



INTERNATIONAL SURFING ASSOCIATION

For a Better Surfing Future

**CONSTITUTION OF THE
INTERNATIONAL SURFING ASSOCIATION**

As amended and restated on

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www.isasurf.org

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INTRODUCTION TO THE CONSTITUTION

Each section of the ISA Constitution is divided into two main parts:

- Articles General Principles and policies pursuant to which the ISA conducts its affairs.
- Bylaws* Rules and procedures of operation related to each of the various Articles. The Articles are set forth in regular type and make up the main text of this Constitution. The Bylaws, where applicable, are set forth in *italics* and are set forth below the corresponding Article.

CERTAIN DEFINITIONS

“Constitution” shall refer to this Constitution of the International Surfing Association.

“Executive Committee” is the ISA Executive Committee, as further described in Article 6.

“General Assembly” shall mean a meeting of the Members, either at an Annual General Meeting, called pursuant to Article 9, or an Extraordinary General Meeting, called pursuant to Article 10.

“ISA” means the International Surfing Association.

“International Federation” or “IF” is the officially recognized governing body for a single sport. An IF may or may not be recognized by the IOC.

“International Olympic Committee” or “IOC” is the ultimate governing body for the Olympic movement.

“Member” is defined as a National Federation (each, “NF,” and collectively, “NFs”) for Surfing and all related disciplines, representing a country, nation or territory, as recognized by the ISA pursuant to this Constitution. A country, nation or territory can only be represented by one NF. In addition, Members are also any international surfing or wave riding organization, as recognized by the ISA pursuant to this Constitution.

“National Olympic Committee” or “NOC” is the national governing body representing a country, nation or territory for the Olympic movement under the auspices of the IOC. A country or territory can only be represented by one NOC.

“President” is the head of the ISA as more fully described in Article 11 of this Constitution. The President shall also be deemed the chairman of the Executive Committee.

“Regular EC Member” is a member elected to the Executive Committee other than the President, a Vice President or AC Chair, as further described in Article 6.

“Rule Book” shall refer to the ISA Rule Book as amended from time to time by the Executive Committee.

“Secretary” is the secretary of the ISA as more fully described in Article 11.

“Surfing” is defined as follows:

- Any sport in which the primary force that moves the participant, with or without surfing equipment, is a wave either of natural or artificial source.
- An activity on the waves on any type of equipment used for surfing.
- An activity in calm waters on any type of equipment used for surfing.
- Any Surfing sport including but not limited to Shortboard, Longboard, Bodyboard, Kneeboard, Skimboard, Tandem Surfing, StandUp Paddle (“SUP”) Surfing, StandUp Paddle Racing, Bodysurf and Tow In Surfing.

“Treasurer” is the chief financial officer and treasurer of the ISA as more fully described in Article 11.

“Vice President” is a member elected to the Executive Committee other than the President, Regular EC Member or AC Chair, as further described in Article of this Constitution.

ARTICLE 1 - ORGANIZATION

The International Surfing Association, hereinafter called the "ISA" or "Association," organized as a California nonprofit public benefit corporation with members.

ARTICLE 2 - MISSION STATEMENT

To promote, develop and lead surfing in all its forms worldwide, while connecting the global surfing community and driving accessibility and universal participation.

ARTICLE 3 - OBJECTIVES

The objectives of the Association are:

- a. To establish and maintain an international association to promote the interests of surfing in all its forms throughout all countries of the world, to which all recognized NFs concerned with the sport of Surfing, Surfing or its related activities, may gain affiliation;
 - b. To encourage the formation of NFs in individual countries, nations or territories not yet members of the ISA, thus increasing membership worldwide;
 - c. To promote and co-ordinate the activities of NFs within their own jurisdiction;
 - d. To establish rules, criteria and standards for judging at, and for conducting international contests for Surfing. These measures shall, inter alia, apply to the sport of Surfing, to those participating in it, and to the dimensions, design, size and type of surfboard or equipment when used in international competition;
 - e. To promote uniformity of rules for the regulation of Surfing and Surfing throughout the world, by encouraging NFs to adopt the ISA's established rules and standards;
 - f. To co-ordinate the international activities of NFs by providing a forum for arranging international contests;
 - g. To organize and/or authorize a Member and/or third party to host the World Surfing Championships, World Surfing Games and any other international events as decided by the ISA;
 - h. To work for the conservation and improvement of coastal environments and the protection of Surfing resources worldwide;
 - i. To promote the values of good sportsmanship, particularly amongst the younger generation of Surf Sports athletes of the world;
 - j. To promote the educational, scientific, literary and charitable aspects of the Surf Sports, improving cultural and sporting contacts between the Surfing nations of the world;
 - k. To govern and regulate Surfing and SUP in the Olympic Games and other international, continental and regional multi-sports events;
 - l. To purchase, acquire, sell, deal in, build, construct or reconstruct, take on lease or in exchange or otherwise acquire or dispose of any movable, immovable, corporeal or incorporeal property anywhere in the world; and
 - m. To enter into any contract, association or negotiation for the purpose of giving effect to any of the aforementioned objects.
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Bylaw to Article 3

1. Purposes; Restrictions

- a. *This Association is a nonprofit public benefit corporation and is not organized for the private gain of any person.*
- b. *This Association is organized under the Nonprofit Public Benefit Corporation Law of the state of California, U.S.A. exclusively for charitable, scientific, religious and/or educational purposes.*
- c. *This Association elects to be governed by all of the provisions of the Nonprofit Public Benefit Corporation Law not otherwise applicable to it under Part 5 of that law.*

ARTICLE 4 - JURISDICTION

- a. The rules and/or regulations of the ISA shall be binding on all Members, Associate Members and Provisional Members. Every NF, however, shall be autonomous, having exclusive control of its membership, funds and property, and shall be managed by its own committees and office bearers in such manner as it may deem fit.
- b. To the extent that the ISA's activities relate to the ISA's position as the International Federation for Surfing within the Olympic Movement, as recognized by the International Olympic Committee, each Member will also be obligated to comply with the provisions of the Olympic Charter, as published by the International Olympic Committee, and the World Anti-doping Code, as published by the World Anti-doping Agency, and as each may be amended from time to time.
- c. The ISA shall have the right to take such disciplinary action against any NF or person associated with the ISA, as it might deem necessary, for the purpose of enforcing the rules and/or regulations of the ISA and/or compliance with this Constitution.

