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ARTICLE 1: NAME, OFFICES, FISCAL YEAR

- 1.1 The World Federation of the Sporting Goods Industry (hereinafter called the "WFSGI") is an independent not-for-profit association representing the sporting goods industry at the global level. Membership shall include sporting goods-related businesses (including sports and sports-inspired leisure brands, manufacturers/suppliers and retailers, national and/or regional industry and trade associations) and reputed sports-related federations and institutions.
- 1.2 The WFSGI was incorporated in Switzerland in 1978 under Swiss laws (Civil Code 60ff) and the special provisions for international organizations. The Headquarters of the WFSGI may be located at any appropriate place in the world, yet any change of location of the Headquarters shall require a two-thirds majority vote of all Board members. The Board may establish and maintain branch offices at any place, whenever it is necessary to do so in order to facilitate the efficient conduct of the business of the WFSGI.
- 1.3 The fiscal year of the WFSGI shall be January 01 to December 31.

ARTICLE 2: OBJECTS

- 2.1 To promote and facilitate free and fair worldwide trade and the exchange of sporting goods manufactured and /or sold by its members. Sporting goods shall be defined as including any merchandise or other products connected with sports and/or sports inspired leisure activities.
- 2.2 To foster and encourage the development, compilation and enforcement of international industry best practice and other standards, principles and methods with the objective of improving the quality of sporting goods products, and of manufacturing, marketing and distribution processes (which includes, without being limited hereto, environmental, ethical, and sports-specific aspects, as well as issues relating to the protection and enforcement of intellectual property rights). For the avoidance of doubt, the WFSGI shall not be involved with matters which would in any way unduly influence or be perceived as influencing the price of sporting goods products or the market for sporting goods products and shall at all times pay attention to all regulations and laws which relate to fair competition.
- 2.3 To provide information and statistics in all fields of interest in particular for, but not limited to the WFSGI's membership. To consult on and co-ordinate dates and places of international trade fairs and exhibitions, seminars, conferences and the like, and, within the limits of permissible applicable laws and its capabilities, be active and supportive in all areas which are of legitimate use and benefit for the members of the WFSGI and for the international community of the sporting goods industry in general.



- 2.4 To represent the sporting goods industry at all international sports organizations and federations, governmental and intergovernmental bodies at international level.
- 2.5 To encourage and promote the spirit of legally permissible friendly co-operation among the sporting goods industry and trade and all other sports-related bodies worldwide, such as the exchange of information, mutual assistance, peace and understanding and fellowship among members and in particular exercise efforts to ensure best practice by its members.
- 2.6 To mediate and settle any dispute that may arise between members, if called upon to do so.
- 2.7 To do all other things that may be legally permissible so as to foster the objectives of the WFSGI.
- 2.8 To foster and encourage the participation of citizens of all countries in healthy sporting activities; and where practical, financially viable and approved by the WFSGI to provide the means for such activity.
- 2.9 To help create a better world through sport.

ARTICLE 3: MEMBERSHIP CATEGORIES, VOTING RIGHTS, APPLICATION FOR MEMBERSHIP

- 3.1 **Full membership** with voting rights (including the right to be elected as Board Member) is granted to the following three categories:

A. Sports Brands, Manufacturers, Suppliers and Retailers

Sports Brands, Manufacturers, Suppliers and/or Distributors (including licensing, franchising and retail businesses) of sporting and sports inspired leisure goods and services (hereinafter collectively referred to as “Industry Suppliers”) may apply for this membership category, whose annual turnover exceeds one million US Dollars in the respective year, where the respective membership application is filed, unless otherwise resolved by the Executive Committee in each individual case.

B. National or Regional Organizations

Membership for national or regional organizations, which represent members outlined in Article 3.1.A above within their respective national or



regional territory may be obtained by properly constituted and recognized national or regional governing bodies, in any country or region throughout the world. Regional properly constituted and recognized organizations may be admitted to membership, if they cover at least two (2) countries in a certain geographic area, and provided the majority of the countries concerned do not object to such representation at regional level.

