles of Incorporation, the Board of Directors is empowered on the following matters.

- (1) Determination of the topics to be discussed at the General Assembly
- (2) Execution of the resolutions of the General Assembly
- (3) Determination of amount of the admission fee and membership fee
- (4) Other matters the execution of which does not require a resolution of the general meeting

34. (Meetings of the Board) Meetings of the Board of Directors are held in the following cases

- (1) When the Head Director deems necessary
- (2) When a third or more of the Directors agree a specific topic should be discussed in a meeting of the Board of Directors
- (3) Pursuant to the provisions of Article 15, 5 (5), per convocation by the Auditor.

35. (Convocation) Meetings of the Board of Directors are called by the Head Director of the Federation.

2. When meetings are called pursuant to Art. 34 (2), the Head Director shall call the meeting within 7 days of being notified of the need thereof.

3. Meetings of the Board of Directors shall be notified by an e-mail indicating the date, time and location of the meeting, to be sent at least 2 days prior to the meeting.

36. (Chairman) The Head Director act as chairman of the meetings of the Board of Directors.

37. (Voting) The meetings of the Board of Directors vote on matters scheduled and notified in advance per Art 35.3

2. Decision are made by majority of the total number of Directors. In case of tie, the decision is made by the chairman.

38. (Voting rights, etc.) Each Director shall have an equal vote at the Board.

2. When a director cannot attend a meeting of the Board of Directors due to unavoidable reasons, he/she can vote in writing or by e-mail on the pre-notified topics for decision.

3. A director voting under the arrangement described in the above paragraph shall be deemed to be attending the meeting of the Board of Directors.

4. In case a Director proposes an item to be resolved by the Board of Directors and all the Directors who is entitled to vote show their intention to agree on such item in writing or by electromagnetic record, such item shall be regarded as resolved at the meeting of the Board of Directors.

5. For resolution of the Board of Directors, directors having a special interest in the matter discussed shall be excluded from the vote..

39. (Minutes) Proceedings of meetings of the board of directors shall be minuted. Minutes shall comprise the following.

- (1) the date, time and location of the meeting
- (2) total number of Directors, number of attendees and attendee name (including directors voting through a written vote)
- (3) agenda
- (4) proceedings and results of votes
- (5) appointment of witnesses signing the minutes

2. Minutes must be signed or stamped by the chairman and at least two witnesses elected during the meetings.

Section 8 – Assets & Accounting

40. (Composition of assets) The assets of the Federation consist of the following.

- (1) assets that have been described in the inventory of property set at the time of founding of the Federation
- (2) admission fee and annual membership fee
- (3) donation money and goods
- (4) income arising from assets
- (5) revenue associated with the business
- (6) other income

41. (Categorization of Assets)

Assets of the Federation as assets linked to non-profit activities.

42. (Management of assets) the Head Director of the Federation is in charge of managing the assets of the Federation. To do so, he/she seeks resolutions of the General Assembly.

43. (Principle of accounting) Accounting of the Federation shall be carried out in accordance with the principles set forth in the Article 27 of the Act of each item.

44. (Categorization of accounting) Accounting of the Federation is categorized as accounting pertaining to business related to specific non-profit activities.

45. (Yearly plan and budget) The Head Director of the Federation shall prepare every fiscal year a yearly plan and corresponding budget, which shall be presented for approval at the meeting of the General Assembly.

46. (Provisional budget) Notwithstanding the provisions of the preceding article, when the budget cannot be presented due to unavoidable reasons, the Head Director, through a vote of the Board of Directors, may propose a provisional budget linked to the previous exercise budget, until such day a budget can be presented.

2. Revenue expenditures part of a provisional budget as set forth in the preceding paragraph shall be considered part of the newly established budget, once approved.

47. (Setting up and usage of reserve fund) to face over-budget or off-budget expensed, the Federation can set-up reserve funds, which must be part of the budget.

2. Usage of reserve funds be approved by the Board of Directors.

48. (Addition and corrections to the budget) When due to unavoidable circumstances an approved budget needs amendment, the same can be done through a resolution of the General Assembly.

49. (Business report and financial statements) The Federation must submit reports comprising a business report, property inventory, balance sheet and income statement, as soon as practicable after the end of each fiscal year. The reports, prepared by the Head Director of the Federation, must be checked by the auditors and approved by a vote of the General Assembly.

2. When a fiscal year closes on a profit, the same must be carried forward to the next fiscal year.

50. (Fiscal year) the fiscal year for the Federation shall begin on April 1st of each year and ends on March 31 of the following year.

51. (Liabilities, etc.) In addition to what is provided by the budget, the borrowings, or incurrence of liabilities / waiver of rights must be approved by the General Assembly.

Section 9 – Changes to the Articles of Incorporation, Dissolution and Merger

52. (Change to the Articles of Incorporation) Aside for minor changes that can be approved by consent of $\frac{3}{4}$ of the full members in attendance of a meeting of the General Assembly, any changes to the Articles of Incorporation are subject to approval by the relevant government agency, as per article 26.3 of the Act.

53. (Dissolution) The Federation shall be dissolved in the following cases.

- (1) adoption of a resolution to that effect by the General Assembly
- (2) inability to attain the stated purpose
- (3) vacancy of full members
- (4) merger
- (5) bankruptcy
- (6) withdrawal of approval by the relevant government agency

2. dissolution by virtue of item (1) above shall be subject to decision by the General Assembly, with a number of vote in favor equivalent to 3 quarter of the full number of full members.

3. dissolution by virtue of item (2) above shall be subject to obtaining a certification of the government agency to that effect.

54. (Ownership of residual assets) in case of dissolution of the Federation, any remaining assets shall be transferred to another NPO pursuing a similar purpose.

55. (Merger) merger with another organization is subject to decision by the General Assembly, with a number of vote in favor equivalent to 3 quarter of the full number of full members, as well as to obtaining approval from the relevant government agency.

Section 10 – Public Notice

56. (Public Notice of the way) Notices by the Federation shall be made by way of the posting board of the Federation as well as publishing via Official Gazette.

Section 11 - Miscellaneous

57. (Jurisdiction) disputes involving the Federation of any organization part of the Federation and with respect to Kudo competition, shall be resolved by the Court of Arbitration for Sport, located in Lausanne, Switzerland.

58. (Bylaws) detailed regulations necessary for the enforcement of Articles of Incorporation shall be decided by the Head Director and approved by resolutions of the Board of Directors