

# **JAPERI PUBLIC GOLF ASSOCIATION**

## **RESTATED ARTICLES OF ASSOCIATION**

### **Chapter I – Purpose, Head Office and Period of Duration**

Article 1. The Japeri Public Golf Association, hereinafter referred to as the Association, is a social assistance association the purpose of which is the following activities:

I – operation and management of own or third-party golf courses;

II – social assistance to underprivileged minors through teaching golf and other sport-related activities, such as golf course maintenance, operation of a golf equipment store, operation of a practice area, and other facilities associated with the practice of golf;

III – professional golf-related training for low-income young people;

IV – promoting the social integration of young people through golf;

V – providing access to the practice of golf for low-income people; and

VI – promoting the improvement of the socio-economic conditions in the Municipality of Japeri, through the generation of jobs in the construction, maintenance and operation of a golf course that is accessible to the general public.

Sole Paragraph. The Association will be governed by the principles of universality and moderateness of prices charged for its services.

Article 2. The Association's head office is at Estrada Vereador Francisco da Costa Filho nº 1001 – Areal - Engenheiro Pedreira – Japeri – CEP: 26.400-000 – Rio de Janeiro State.

Article 3. The period of duration of the Association will be indefinite.

## **Chapter II – Assets and Financial Year**

Article 4. The Association's assets consist of the following goods and rights: (a) an initial endowment; (b) donations, subsidies, legacies or contributions from individuals or companies; (c) purchases arising from the exercise of its activities and the management of its resources; and (d) the proceeds from the exercise of its activities.

Article 5. The Association's Financial Year will be from 1 January to 31 December of each calendar year, at the end of which the respective financial statements will be drawn up.

## **Chapter III – Trademarks and Distinctive Signs**

Article 6. The Association's trademarks and distinctive signs will be established by the Internal Regulations to be approved by the Board of Directors.

## **Chapter IV – Members**

Article 7. The Association has the following membership categories:

- a) Founding Members;
- b) Contributing Members; and
- c) Meritorious Members

Sole Paragraph. The members, whatever their category, are not liable, subsidiarily or jointly and severally, for the obligations contracted by the Association.

## **Chapter V – Founding Members**

Article 8. The Founding Members are: the Golf Federation of Rio de Janeiro State – FGERJ and Philip Howard Shephard Healy.

Sole Paragraph. Founding Members are exempt from the contributions set by the Board of Directors.

## **Chapter VI – Contributing Members**

Article 9. Contributing Members are members whose proposals have been accepted by  $\frac{2}{3}$  (two thirds) of the members of the Board of Directors.

Sole Paragraph. The Contributing Members will be responsible for paying financial contributions to be set, periodically, by the Board of Directors.

## **Chapter VII – Meritorious Members**

Article 10. Meritorious Members are individuals, whether members or not, who: (i) have provided important services to Golf and the Association and (ii) have been approved for the granting of such honor by  $\frac{2}{3}$  (two thirds) of the members of the Board of Directors.

First Paragraph. Meritorious Members are exempt from the contributions set by the Board of Directors.

Second Paragraph. Meritorious Members will not have the right to vote at the Association's General Meetings.

Third Paragraph. Meritorious Members will not have an interest in the net assets of the Association in the event of the Association's dissolution.

## **Chapter VIII – The Association's Bodies**

Article 11. The Association will be composed of the following Bodies:

- (a) the General Meeting; and
- (b) the Board of Directors.

## **Chapter IX – General Meetings**

Article 12. General Meetings are meetings of the Association's Founding and Contributing Members, and are the highest Body of the Association.

First Paragraph. General Meetings will be convened via electronic mail (email), with confirmation of receipt, and will be convened at least 15 (fifteen) days in advance from the date of the respective sending.

Second Paragraph. The call notice will be waived, as well as any irregularity in the call notice, if all the voting members attend the General Meeting.

Third Paragraph. All documents necessary for the resolutions shall be attached to the call notice. No resolution may be taken under the heading of “General Matters”.

Article 13. General Meetings will be convened:

I – by the Chairperson of the Board or by the Vice-Chairperson in the absence of the former; or

II – by Directors representing at least  $\frac{2}{3}$  (two thirds) of the Board of Directors; or

III – by  $\frac{1}{5}$  (one fifth) of the members.