C. Industry Supporters

Recognized, reputed federations, associations (other than sports federations, see Article 3.2. below) and/or firms related to the sporting goods industry (such as trade fair organizers, consultancy companies, etc.) who are not directly engaged in the manufacturing, supply or trading of sporting goods and services may apply for this membership category.

Industry Suppliers, National and Regional Federations as well as Industry Supporters shall have one vote each; the three above categories are collectively referred to as “Full Members”.

- 3.2 **Associate Membership** status without voting rights (but by otherwise enjoying the same rights as Full Members including the right to attend the Committee and General Assembly meetings of the WFSGI unless otherwise set forth herein) may be granted on invitation of the Board of the WFSGI to international sports associations and/or federations or other industry associations or federations with close links to the sporting goods industry, provided they are internationally recognized bodies and/or institutions, which do however not meet the requirements for a National or Regional Organization as set forth in Article 3.1 above (hereinafter “Associate Member(s)").

The Board may invite one delegate of any Associate Member to attend Board meetings and General Assembly meetings as a non-voting participant, provided the WFSGI obtains the same rights from the respective Associate member organization. Associate Members shall receive communications as well as other membership services. The right to attend committee General Assembly and/or committee meetings and receive communications from the WFSGI may however be restricted in case matters which deal with terms of the relationship between an Associate Member and the WFSGI, in particular in the event of topics and contents which constitute or may lead to a controversial issue.

Associate Member status may also be granted to companies, agencies and other entities involved in sports-related sponsorship activities at



international level. The WFSGI may in particular provide a suitable forum as well act as appropriate liaison and contact to international sports bodies and services related thereto and the Board of the WFSGI may define at its sole discretion additional criteria for such type of Associate Members.

3.3 **Special Additional Membership Status:**

Sustaining Membership status may be obtained by any member of the WFSGI who demonstrates a specific high degree of identification with the WFSGI and its objects by subscribing to special requirements set out by the Board. All other membership rights as set out in this Article 3 shall remain unchanged, in particular but not limited to the existence or non-existence of voting rights.

Honorary Life Membership status without voting rights may be granted at the discretion of the Board to individuals, in recognition of their outstanding contribution to the promotion of sports, and/or the fostering of the development of fellowship and understanding in the sporting goods industry and/or trade.

Startup Membership status without voting rights may be granted to promising startup commercial entities who have developed or are in the course of developing products or services relevant to the industry. The terms of WFSGI Startup Membership shall be determined by the WFSGI Secretariat from time to time on consultation with the Executive Committee.

3.4 The Secretariat of the WFSGI shall receive all applications for membership which shall be in writing. The Secretariat shall have the power to provisionally admit the respective applicant(s) to membership; the final decision shall be made by the Executive Committee. Applications for membership of national or regional organizations shall be accompanied by a copy of the current constitution and rules governing such body and specific and adequate proof that the respective candidate meets the requirements of Article 3.1 above, listing in the case of regional organizations, how many national organizations in its respective geographic region such regional organization represent.

3.5 If membership status is denied, the provisions of Article 15.3 below shall apply *mutatis mutandis*.



ARTICLE 4: RIGHTS AND DUTIES OF MEMBERS

- 4.1 All Members shall have the same rights and duties unless otherwise stipulated herein.
- 4.2 All Members shall be obliged to support the objectives of the WFSGI and to act in compliance with its rules, codes of conduct and other applicable laws and regulations including the respect for established intellectual property rights of others.
- 4.3 All Members are required to support and respect all decisions taken by the WFSGI by simple or qualified majority vote provided that such decisions are legal in their respective countries.
- 4.4 Notwithstanding the rights and privileges conferred by these By-Laws, the use of respective member's letterhead, web site, promotional or sales materials and/or on its business cards indicating membership shall be subject to the prior written approval of the WFSGI's CEO in each specific case. Any such usage rights shall immediately end in the event of any termination, resignation or expulsion of membership.
- 4.5 Invoices for membership fees will be issued on January 1 of each year for the respective calendar year in question and such fees shall become due and payable after thirty (30) days from the issuing date at the latest. In the event of non-payment, three reminders will be issued by the secretariat of the WFSGI after sixty (60), hundred and twenty (120) and hundred eighty (180) days respectively from the billing date. If no payment is received by the WFSGI within additional thirty (30) days after the third reminder (which will be sent by registered letter/return receipt requested or by courier), the Member will be deemed to have automatically resigned with immediate effect upon elapse of the foregoing thirty (30) day period, but shall nevertheless remain obliged to pay its membership fees for the whole respective calendar year.