Bylaw to Article 4

1. Non-Compliance with Terms of Membership

The Executive Committee may fine, sanction, terminate, expel or suspend or otherwise discipline, including by barring such Member from participating in any event (collectively referred to herein as "Discipline"), a Member for non-payment or late payment of fees, periodic dues, or assessments, or for conduct which the Executive Committee shall deem inimical to the best interests of the ISA. The Executive Committee shall give the Member who is the subject of the proposed action fifteen (15) days' prior notice of the proposed Discipline and the reasons therefor. The Member may submit a written statement to the Executive Committee regarding the proposed action not less than five (5) days before the effective date of the proposed Discipline. Prior to the effective date of the proposed Discipline, the Executive Committee shall review any such statement submitted and shall determine the mitigating effect, if any, of the information contained therein on the proposed Discipline. A terminated, expelled or suspended Member shall not be entitled to exercise any of the voting rights hereunder. Any terminated, expelled or suspended Member shall not be deemed a Member for the purpose of determining a quorum at any General Assembly.

2. Good Standing

Any Member, Associate Member or Provisional Member who shall be in arrears in the payment of any installment of fees, periodic dues, or assessments more than thirty (30) days after their due date shall not be in good standing and shall not be entitled to vote as a Member and might not be allowed participation in any ISA competition, at the discretion of the Executive Committee.

ARTICLE 5 - MEMBERSHIP, AFFILIATION AND FEES

- a. Membership of the ISA shall be divided into Members, Associate Members and Provisional Members.
- b. Members of the ISA shall be entitled to vote and shall consist of NFs which have been recognized and accepted by the ISA Annual General Meeting of the General Assembly, upon proposal of the Executive Committee, the names of which appear in a registry maintained by the Secretary of the ISA (the "Register of Members").
- c. Associate Members (other than Hawaii and Tahiti, each of which have been grandfathered with the rights of full Member affiliation) are not entitled to vote and shall consist of NFs for territories without representation of a NOC, so long as the territory has national teams participating in other IF events recognized by the IOC.
- d. "Provisional Members" are Member affiliation applicants that have been provisionally approved by the Executive Committee and by a majority of the Members at an Annual General Meeting of the General Assembly. Provisional Members in good standing may vote and participate in certain ISA-sponsors activities as designated by the Executive Committee.
- e. An organization applying for Provisional Member or Associate Member affiliation with the ISA, shall forward a copy of its charter or constitution and shall provide such further information as the ISA may require from time to time. The Executive Committee shall determine qualifications and rules for Member affiliation of the ISA. If any rules or qualification requirements determined by the Executive Committee conflict with this Constitution, this Constitution shall prevail.
- f. Provisional Members may become Members by application submitted in writing to the Executive Committee, which when approved by the Executive Committee, shall be voted on by the Members constituting a quorum at the next Annual General Meeting of the General Assembly. Membership approval shall be by majority vote of such quorum. The Executive Committee may impose, at its discretion, certain conditions to approval.
- g. The Executive Committee shall from time to time determine the amount payable by Members as annual affiliation fees (which may include, without limitation, membership fees, periodic dues and assessments) to the ISA. A substantially lower annual membership fee may be made applicable to non-participating Members, as determined from time to time by the Executive Committee.
- h. Members whose names appear on the ISA official receivables lists, as being in arrears for amounts owed to the ISA, may be subject to disciplinary action as the Executive Committee deems fit. Discipline may include a financial penalty and/or suspension from membership and/or suspension from participation in ISA-sanctioned events.
- i. In addition, the ISA may recognize as non-voting "Recognized Organizations" , including Continental Associations of ISA Members, any international surfing organization proposed by the Executive Committee, the names of which appear in the "Register of Recognized Organizations." Such Recognized Organizations proposed by the Executive Committee must also be approved by a majority vote of the Members at an Annual General Meeting of a General Assembly.

Bylaw to Article 5

1. Acceptance of Members.

- a. *Applicants for membership who become Provisional Members in good standing (i.e., by paying dues and otherwise complying with the terms of this Constitution) shall become Members of the ISA upon approval by the Executive Committee and by the a majority of Members at an Annual General Meeting of the General Assembly; provided, however, that the initial Members of the ISA shall be those persons or entities identified as "Members" on Exhibit A hereto and those Members shall not be subject to Member approval for initial membership.*
- b. *The Executive Committee may impose conditions related to Provision Members being approved for Member affiliation status. Such conditions may include, among other matters, a waiting period, background checks of the Provisional Member's personnel, and an examination of the Provisional Member's financial records.*
- c. *The Secretary of the ISA (or any other designated officer of the ISA) shall maintain the Register of Members.*

2. Member Rights.

Members shall have all rights of membership under applicable law. All Members (except non-voting Members or Members not in good standing) shall have the right to vote for the election of Directors (except with respect to the Executive Director who shall be appointed by the President), for the approval of new Members, on a disposition of all of ISA's assets, on a merger, on a dissolution, and on any issue concerning the ISA where Members may vote under the applicable laws. Where an issue is proposed to be decided by the Executive Committee within the scope of its authority and the applicable laws do not require a vote of the Members on such issue, then the vote of the Executive Committee shall be dispositive on such issue.