Article 14. The Annual General Meeting will meet by the last day of April, to resolve on the following matters:

I – every year, to examine and discuss the Association’s financial statements;

II – every three years, to elect the members of the Board of Directors, including its Chairperson and Vice-Chairperson, who will take office during the first fortnight of May;

Sole Paragraph. The Annual General Meeting will be convened, at the first call notice, with the presence of  $\frac{1}{3}$  (one third) of the voting members and, with any number, at further call notices. The quorum for resolutions will be, in any event, a majority of those present (50% plus one) at the respective Annual General Meeting.

Article 15. The Extraordinary General Meeting will meet whenever necessary, and shall resolve on the following matters:

I – removal of one or more members of the Board of Directors;

II – election of members of the Board of Directors in the event of resignation, removal or death of members of said Board;

III – amend the Association’s Articles of Association; and

IV – any other matter within the competency of the General Meeting.

First Paragraph. In the cases set forth in items I and III of this article, the Extraordinary General Meeting can only be convened on first call notice if, at least, an absolute majority of voting members is present (50% plus one) and, at further call notices, with at least  $\frac{1}{3}$  (one third) of the voting members. The quorum for resolutions will be, for the matters set forth in this first paragraph,  $\frac{2}{3}$  (two thirds) of the voting members present at the respective Extraordinary General Meeting.

Second Paragraph. In further cases of an Extraordinary General Meeting, the quorum for convening and the quorum for resolutions will be those set forth in the sole paragraph of Article 14 of these Articles of Association.

## **Chapter X – Management**

Article 16. The Association will be managed by a Board of Directors composed of at least 6 (six) and at most 12 (twelve) members, who may or may not be members of the Association.

First Paragraph. The Board of Directors will have a Chairperson and a Vice-Chairperson, who will replace the Chairperson in the event of absence, vacancy, disqualification, removal or resignation from the position.

Second Paragraph. Members of the Board of Directors will be elected by the Annual General Meeting every three years. Candidates for the Board of Directors will be made through slates, which must be submitted no later than 28 March. The slate with the most votes will be elected to the Board of Directors for a period of three years, and may be re-elected for one or more terms, whether consecutive or not.

Third Paragraph. In the event of a tie in the election for the Board of Directors, the tie will be broken in favor of the oldest candidate for Chairperson.

Fourth Paragraph. Directors will remain in their positions until the elected Directors take office.

Fifth Paragraph. In the event of resignation of a Director, the Chairperson of the Board may: (i) keep the position vacant until the next election by the Annual General Meeting or (ii) convene an Extraordinary General Meeting to elect a new Director. In the event of resignation or removal of the Chairperson of the Board of Directors, he/she will be replaced by the Vice-Chairperson until the end of his/her term of office.

Article 17. Directors will not be remunerated in any way or kind.

Article 18. The Board of Directors will be convened:

I – by the Chairperson or Vice-Chairperson in his/her absence; or

II – by 3 (three) Directors jointly.

First Paragraph. The call notice will be made at least 5 (five) days in advance by facsimile, electronic mail or any other means through which the receipt of the call notice can be proven.

Second Paragraph. The call notice will be waived, as well as any irregularity in the call notice, if all the Directors attend the meeting.

Third Paragraph. The Board of Directors may meet at a location other than the Association's head office, whenever the situation so requires.

Fourth Paragraph. Together with the call notice and agenda for the meeting, all documents necessary for the resolutions shall be forwarded to the Directors with the advance notice set forth in this article.

Article 19. The meetings of the Board of Directors will be chaired by the Chairperson of the Board of Directors, and will be attended by a secretary, who will draw up the respective minutes and assist the Directors during the meeting.

Article 20. The meetings of the Board of Directors will be convened with the presence of at least 3 (three) Directors.

Sole Paragraph. Except as set forth in Articles 9 and 10, the quorum for resolutions at the Board of Directors' meetings will be a majority of the Directors present at the meeting.