ARTICLE 5: ORGANIZATION

- 5.1 The organs of the WFSGI shall be:
 - a) The General Assembly



- b) The Assembly of the National and Regional Organizations
- c) The Board
- d) The Executive Committee
- e) The CEO
- f) The Auditors

ARTICLE 6: GENERAL ASSEMBLY, MEETINGS AND VOTING PROCEDURES

- 6.1 The General Assembly shall resolve all those matters of principal importance which are conferred to it by these By-Laws or by the mandatory governing laws of the country where the WFSGI is incorporated and registered. Full Members shall have one vote each as set forth in Article 3.1 above.
- 6.2 The General Assembly shall:
- a) Approve the budget, the membership fee and other vital aspects for the following years as recommended by the Board;
 - b) Approve the annual accounts of the past year;
 - c) Elect and discharge the Board of the WFSGI as set forth in Articles 8 to 10 below;
 - d) Approve the strategic direction of the WSGI as proposed by the Board;
 - e) Elect the external auditors, their re-election shall be permitted.
- 6.3 The WFSGI will meet at least once per year in an Ordinary General Assembly (the "Annual Meeting"). Furthermore, on written request of the Board or on written request of at least fifty percent (50%) of the members of the WFSGI, an Extraordinary General Assembly from the receipt of the request by the Chair of the Board of the WFSGI stating place and time of the said Extraordinary Meeting. Between the Annual Meetings and an Extraordinary Meeting decisions may be taken by written ballots (including facsimile and E-mail transmission).



- 6.4 The agenda for an Annual Meeting must be mailed (e-mail transmission included) to the Members by the CEO on behalf of the Chair of the Board at least fourteen (14) days prior to a General Assembly and may be amended for the respective meeting by proposals lawfully submitted by members in compliance with the provisions of Article 6.5 below.
- 6.5 The members shall have the right to make written (e-mail transmission included) proposals relating to any topic contained in the agenda of the respective General Assembly or to amend such agenda, provided such recommendations reach the Secretariat of the WFSGI no later than eight (8) days before the date of the respective General Assembly meeting.
- 6.6 Voting rights at the General Assembly shall be exercised by a nominated representative of each Full member ("the Representative(s)").
- 6.7 Two proxies shall be permitted per Representative and their validity shall be subject to the submission (including facsimile transmission) of an official signed letter of substitution addressed to the Secretariat to be received by the Secretariat prior to the opening of the respective General Assembly meeting. The Member issuing it must have paid up its membership dues.
- 6.8 Provided at least fifteen (15) Full Members are validly present in accordance with Articles 6.6 and 6.7 above, the meeting shall be quorate.
- 6.9 General Assembly meetings shall be held in public and may be attended by non-members of the WFSGI, unless the Chair of the Board or chairperson of the day in charge of such meeting declares it or parts thereof only open for members of the WFSGI.
- 6.10 The General Assembly shall decide resolutions by a simple majority of the votes of the Representatives validly present at a meeting which is quorate in accordance with Article 6.8 above, except that a two-thirds (2/3) majority vote of the Representatives validly present shall be required on the following:
- a) Amendments and changes to these By-Laws;
 - b) The expulsion of a member as set forth in Article 15 below;
 - c) The dissolution of the WFSGI in accordance with Article 16 below;



- d) Any act for which a two-thirds (2/3) majority vote is required by applicable law or by other provisions of these By-Laws as stipulated herein;
 - e) A written request made by two-thirds (2/3) of all Full Members to dismiss the Board or individual Board members prior to the end of their respective three-year Term followed by new elections of the Board in whole or in part to that extent.
- 6.11 Written decisions shall be permitted and shall be resolved by a simple majority of those Full Members responding to an E-mail or facsimile vote request, unless a two-thirds majority vote is required in accordance with Article 6.10 lit. a-e above. The term “written ballots” and decision-making as used in these By-Laws shall include voting and resolutions by E-mail and facsimile transmission unless set forth to the contrary herein and their results shall be recorded in the minutes of the respective preceding Ordinary General Assembly meeting.