3. Transfer of Membership.

The Executive Committee may provide for the transfer of memberships, subject to such restrictions or limitations as the Executive Committee deems appropriate, including transfer upon the termination, dissolution, merger, or reorganization of a Member, and subject to the substantive Articles of this Constitution.

ARTICLE 6 - EXECUTIVE COMMITTEE

- a. The ISA will be governed and managed by an all executive powers shall be exercised by or under the direction of an Executive Committee (the “Executive Committee”) comprised of nine (9) members, eight (8) of whom will be voting members, as follows:
 - i. One (1) President, who shall serve as Chair of the Executive Committee;
 - ii. Four (4) Vice Presidents;
 - iii. Two (2) Regular Members;
 - iv. The Chair of the Athletes’ Commission (the “AC Chair”); and
 - v. One (1) Executive Director, who shall be an *ex-officio* member of the Executive Committee and shall not be entitled to vote.

- b. The ISA’s principal offices are at the address designated by the President. The Executive Committee is granted full power and authority to change the principal offices from one location to another. Branch or subordinate offices may be established at any time by the Executive Committee at any place or places.

- c. The Executive Committee shall be established and maintained as follows:
 - i. The Executive Director shall be appointed by the then serving President. The Executive Director shall serve until replaced or terminated by the then serving President.

 - ii. The initial AC Chair will be appointed by the Executive Committee to serve, regardless of when appointed, until the 2020 Annual General Meeting. From and after 2020, the AC Chair will be elected by the AC in accordance with Article 7 and ratified as a member of the Executive Committee at the Annual General Meeting in accordance with this Article 6(c)(ii) every four (4) years—e.g., in 2020, 2024, 2028, 2032, etc.

 - iii. The other seven (7) members of the Executive Committee will be elected by a majority of Members at an Annual General Meeting as follows:
 - (a) Certain definitions:
 - i. “2020 Regular EC Member” shall mean the Regular EC Member seeking election at the 2018 Executive Committee election who receives, vis-à-vis the 2022 Regular EC Member (defined below), the lower vote tally at the Annual General Meeting.
 - ii. “2022 Regular EC Member” shall mean the Regular EC Member seeking election at the 2018 Executive Committee election who receives, vis-à-vis the 2020 Regular EC Member, the higher vote tally at the Annual General Meeting.

 - (a) Group 1 - 2018 Election:

- i. The President, two (2) Vice Presidents and two (2) Regular EC Members shall be elected by a majority vote of the Members at the 2018 Annual General Meeting, with the President, the two (2) Vice Presidents and the 2022 Regular EC Member (“Group 1”) to serve a single four (4) consecutive year term—until the 2022 Annual General Meeting. Group 1 members will be elected every four (4) years—e.g., in 2022, 2026, 2030, 2034, etc.
 - ii. The 2020 Regular EC Member shall be elected to serve a single two (2) consecutive year term until 2020 and will be included within Group 2 for the purposes of Article 6(c)(iv).
- (b) Group 2 - 2020 Election: Two (2) additional Vice Presidents and the 2020 Regular EC Member (“Group 2”) shall be elected by a majority vote of the Members at the 2020 Annual General Meeting to serve a single four (4) consecutive year term—until the 2024 Annual General Meeting. Group 2 members will be elected every four (4) years—e.g., in 2024, 2028, 2032, etc.
- d. Representatives from not more than two (2) Member nations shall be eligible for election as a voting member of the Executive Committee at the appropriate Annual General Meeting of the General Assembly.
- e. Members have the right to nominate candidates for the elected positions in the Executive Committee. Nominations must be made officially by the Member of the proposed candidate and must include the individual’s Curriculum Vitae (CV or Resume). The Executive Committee may also nominate candidates.
- f. Should a vacancy occur in the membership of the voting members of the Executive Committee between elections, such vacancy shall be filled by resolution of the remaining voting members of the Executive Committee.
- g. The Executive Committee shall meet twice a year for the purpose of organization, selection of officers, and the transaction of other business, on such dates and at such times as the Executive Committee shall fix by resolution. The Executive Director of the ISA shall keep a true and accurate record of the proceedings of all meetings of the Executive Committee. These meetings could be held either in person or via telephone calls or other appropriate method of communication.
- h. The conduct of the affairs of the Executive Committee shall be the responsibility of the President, who, in consultation with the other members of the Executive Committee, shall define the responsibilities of each member of the Executive Committee, and shall take such other action as is necessary to ensure the efficient functioning of the Executive Committee.
- i. The Executive Committee shall have the power to do or cause to be done all such things as may be necessary for the proper implementation of the objects of the ISA. The Executive Committee may delegate the management of the activities of the ISA to any person or persons, a management company, or Commission (defined below) however composed, provided that the activities and affairs of the ISA shall be managed, and all powers shall be exercised under the ultimate direction of the Executive Committee and

shall at all times be in compliance with this Constitution. Without prejudice to such general powers, but subject to the same limitations, the Executive Committee shall have the following powers in addition to the other powers enumerated in this Constitution:

- i. It may appoint individuals to hold honorary positions, such as “patron,” “benefactor,” or “lifetime honorary member,” and appoint persons or entities to hold positions as “Associates” of the ISA;
 - ii. It may appoint and remove any officers or agents and prescribe the conditions under which their appointment shall be made and terminated;
 - iii. It may appoint Commissions or Work Groups to examine specific issues and to make recommendations;
 - iv. It shall determine applicable rules and responsibilities, including rules of conduct, of participants of and related to ISA-sanctioned events or sponsored events;
 - v. It shall determine the financial and organizational responsibilities of the organizing entity of ISA-sanctioned events;
 - vi. It may conduct, manage, and control the affairs and activities of the ISA and to make such rules and regulations therefor not inconsistent with law and this Constitution, as it may deem fit;
 - vii. It may adopt, make, and use a seal and to alter the form of such seal from time to time as it may deem fit; and
 - viii. It may amend, update and revise the “Bylaws” contained in this Constitution; provided, however, the “Articles” may only be amended in accordance with Article 14.
- j. In the event of a tie vote among the voting members of the Executive Committee, the President shall have the right to break the tie.