Article 21. It is the responsibility of the Chairperson of the Board of Directors to:

I – represent the Association with respect to third parties;

II – chair the meetings of the Board of Directors;

III – appoint attorneys-in-fact, and the respective power of attorney must set forth the respective period, except in the case of *ad judicium* powers of attorney, which may be granted for an indefinite period;

IV – individually sign (i) any agreements on behalf of the Association for an amount less than BRL20,000.00 (twenty thousand Brazilian reais) and (ii) any employment contracts, regardless of the amount; and

V – represent the Association with respect to banks and other financial institutions, and he/she can sign checks, credit instruments, foreign exchange contracts, agreements in general, and execute any other commitments, always respecting the limit established in item IV above.

Article 22. It is the responsibility of the Vice-Chairperson of the Board of Directors to:

I – temporarily replace the Chairperson of the Board of Directors in the exercise of the activities set forth in Article 21 of these Articles of Association;

II – replace the Chairperson of the Board of Directors in the event of absence, vacancy, disqualification, removal or resignation from the position; and

III – perform the acts and duties of the Chairperson of the Board of Directors listed in item V of Article 21 above, representing the Association alone with respect to banks and other financial institutions, and he/she can to sign checks, credit instruments, foreign exchange contracts, agreements in general, and execute any other commitments, always respecting the limit established in item IV of Article 21 above, without the need for prior approval by the Chairperson of the Board of Directors.

Article 23. It is the responsibility of the Board of Directors to:

I – manage the Association;

II – approve the Association’s Internal Regulations and other Regulations applicable to the Association and users of its facilities;

III – approve projects connected to encouraging the practice of golf;

IV – approve the calendar of tournaments and championships to be held on the Association’s premises;

V – resolve, by the end of December of each calendar year, the Association’s budget for the subsequent calendar year;

VI – prepare the Association’s annual report and financial statements, submitting them to the Annual General Meeting by 28 March of each calendar year;

VII – set the contributions to be paid by the Contributing Members;

VIII – set the prices to be charged for the services provided by the Association, such as “green fees” and others;

IX – resolve on the hiring, as well as setting the remuneration of the Association’s employees;

X – approve any agreements with a value equal to or greater than BRL20,000.00 (twenty thousand Brazilian reais). In the case of successive term agreements, the annual value of the agreement will be considered for the purposes of the provisions of this item. In the event of agreements the remuneration for which is established as a percentage, the maximum amount of remuneration will be considered for the purposes of this article.

XI – appoint the Association’s external auditors, whenever deemed necessary;

XII – approve the opening and closing of the Association’s branches; and

XIII – interpret these Articles of Association and resolve on omissions and any other situations not expressly set forth in these Articles of Association.

Article 24. Except for the provisions in items III and IV of Article 21, the Association will be represented by at least two Directors, who shall sign any documents involving the Association, including, but not limited to, agreements and credit instruments of any kind.

First Paragraph. Agreements with a value equal to or greater than BRL20,000.00 (twenty thousand Brazilian reais) will depend on the prior approval of the Board of Directors (item X of Article 23 of the Articles of Association).

Second Paragraph. In the case of successive term agreements, the annual value of the agreement will be considered for the purposes of this article.

Third Paragraph. In the event of agreements the remuneration for which is established as a percentage, the maximum amount of remuneration will be considered for the purposes of this article.

Article 25. It is forbidden for any Director to vote on matters or resolutions in which he/she has, in real and effective terms, a conflict of interest with the Association.

## **Chapter XI – Dissolution of the Association**

Article 26. In the event of the Association's dissolution, the following rules will be observed:

I - Approval of the dissolution by at least  $\frac{4}{5}$  (four fifths) of the voting members, at two Extraordinary General Meetings, with an interval of not less than 30 days;

II – The assets will be sold by a special committee designated for this at the first Meeting;

III - After payment of all liabilities, the balance ascertained on the sale of assets, if any, will be shared equally among all Founding and Contributing members who are in full exercise of their statutory rights, with the exception of Meritorious Members;

IV - The apportionment will be carried out after the settlement of the Association's obligations by the mentioned special committee.

## **Chapter XII – Validity of the Articles of Association**

Article 28. These Articles of Association were approved by the Association's Extraordinary General Meeting held on 17 September 2018, coming into force from the date hereof.