ARTICLE 7: SPECIAL ASSEMBLY OF NATIONAL AND REGIONAL ORGANIZATIONS

- 7.1 The Representatives of the national and regional organizations being members of the WFSGI shall be entitled to convene a special assembly meeting of the national and regional organizations (“the Special Assembly”) upon written request of two thirds (2/3) of all National and Regional Organizations Representatives in the event they consider any resolution passed by the General Assembly to be substantially detrimental to prevailing legitimate interests of the international sporting goods industry in whole and/or to the WFSGI (“the Resolution”). Such meeting shall be held in close conjunction with the General Assembly meeting, but not later than eight (8) weeks after the respective resolution was passed by the General Assembly.
- 7.2 The Special Assembly shall be entitled to veto the specific Resolution passed by the General Assembly of the WFSGI if approved by three quarters of all national and regional organization members of the WFSGI. Votes may be cast by written ballots of national or regional organizations, but no proxies shall be permitted. The results of the voting process shall be communicated by the Secretariat to all members of the WFSGI.



ARTICLE 8: COMPOSITION OF THE BOARD

- 8.1 The Board of the WFSGI shall have a maximum of thirty-one (31) Directors (including the immediate Past Chair of the Board as stipulated in Article 8.4 below) who qualify as representatives of Full Members.
- 8.2 The nominations for the Directors shall be made in compliance with the terms and provisions set forth in this Article 8 and in Article 9: Eighteen (18) Directors shall be nominated and elected by the Full Members in accordance with the nomination and election procedures set forth in Article 9 below from the following three (3) world regions ("the World Region(s)") according to the following formula:

National and Regional Organizations (Article 3.1 B.)

Asia/Australasia including Pacific Islands	6 Directors
Europe / Africa	6 Directors
Pan America	6 Directors

- 8.3 The Executive Committee of the WFSGI shall be entitled to nominate up to twelve (12) Directors, who shall represent Full Members by taking the three World Regions and specific sporting goods industry sectors into due consideration.
- 8.4 For the sake of continuity of the activities of the WFSGI, the immediate past Chair of the Board of the WFSGI (the "Past Chair of the Board") shall automatically be a Board member for the next subsequent Term, always provided however that the Past Chair of the Board represents a Full Member in good standing and is not already elected otherwise according to Articles 8.2 or 8.3 above. It is further provided that such serving as a Board member by the Past Chair of the Board is neither objected by a two-third majority of the attendees present or duly represented by proxy at the respective General Assembly meeting where the elections are held, nor that the Past Chair of the Board itself has waived such right to continue to serve as Board member for the said subsequent term.

ARTICLE 9: BOARD MEMBERS NOMINATION AND ELECTION PROCEDURES

- 9.1 The secretariat of the WFSGI shall notify in writing (including by facsimile or e-mail transmission) each Full Member six (6) months prior to the respective forthcoming



election of the Board of this fact. Further, the secretariat shall ask the Regional Vice Chairs to organize under their supervision in close cooperation with the Executive Directors/ CEOs of each National/Regional Federation in each of the three World regions an appropriate caucus of Full Members (including specific industry sector WFSGI members as referred to in Article 9.2) in their region. Such caucus shall nominate six (6) candidates for Board membership each in their respective World Region (which may also take place by casting written ballots in terms of Article 6.11 above). Any Full Member representative may recommend himself or another Full Member candidate for consideration by the respective caucus in the World Region the recommended candidate belongs to by submitting a request to the CEO with a Statement of qualification no later than 120 days prior to the General Assembly.