Bylaw to Article 6

1. Limitation on Interested Persons.

Not more than forty nine percent (49%) of the persons serving on the Executive Committee at any one time may be interested persons. An “interested person” is: (a) any person being compensated by the ISA for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a Executive Committee member (including, inter alia, reasonable compensation to the President, the Vice Presidents and/or the Executive Director); and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by the ISA and ratified by all of the non-interested Directors.

2. Removal of Executive Committee Members.

The voting members of the Executive Committees may not be removed without cause (as defined below in paragraph 3(b) of this Bylaw to Article 6.

3. Vacancies.

- a. *Subject to the applicable laws, any Director may resign effective upon giving written notice to the attention of the President or the Secretary, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected or designated (as the case may be) before such time, to take office when the resignation becomes effective.*
- b. *A vacancy or vacancies in the Executive Committee shall be deemed to exist in case of the death, resignation, or removal of any member of the Executive Committee for cause, or if the authorized number of members of the Executive Committees is increased. For the purpose of this subparagraph 3(b), "cause" shall mean a finding by the of the other members of the Executive Committee that a member of the Executive Committee: (i) has committed a material violation of this Constitution (including the Bylaws), the Olympic Charter and/or the World Anti-doping Code; (ii) has been declared of unsound mind by a final order of court, (iii) has been convicted or admits to the commission of a felony or any act of moral turpitude, or (iv) fails to attend five (5) consecutive meetings of the Executive Committee.*
- c. *Interim vacancies in the Executive Committee shall be filled by designation by: (i) as to the members of the Executive Committees, other than the Executive Director or AC Chair, the vote of the majority of the remaining voting members of the Executive Committees then in office, (ii) as to the Executive Director, the appointment of the current serving President; and (iii) as to the AC Chair by a vote of the majority of the AC Commission members. Each member of the Executive Committee designated to fill a vacancy shall hold office until the expiration of the term of office filled by such member of the Executive Committee. No reduction of the authorized number of members of the Executive Committees shall have the effect of removing any member of the Executive Committee prior to the expiration of such member's term of office.*

4. Place of Meeting.

Meetings of the Executive Committee shall be held at any place, as determined by the President, and may also be held via videoconference or any similar technology.

5. Regular Meetings.

Regular or special meetings of the Executive Committee shall be held without call or notice on such dates and at such times as may be fixed by the President in consultation with the members of the Executive Committees.

6. Quorum.

A majority of the authorized number of members of the Executive Committee constitutes a quorum of the Executive Committee for the transaction of business, except to

adjournment. Every act or decision done or made by a majority of the s present at a meeting duly held at which a quorum is present shall be regarded as the act of the Executive Committee, unless a greater number is required by law or by this Constitution, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of members of the Executive Committee, if any action taken is approved by at least a majority of the required quorum for such meeting. In the case of tie vote on any matter requiring a majority vote at a meeting of the Executive Committee, the President shall have the right to vote.

7. *Participation in Meeting by Conference Telephone.*

Members of the Executive Committee may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

8. *Waiver of Notice.*

Notice of a meeting need not be given to any member of the Executive Committee who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the records or made a part of the minutes of the meetings.

9. *Adjournment.*

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

10. *Action Without Meeting.*

Any action required or permitted to be taken by the Executive Committee may be taken without a meeting if the majority of the members of the Executive Committee shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a regular vote of the Executive Committee and shall be filed with the minutes of the proceedings of the Executive Committee.

11. *Commissions.*

a. *The Executive Committee may appoint one or more Commissions (each, a "Commission"), each consisting of qualified individuals. The chair of any Commission shall be appointed by the President. The Executive Committee may delegate to such Commissions any of the authority of the Executive Committee; provided, however, that a Commission may not be delegated any of the following:*

- i. *The approval of any action for which this Constitution or the applicable laws also require approval of the Directors or approval of a majority of all Directors;*
 - ii. *The filling of vacancies on the Executive Committee or any Commission;*
 - iii. *The fixing of compensation of the Directors for serving on the Executive Committee or on any Commission;*
 - iv. *The amendment or repeal of any Article part of this Constitution;*
 - v. *The amendment or repeal of any resolution of the Executive Committee;*
 - vi. *The appointment of other Commissions of the Executive Committee or the members thereof;*
 - vii. *The expenditure of ISA funds to support a nominee for Director after there are more people nominated for Director than can be elected; or*
 - viii. *The approval of any self-dealing transaction, as such transactions are defined in any applicable laws.*
- b. *Any such Commission must be created, and the members thereof appointed, by resolution adopted by a majority of the authorized number of Directors then in office, provided a quorum is present. The Executive Committee may appoint, in the same manner, alternate members of any Commission who may replace any absent member at any meeting of the Commission. The Executive Committee shall have the power to prescribe the manner in which proceedings of any such Commission shall be conducted. In the absence of any such prescription, such Commission shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Executive Committee or such Commission shall otherwise provide, the regular and special meetings and other actions of any such Commission shall be governed by the provisions of this Article 6 of this Constitution and this Bylaw 6 applicable to meetings and actions of the Executive Committee. Minutes shall be kept of each meeting of each Commission, and copies thereof shall be submitted to the Executive Director.*
- c. *In the first fiscal year that the Association receives or accrues gross revenue of at least ten million dollars (\$10,000,000) (exclusive of grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of funds received), the Association shall establish an audit committee appointed by the Executive Committee ("Audit Board"). The Audit Board may include persons who are not members of the Executive Committee but must not include any members of the staff of the Association (including, for example, the Executive Director or the Treasurer). If the Association has a finance committee, it must be separate from the Audit Board. Members of such finance committee may serve on the Audit Board; however, the chairperson of the Audit Board may not be a member of the finance committee and members of the finance committee shall constitute less than one-half (1/2) of the membership of the Audit Board. Members of the Audit Board shall not receive any compensation, in any capacity, from the Association in excess of the compensation, if any, received by members of the Executive Committee for service on the Executive Committee and shall not have a material*