- 9.2 Concurrently the Executive Committee (in its composition prior to the respective election) as defined under Article 14.1 below shall propose up to twelve (12) additional candidates for Board membership in compliance with Article 8.3 above, who may also represent specific industry sectors such as outdoor, golf, cycling, etc.
- 9.3 The written nominations slates must be received by the CEO at the latest thirty (30) days prior to the date when the respective elections of the Board shall take place and shall then be presented by the Chair of the Board of the WFSGI to the attendees of the respective General Assembly meeting (or by the person being appointed by the Chair of the Board as chairperson for handling the election procedure [hereinafter “the Chairperson”]). The Chair of the Board must submit the written nomination slate to the Full Members at least fourteen (14) days prior to the General Assembly along with a statement of qualifications. The slate can also be added to the agenda for the respective General Assembly meeting sent by the CEO on behalf of the Chair of the Board in accordance with Article 6.4 above.
- 9.4 The members of the Board shall be elected with the guidance of the Chairperson by the General Assembly of the WFSGI for a term of three (3) years ("the Term"). The elections shall be held at the annual General Assembly Meeting, at which the current Term expires, or in emergency situations at an Extraordinary General Assembly meeting called for this specific purpose. A candidate's agreement to stand for election shall signify his/her ability to serve the full Term, to continuously attend the respective Board Meetings during the Term and to actively be and remain engaged in promoting and supporting the WFSGI throughout the Term.
- 9.5 All candidates must represent Full Members in good standing and such status must be maintained throughout the Term.



- 9.6 If any Full Member attending the General Assembly is aware of any valid reasons which could prevent an appointed candidate from being elected or being in good standing, such Full Member shall be entitled to be heard and to raise its objections verbally prior to the voting process itself.
- 9.7 The General Assembly shall elect the Board by a simple majority vote of the representatives of the Full Members validly present at the respective General Assembly meeting. The Board will be elected collectively by approving or disapproving the slate of candidates as presented by the Chairperson to the General Assembly unless otherwise requested by a simple majority of the representatives of the Full Members validly present.
- 9.8 Directors who do not stand for a new term, do not complete their term, or are no more reelected by the General Assembly may be honored for their exceptional service to the WFSGI. Unless Article 9.10 applies, the outgoing Chair of the Board, in consultation with the outgoing Vice Chairs, will prepare a list of said nominations for consideration by the new Board, which shall be confirmed by simple majority vote by the members of the Executive Committee. Directors so selected must be approved by the New Board as set forth in Article 10.6 below unless Article 9.10 applies.
- 9.9 Criteria for nomination of directors to be so honored, shall include, but shall not be limited to the length of service, specific accomplishments and overall contribution toward achieving WFSGI Objectives. Directors may be nominated as an 'Honorary Director' or an 'Honorary Chair' and the nomination list shall specify which award a Director is being suggested for. The award of Honorary Chair shall take precedence over Honorary Director and both awards may be given posthumously.
- 9.10 Honorary Directors and Honorary Chairs are welcome to attend as guests all board meetings in a non-voting capacity and will have their names placed on a plaque, which will be permanently and prominently displayed in the WFSGI office and on the WFSGI website.
- 9.11 Where an award is to be given posthumously or in circumstances where a Director has not completed his or her term, candidates may be nominated by the Chair of the Board at any time during their time of office. The Board shall, at its discretion, decide by simple majority vote on such awards.

ARTICLE 10: ESTABLISHMENT OF OFFICERS OF THE BOARD, VACANCIES, REMOVAL

- 10.1 Immediately after the election of the new Board as set forth in Article 9.7 above, the newly elected Board ("the New Board") shall withdraw from the



General Assembly to nominate a slate of officers as set forth in Articles 10.2 to 10.4 below.