financial interest in any entity doing business with the Association. Subject to the supervision of the Executive Committee, the Audit Board shall be responsible for recommending to the Executive Committee the retention and termination of its independent auditor, as required by and described in the following paragraph of these Bylaws and may negotiate the independent auditor's compensation on behalf of the Association. The Audit Board shall confer with the auditor to satisfy its members that the financial affairs of the Association are in order, shall review and determine whether to accept the audit, shall assure that any nonaudit services performed by the auditing firm conform with standards of auditor independence stated in the following paragraph, and shall approve performance of nonaudit services by the auditing firm.

- d. Audited financial statements of the Association must be prepared using generally accepted accounting principles and must be audited by an independent certified public accountant in conformity with generally accepted auditing standards for any fiscal year in which the Association has gross revenues at least equal to ten million dollars (\$10,000,000). Such audited financial statements shall be prepared, and be made available for inspection, in accordance with the requirements set forth in §12586(e)(1) and §12586(f) of the California Government Code, and shall otherwise be in accordance with applicable law. Any nonaudit services performed by the firm conducting the audit shall conform to the requirements set forth in §12586(e)(1) of the California Government Code.*

12. *Fees and Compensation.*

Directors and members of Commissions may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Executive Committee.

ARTICLE 7 - Athletes' Commission

- a. The ISA will form an Athletes' Commission ("Athletes' Commission" or "AC"). The AC's mission is to:
 - i. Represent the views and opinions of athletes and ensure their voice is heard within the ISA;
 - ii. Inform athletes about ISA activities; and
 - iii. Work with and support the ISA in its mission to develop and promote the sport of Surfing.

- b. The objectives of the AC are to:
 - i. Consider issues related to athletes and provide advice to the ISA's Executive Board;
 - ii. Engage actively with initiatives and projects that protect and support clean athletes on and off the field of play;
 - iii. Represent the rights and interests of athletes and to make related recommendations;
 - iv. Consult with athletes in the evaluation of the rules and regulations of the sports within the sport of Surfing and provide feedback to the ISA; and
 - v. Maintain contact with the IOC Athletes' Commission.

- c. The AC will be composed of a minimum of seven (7) members (each, an "AC Member"). The initial AC Members will be appointed, from a pool of candidates that are qualified in accordance with Article 7(e) (the "AC Pool"), by the Executive Committee in 2018 to serve until the year 2021. From and after 2021, AC Members will be elected from the AC Pool every four (4) years by their peers at the World Surfing Games (defined in Article 7(g) below) to serve for a term of four (4) consecutive years—e.g., in 2021, 2025, 2029, etc.

- d. The AC will be presided over by a chair (the "AC Chair"). The initial AC Chair will be appointed from the AC Members by the Executive Committee in 2018 to serve until the year 2021. From and after 2021, at the applicable World Surfing Games, after the election of the AC Members, a majority of the AC Members will elect the AC Chair from among the AC Members to serve a single four (4) consecutive year term every four (4) years beginning in 2021—e.g., in 2021, 2025, 2029, etc. The AC Chair will preside over AC Meetings and serve as a member of the Executive Committee in accordance with Article 6.

- e. Each AC Member must be at least eighteen (18) years of age. All AC Members will be current or former athletes in the Surfing sports, the majority of which shall be, at the time of their election or nomination, currently participating at an international level or have done so within the last four (4) years. Both male and female athletes will be represented

within the AC. Each AC Member must have never received any sanction in relation to the World Anti-Doping Code.

- f. The AC Members will be elected by a majority vote of their peer athletes at the World Surfing Games, subject to the Executive Committee's right, from time to time, to appoint interim or provisional AC Members from the AC Pool. The process and rules for election shall be determined by the Executive Committee.
- g. The AC Chair will convene a meeting (each, an "AC Meeting") at least once a year prior the Annual General Meeting for that year. The Executive Committee will be responsible for ensuring, within the means of the ISA, that the AC is able to meet.

ARTICLE 8 - GENERAL ASSEMBLY

- a. The Meetings of the General Assembly shall be convened at the instance of the President of the ISA and notice thereof shall be sent to all persons who are members of the General Assembly, at least thirty (30) days before such meeting.
- b. Each Member may appoint one (1) delegate (each, a "Delegate") with full powers of representation to the General Assembly. If the Delegate is other than the president, chief executive officer, executive director, secretary general or director general of the Member, such appointment should be in writing. The president, executive director, director general, secretary general or chief executive officer of any Member may give a proxy to any Delegate, such proxy to be in writing.
- c. Each Member will have only one (1) vote. In the event of a tied vote of the Members on any issue, the President of the ISA shall have the right to a tie-break vote.
- d. A quorum is required to carry any resolution at the General Assembly. A "quorum" shall be at least ten (10) NFs that are Members in good standing represented in person or by proxy.
- e. The President of the ISA or any Executive Committee member nominated by him/her in writing shall preside as chairman over any meeting of the General Assembly.
- f. Executive Committee members are entitled to attend and propose motions at a General Assembly, but may not cast a vote, unless acting as chairman of the General Assembly as appointed in writing by the President.

Bylaw to Article 8

1. Place of Meetings.

Meetings of the General Assembly shall be held at any place within or without the State of California which may be designated by the Executive Committee

2. Notification Requirements for General Assembly.

- a. *Without prejudice to any paragraph under this Constitution, to further specify the notification requirements for any General Assembly, written notice of each annual or special meeting of the General Assembly (each, a "Notice") shall be given not less than thirty (30), nor more than ninety (90), days before the date of the meeting to each member entitled to notice thereof; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, the notice shall be given not less than forty (40) days before the meeting. Such notice shall state the place, date, and hour of the meeting and (a) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (b) in the case of the annual meeting, those matters which the Executive Committee, at the time of mailing of the notice, intends to present for action by the members, but, subject to the provisions of any applicable laws, any*

proper matter may be presented at the meeting for such action. The notice of any meeting at which members of the Executive Committees are to be elected shall include the process and deadline for receipt of nominations. The Executive Committee shall communicate in due time to all the Members the names of all those who are nominees for the elections.

- b. Notice of a meeting of the General Assembly shall be given either personally, by email or by mail or by other means of written communication, addressed to a Member at the address of such Member appearing in the Register of Members or given by the Member to the ISA for the purpose of notice, or, if no such address appears or is given, at the place where the principal office of the ISA is located. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.*

3. Quorum.

If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the Members, unless the vote of a greater number or voting by class is required by law or by this Constitution, except as provided in the following sentence. The Members present at a duly called or held meeting of the General Assembly at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

4. Adjourned Meetings and Notice Thereof.

Any meeting of the General Assembly, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the votes represented either in person or by proxy, but in the absence of a quorum (except as provided in Paragraph 3 of this Bylaw 7) no other business may be transacted at such meeting. No meeting of the General Assembly may be adjourned for more than forty-five (45) days. It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken; provided, however, that if after adjournment a new record date is fixed for voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting, as in the case of the meeting as originally called.

5. Voting.

The Members entitled to notice of any meeting of the General Assembly or to vote at any such meeting shall be only those persons in whose name appears as a Member in good

standing in the Register of Members on the date for Notice. All elections for members of the Executive Committee must be by ballot. The candidates receiving the highest number of votes are elected, whether or not a majority vote is obtained. Voting shall in all cases be subject to the provisions of this Constitution and applicable laws.

6. *Consent of Absentees.*

The transactions of any meeting of the General Assembly, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, unless any Member wishes to challenge the validity of such meeting on the grounds that notice was not given properly or there was some procedural error in the conduct of any transaction; provided, however, that if, either before or after the meeting, each of the Members entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof, the transactions will be deemed valid. All such waivers, consents, and approvals shall be filed with the records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice and of presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the applicable laws to be included in the notice but not so included, if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes thereof, except otherwise provided in the applicable laws.

7. *Action Without Meeting.*

- a. *Subject to applicable laws, any action which, under applicable laws, may be taken at any regular or special meeting of the General Assembly, may be taken without a meeting if the written ballot of every Member is solicited, if the required number of signed approvals in writing, setting forth the action so taken, is received, and if the number of ballots cast within the time period specified equals or exceeds the number of votes that would be required to approve at a meeting of the General Assembly at which the total number of votes cast was the same as the number of votes cast by ballot. Unless a record date for voting purposes be fixed as provided in Section 6 of this Bylaw 7, the record date for determining members entitled to cast written ballots pursuant to this Paragraph 8 when no prior action by the Executive Committee has been taken, shall be the day on which the first written ballot is mailed or solicited, whichever is first.*
- b. *Alternatively, any action required or permitted to be taken by the Members at a General Assembly may be taken without a meeting, if all Members entitled to vote individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the General Assembly by the Secretary.*

8. Conduct of Meeting.

The President of the ISA (or other member of the Executive Committee appointed by the President in writing), acting as chairman of the General Assembly, shall conduct each such meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The chairman's rulings on procedural matters shall be conclusive and binding on all Members, unless at the time of a ruling a request for a vote is made to the Members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of such Members shall be conclusive and binding on all members. Without limiting the generality of the foregoing, the chairman shall have all of the powers usually vested in the chairman of a meeting of members.

ARTICLE 9 - ANNUAL GENERAL MEETING

- a. Annual General Meetings of the General Assembly should be held once a year. The following items of business shall be considered at every Annual General Meeting:
 - i. The President's report;
 - ii. The Executive Committee's report, including the presentation of the Financial Statements of the ISA;
 - iii. As applicable, in accordance with Article 6, the election of persons to serve on the Executive Committee of the ISA (except the Executive Director or the AC Chair);
 - iv. The ratification of the election of the AC Chair;
 - v. The election of the AC Members;
 - vi. Updates on Rule Book regulations, as approved by the Executive Committee;
 - vii. Reports on ISA-organized and sanctioned events;
 - viii. Approval of new Members;
 - ix. Amendments to any Article of this Constitution, in accordance with Article 14 hereof;
 - x. Any other item of business which has been requested in writing by a member of the General Assembly or the Executive Committee, provided it has been placed on the agenda of the meeting of the ISA not less than thirty (30) days prior to the meeting.

- b. Notice convening the Annual General Meetings of the General Assembly shall be issued by the President or Secretary at least thirty (30) days prior to such meeting.