- 10.2 The New Board shall first elect a Chair of the Board by simple majority vote. The governing principle shall be the rotation of the Chair of the Board among the three (3) World Regions. At the entire discretion of the New Board it may also elect two (2) Co-Chairs from the same World Region, each of them having the same rights and duties during the respective Board's three-year term.
- 10.3 The so-elected Chair/Co-Chairs of the Board shall then nominate three (3) Vice-Chairs (i.e. one for each World Region) and the Treasurer of the WFSGI, the latter may also be a non-board member. In the event of the election of two Co-Chairs, no additional vice chairs of the same World Region as the Co-Chairs are coming from shall be appointed. If the Board does not vote in favor of the Chair of the Board proposals, it may accept other candidates (if any) and shall decide by simple majority vote after a secret ballot. If there are no other candidates, the Board shall accept the Chair's/Co-Chairs' proposal of the Board nominees. Each Vice-Chair/respectively Co-Chair shall be responsible for the World Region he or she comes from and in particular for the organization and supervision of the caucus in his or her World Region as set forth in Article 9.1 above. The term "Chair" as used in these By-Laws shall also include the two Co-Chairs, if so elected.
- 10.4 The Chair of the Board shall automatically serve as the Chairperson of the Executive Committee, unless chosen otherwise by the Chair of the Board. In the latter event the Chair of the Board shall designate one of the so elected Vice Chairs to chair the Executive Committee unless vetoed by the New Board by a simple majority vote.
- 10.5 The Chair of the Board shall then present the slate of Officers so chosen to the General Assembly for its information.
- 10.6 The New Board shall, at its discretion, also decide by simple majority vote upon the appointment of any Honorary Directors or Honorary Chairs nominated in accordance with the provisions of Article 9.8 above.
- 10.7 In the event that one or several Board seats become vacant (e.g. in case of death, illness, loss of good standing, etc.) during a Term, a new Board member shall either be elected by simple majority vote of those Full members validly present at the next General Assembly meeting according to the provisions of Article 9.8 above for the respective remaining Term, or by a simple majority of



those Full Members responding to an E-mail or facsimile written vote request. Unless otherwise resolved by the Full Members electing the respective replacement candidate, the said candidate shall have the same regional or other affiliation as the Board members(s) being replaced. A change of the membership category during the Term shall not be deemed as a vacancy of a Board seat, unless the respective Board Member will no longer represent a Full Member.

- 10.8 A Board Member may be removed for just and substantial cause by the other Board members, provided that the respective Board Member is allowed to speak in his defense if it so wishes and is given the opportunity to refute any charges made.

ARTICLE 11: BOARD MEETINGS, AUTHORITIES AND DUTIES

- 11.1 The Chair of the Board or a majority of the Vice Chairs shall convene a regular Board meeting at least twice a year. Reasonable advance notice shall be sent to all Board members. Between the regular Board meetings, conference calls may be convened by the Chair of the Board or a majority of the Vice Chairs.
- 11.2 An extraordinary meeting of the Board shall be convened by the Chair of the Board upon written request of one-third of all Board members and shall be called within three (3) months as of the day such request was received by the Chair of the Board and/or the Secretariat of the WFSGI.
- 11.3 One-half of the total number of Board Members present in person, who must be inclusive of the Chair of the Board, or in his absence at least one Vice-Chair, shall constitute a quorum for the transaction of business at any Board Meeting. Proxies and substitutions at executive management level shall be permitted at Board meetings, if and provided the respective Board Member has valid reasons for being unable to attend the Board meeting concerned and if required for a quorum and if approved by a simple majority vote of the Board Members present at the respective meeting. One proxy shall be permitted per Board Member and its validity shall be subject to the submission of an official signed letter of substitution addressed to the Secretariat (by E-mail or facsimile transmission) and to be received by the Secretariat prior to the opening of the respective Board Meeting.