ARTICLE 10 - EXTRAORDINARY GENERAL MEETING

- a. An Extraordinary General Meeting of the General Assembly shall be convened by the Executive Committee, the President, or when requested to do so, in writing by a quorum, as defined in Article 7.
 - b. Notice convening any Extraordinary General Meeting of the ISA shall be given in the manner consistent with the notice requirements set forth in Article 7.
-

Bylaw to Article 10

1. *Extraordinary General Meetings Procedure.*

Upon request in writing to the Executive Committee, any members of the Executive Committee or the Secretary by any person (other than members of the Executive Committee) entitled to call an extraordinary meeting of the General Assembly shall cause notice to be given to the members entitled to vote that an Extraordinary General Meeting will be held at a time fixed by the Executive Committee, not less than thirty five (35), nor more than ninety (90), days after the receipt of the request.

ARTICLE 11 - OFFICERS

- a. The following members of the Executive Committee shall also serve as officers of the ISA and shall hold the following positions:
 - i. One (1) President, who will act as the chief executive officer of the ISA and chair of the Executive Committee;
 - ii. Four (4) Vice-presidents;
 - iii. One (1) Executive Director;
- b. One (1) Vice President shall also serve as the Secretary;
- c. One (1) Vice President, other than the Vice President appointed as the Secretary, at the discretion of the President, may also serve as Treasurer, if any; and
- d. The Executive Committee, at its discretion, may appoint additional officers on a permanent or temporary basis to perform services for the ISA as determined by the Executive Committee.

Bylaw to Article 11

1. Election of Officers.

Officers of the ISA, except those officers also serving as members of the Executive Committee and such officers as may be elected or appointed in accordance with the provisions of "Vacancies", shall be chosen by, and shall serve at the pleasure of, the Executive Committee, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected or appointed.

2. Removal and Resignation of Officers.

- a. *Any officer (other than any voting member of the Executive Committee, who may only be removed for cause pursuant to Bylaw 2, Article 6) may be removed, with or without cause, by the Executive Committee at any time, or in the case of the Executive Director, by the President, or, except in the case of an officer chosen by the Executive Committee, by any officer upon whom such power of removal may be conferred by the Executive Committee. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment.*
- b. *Any officer may resign at any time by giving written notice to the ISA, but without prejudice to the rights, if any, of the ISA under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.*

3. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in this Constitution for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an automatic annual basis.

4. President.

The President shall chair the Executive Committee, preside at all meetings of the Executive Committee and exercise and perform such other powers and duties as may be from time to time assigned by the Executive Committee.

5. Executive Director.

The Executive Director is the general manager and chief executive officer of the ISA and has, subject to the control of the Executive Committee, general supervision, direction, and control of the business and officers of the ISA. The Executive Director has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Executive Committee.

6. Vice Presidents.

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Executive Committee or, if not ranked, the Vice President serving as Treasurer, shall perform all the duties of the President) and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Executive Committee.

7. Secretary.

- a. *The Secretary shall keep or cause to be kept, at the principal office or such other place as the Executive Committee may order, a book of minutes of all meetings of the Executive Committee and its Commissions, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Executive Committee and Commission meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of this Constitution, as amended to date.*
- b. *The Secretary shall give, or cause to be given, notice of all meetings of the Executive Committee and any Commissions thereof required by this Constitution, or by law to be given, shall keep the seal of the ISA in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Executive Committee. Again, this job is currently being done by either ED or President*

8. Treasurer.

If appointed by the President, the Treasurer will have those specific duties related to the finances of the ISA as determined by the Executive Committee from time to time.

9. Compensation.

Officers shall not receive any stated or fixed salary for their services but may receive a reasonable allowance for personal services actually rendered pursuant to resolution passed by a majority vote at any regular or special meeting of the Executive Committee; provided, however, that nothing herein contained shall be construed to preclude any officers from serving the Association in any other capacity and receiving compensation therefor.

ARTICLE 12 - RECORDS AND INFORMATION

- a. Proper books of account and financial records will be maintained by the ISA and will be open to inspection by members and annual Financial Statements will be prepared and distributed to the members. These financial statements will be approved each year at the General Assembly meetings.
- b. All books, documents, records and documents of every kind of the ISA shall be made available for inspection by members of the Executive Committee or any person nominated by the Executive Committee at such reasonable times and places as the Executive Committee may specify in writing. The members of the Executive Committee may also inspect the physical properties of the ISA.
- c. All recognized NFs shall forward to the ISA the full name and registered address of their association, the list of the office bearers and the name and address of the person to whom correspondence should be addressed. NFs must update this information periodically.
- d. The affairs of the ISA shall be conducted in accordance with the law of the land of the offices of the ISA, which shall govern the construction of this Constitution unless the context otherwise requires.

Bylaw to Article 12

1. Construction.

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of this Constitution.

ARTICLE 13 - MOTION TO RESCIND

Any motion to rescind a resolution passed at a previous meeting the General Assembly of the Association or at any Executive Committee meeting must describe the details concerning the proposed rescission and the basis for rescission and be signed by at least three (3) members of the Executive Committee or five (5) Members. Such motion shall be approved by a majority vote of Members present at the meeting at which the motion to rescind is being considered.

ARTICLE 14 - MODIFICATION OF THIS CONSTITUTION

- a. Any Article of this Constitution (as opposed to any Bylaw) may only be changed by the Members at an Annual General Meeting of the General Assembly, based on either: (i) a resolution passed by five (5) of the eight (8) voting members of the Executive Committee, by four (4) of the eight (8) members of the Executive Committee, where one (1) of the votes is by the President; or (ii) a proposal signed by at least fifty percent (50%) of the Members entitled to vote. Any such proposed amendment must be approved by a majority of the Members entitled to vote in person or by proxy at the Annual General Meeting at which the matter is considered provided a quorum is present.
 - b. The Bylaws, or any rule associated with any Bylaw, may be modified by a vote of five (5) of the eight (8) voting members of the Executive Committee, or by four (4) of the eight (8) members of the Executive Committee, where one (1) of the votes is by the President, in accordance with the procedures set forth in this Constitution.
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Bylaw to Article 14

1. *Procedure for modification.*

Any proposed amendments to any Article of this Constitution and applicable Bylaw must be presented in writing at least fourteen (14) days prior to the meeting at which such proposed amendments will be considered.