- 11.4 Board decisions shall be made by a simple majority of votes of the Board unless otherwise set forth herein. Decisions may also be taken by casting written and/or secret ballots unless objected to by simple majority vote of all Board Members in a specific matter and shall be recorded in the minutes of the respective Board meeting.
- 11.5 The Board shall control and supervise the management of the WFSGI and may operate by complying with a specific written code of conduct as agreed upon by a simple majority of all board members. In addition to the functions mentioned herein, the Board shall:
- a) Prepare proposals relative to these By-Laws;
 - b) Control and supervise the use of membership fees and other revenues generated by the WFSGI in the best interest of the WFSGI's members;
 - c) Administer and supervise WFSGI programs;
 - d) Prepare the annual budget, including proposals for membership fee changes, for the respective next Business Year of the WFSGI at Board level and present it to the General Assembly for approval;
 - e) Prepare and approve the strategic direction of the WFSGI to the General Assembly for approval as set forth in Article 6.2 lit. d) above;
 - f) Propose the external auditors for the WFSGI to the General Assembly;
 - g) Appoint and supervise the CEO of the WFSGI;
 - h) Establish Committees responsible for dealing with specific matters, examining problems of interest to members and preparing proposals for the solutions within the framework of the General Assembly and respective Committee Meetings;
 - i) Mediate and make an attempt to settle disputes between members upon their joint request to act accordingly;
 - j) Deal with any other business and matters of the WFSGI, which do not fall into the exclusive competence of the General Assembly.



- 11.6 If so required, the Board may delegate parts of its responsibilities (including financial powers) to the Chair of the Board, CEO and/or to the Executive Committee or to other special committees according to the rules to be set up by the Board.
- 11.7 The Legal Counsel of the WFSGI shall be entitled to attend all Board meetings in an advisory ex officio and non-voting capacity. The same shall apply for the Treasurer in the event such person is not a board member. The Board may call the auditors to attend its meetings. They are required to treat all matters pertaining to such Board meetings as strictly confidential, unless and until disclosed by the Board itself to the Members of the WFSGI.

ARTICLE 12: CHAIR OF THE BOARD

- 12.1 Chair of the Board shall represent the WFSGI and carry out decisions of the Board. And shall convene General Assembly meetings as well as all meetings of the Board and shall preside all such meetings, unless the Chair appoints a chairperson of the day to preside for such specific meeting in whole or in part. The Chair shall also supervise the observance of the By-Laws as well as the execution of decisions. In the event that the Chair of the Board is (not only for a short term period) indisposed or unable to perform his duties, the Vice Chair coming from the same world region will assume the role of the of the Chair of the Board and shall then act for and on behalf of the Chair of the Board during that time period, until – if required under the concrete circumstances – a new Chair of the board of the WFSGI will have been elected.
- 12.2 The Chair of the Board shall appoint and/or reconfirm the chairperson of the WFSGI's Committees who shall then designate the members of their respective Committee which shall to the extent viable and feasible at that given time reflect the structure of the WFSGI membership in a best possible manner. The list of all the appointed Committee Members shall be submitted to the Board who shall have a veto right to object to the appointment of a member if justified at the Board's reasonable discretion.
- 12.3 The Chair of the Board is empowered by the By-Laws to delegate parts of his responsibilities to its Vice Chairs and/or to the CEO. This may also include financial responsibilities. Such delegation shall not relieve the Chair's of the Board responsibilities.



12.4 The Chair of the Board shall be elected for a three (3) year term, but may not serve two sequential terms, unless his candidature for a second term is approved by a two-thirds (2/3) majority vote of all Full Members of the WFSGI cast at or in close conjunction with the General Assembly meeting preceding the meeting where the respective elections are to be held. The principle of rotation as set forth in Article 10.2 above shall then apply for the subsequent term of the respective Chair's of the Board successor.

ARTICLE 13: CEO

13.1 The CEO shall be nominated by the Chair of the Board and the Executive Committee and shall then be approved by the Board. Any termination of the employment of the CEO shall be equally subject to Board approval. The terms of the written employment/service agreement itself (including salary, fringe benefits and bonus regulation) and any modifications thereof shall be dealt with and approved by the Chair of the Board and by the Executive Committee with a two-thirds majority vote of its members.

13.2 The CEO shall be responsible for the execution of the day-to-day affairs of the WFSGI and manage the administration including the Secretariat of the WFSGI under the supervision and direction of the Executive Committee. He shall carry out the decisions of the Board.

13.3 The rights and the duties of the CEO shall where possible be determined by a written job description as well as yearly objectives approved by the Chair of the Board of the WFSGI and by the members of the Executive Committee with a two-thirds majority vote. The same shall apply for any modification thereof.