ARTICLE 15 - DISSOLUTION

- a. The dissolution of the ISA may only be carried out at a Special General Meeting of the ISA. Any proposed dissolution will require the vote of six (6) voting members of the Executive Committee, and a two-thirds (66.67%) majority of Members entitled to vote in person or by proxy at such Special General Meeting once a quorum is obtained.
- b. When a motion of dissolution is passed, the Executive Committee shall designate two (2) delegates, which delegation shall be ratified by a majority of the Members entitled to vote in person or by proxy at such Special General Meeting once a quorum is obtained to liquidate the accounts and other assets of the ISA. At least one (1) such delegate shall be a member of the Executive Committee. The delegates may dispose of the assets of the Association in any manner, in accordance with applicable law, that they see fit.

Bylaw to Article 15

1. In the event of dissolution or winding up of the ISA, the ISA's assets shall not be distributed in contravention of this Constitution.

ARTICLE 16 - OTHER PROVISIONS

- a. Endorsement of Documents; Contracts. Subject to the provisions of applicable laws, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the ISA and any other person, when signed by the President alone or by the Executive Director, acting pursuant to the President's written authorization, shall be valid and binding on the ISA. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined and authorized by the Executive Committee, and, unless so authorized by the Executive Committee, no officer, agent, or employee shall have any power or authority to bind the ISA by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.
- b. Indemnification. The indemnification of any person by the ISA (each, an "Indemnification") shall be conducted in accordance with the applicable laws and this Constitution.

Bylaw to Article 16

1. Definitions in connection with Indemnification.

For the purposes of any Indemnification: "agent" means any person who is or was a Director of the ISA, or was a director, officer, employee, or other agent of the ISA, or is or was serving at the request of the ISA as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, which was a predecessor entity of the ISA or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Paragraph 4 or 5(ii) of this Bylaw 16.

2. Indemnification in Actions by Third Parties.

The ISA shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the ISA to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law or similar laws, or an action brought by the Attorney General of the State of California ("Attorney General") or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust), by reason of the fact that such person is or was an agent of the ISA, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the ISA and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the ISA or that the person had reasonable cause to believe that the person's conduct was unlawful.

3. Indemnification in Actions or in the Right of the ISA.

The ISA shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the ISA, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law or similar laws, or brought by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the ISA, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the ISA, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No Indemnification shall be made under this Paragraph 3 of this Bylaw 16:

- i. In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the ISA in the performance of such person's duty to the ISA, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;*
- ii. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or*
- iii. Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.*

4. Indemnification Against Expenses.

To the extent that an agent of the ISA has been successful on the merits in defense of any proceeding referred to in Paragraph 2 or 3 of this Bylaw 16 or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

5. Required Determinations.

Except as provided in Paragraph 4 of this Bylaw 16, any Indemnification under this Bylaw 16 shall be made by the ISA only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Paragraph 2 or 3 of this Bylaw 16, by:

- i. A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or*
- ii. The court in which such proceeding is or was pending upon application made by the ISA or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the ISA.*

6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by the ISA prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Bylaw 16. The provisions of subdivision (a) of §5236 of the California Nonprofit Public Benefit Corporation Law do not apply to advances made pursuant to this Paragraph 6.

7. Other Indemnification.

No provision made by the ISA to indemnify its or its subsidiary's Directors or officers for the defense of any proceeding, whether contained in this Constitution, a resolution of Directors, an agreement, or otherwise, shall be valid unless consistent with this Bylaw 16. Nothing contained in this Bylaw 16 shall affect any right to indemnification to which persons other than such Directors and officers may be entitled by contract or otherwise.

8. Forms of Indemnification Not Permitted.

No indemnification or advance shall be made under this Bylaw 16, except as provided in Paragraph 4 or 5(ii), in any circumstances where it appears:

- i. That it would be inconsistent with a provision of this Constitution, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or*
- ii. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.*

9. Insurance.

The ISA shall have power to purchase and maintain insurance on behalf of any agent of the ISA against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the ISA would have the power to indemnify the agent against such liability under the provisions of this Bylaw 16, provided, however, that the ISA shall have no power to purchase and maintain such insurance to indemnify any agent of the ISA for a violation of any applicable laws.

10. Nonapplicability to Fiduciaries of Employee Benefit Plans.

This Bylaw 16 does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Association as defined in Paragraph 1 of this Bylaw 16. The Association shall have the power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of §207 of the California General Corporation Law.

11. Receipt, Investment and Disbursement of Funds.

- a. *The Association shall receive all monies and/or other properties transferred to it for the purposes for which the Association was formed (as shown by the Articles of Incorporation). However, nothing contained herein shall require the Executive Committee to accept or receive any money or property of any kind if it shall determine in its discretion that receipt of such money or property is contrary to the expressed purposes of the Association as shown by said Articles.*
 - b. *The Association shall hold, manage and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of this Association.*
 - c. *No disbursement of Association money or property shall be made until it is first approved by the Executive Director or by the Treasurer or by the Directors. However, the Directors shall have the authority to appropriate specific sums to fulfill the objects and purposes for which the Association was formed and to direct the officers of the Association from time to time to make disbursements to implement said appropriations.*
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Adopted 16 September 2018



WORLD HEADQUARTERS

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**RECOGNIZED BY THE
INTERNATIONAL OLYMPIC COMMITTEE**