13.4 The CEO shall attend the meetings of the Board, General Assembly and Committee meetings in an advisory capacity.

ARTICLE 14: EXECUTIVE COMMITTEE, COMMITTEES STRUCTURE AND MEETINGS

14.1 Executive Committee:

14.1.1 Unless otherwise decided by a two-third majority vote cast by Board members for their respective Term, the WFSGI shall have an Executive Committee. Members of the Executive Committee shall be for the respective Term of the Board and at minimum consist of the Chair of the



Board, the three (3) Vice Chairs representing the three World Regions (including the Chairperson of the Executive Committee if other than the Chair of the Board or a Vice Chair), the Treasurer of the WFSGI as set forth in Article 10.3 above, the CEO and the Legal Counsel if and when requested. Any additional members of the Executive Committee shall be appointed for the respective Term by the Board by simple majority vote.

- 14.1.2 The Executive Committee shall supervise the administrative matters including the financial status and situation of the WFSGI, shall develop strategies and proposals for the Board and the General Assembly for initiatives, projects, actions and measures already pending or contemplated by the WFSGI or recommended to be taken by its members. Other matters which fall within the competences of the Board can be delegated to the Executive Committee if approved by a two-thirds (2/3) majority vote of all Board Members for the respective Term.
- 14.1.3 Decisions of the Executive Committee shall be made by simple majority vote of its members which shall be disclosed to the Board and to the General Assembly and shall be subject to the approval of the Board unless only pertaining to the day-to-day affairs of the WFSGI or the simple carrying out of resolutions already passed by the Board and/or of the General Assembly.

14.2 Other Committees:

- 14.2.1 Only members of the WFSGI shall be permitted to be present at Committee meetings, unless the Chairperson of the respective Committee explicitly announces that the meeting or parts thereof are open also for non-members. Such permission may be given at the reasonable discretion of the Chairperson of the respective Committee in general or for individual parties only. Whenever reasonably required, the Chairperson of the respective Committee can also limit attendance to Committee members only. This shall in particular apply for meetings of the Executive Committee, but shall not prevent the attendance of the CEO.
- 14.2.2 Committee members and Committee chairpersons may be represented by proxies at Committee meetings. These proxies must be submitted in writing (including facsimile and e-mail transmission) to the Secretariat of the WFSGI not later than seven (7) days prior to the date of the next respective committee meeting, except in any event of emergency or Force Majeure.



- 14.2.3 One-half of the total number of Committee Members present, in person or by valid proxy, shall constitute a quorum for the transaction of business at any Committee Meeting, however the minimum number for a Committee Meeting to be quorate shall be three (3) members validly represented. Any Committee resolution or decision passed by a majority vote of the respective Committee's members shall be submitted to the Board in writing by the Committee Chairperson or the person who chaired for the day such meeting for the Board's approval. The Board may in this regard invite the Chairperson of the Committee and/or any other committee member or other suitable party to make a presentation of the concrete proposal to the Board.
- 14.2.4 The Chairperson and the Vice-Chairperson of any Committee shall in consultation with the CEO prepare an agenda and program for each Committee meeting well in advance of such meeting. The members of the WFSGI, who have indicated in writing that they will attend the respective Committee meeting, shall receive the agenda for such Committee meeting in advance and normally not later than two (2) weeks prior to the respective meeting.
- 14.2.5 Each Committee may install up to four (4) working groups acting under the Committee's umbrella which shall be supervised and coordinated by the Chair of the respective Committee and the WFSGI Secretariat. Any additional working groups deemed necessary by the Committee shall be approved in advance by the WFSGI Executive Committee prior to formation. Each Committee and/or the Secretariat shall also be free to install temporary establish task forces for any ad hoc issue that may come up falling into the scope of activities of the Committee concerned and/or WFSGI and does require swift action.

ARTICLE 15: Resignation and Expulsion of Members

- 15.1 Members of the WFSGI may voluntarily resign by giving due notice in writing to the Secretariat of the WFSGI by observing a notice period of ninety (90) days prior to the end of the respective calendar year. If the written notice of resignation is received by the WFSGI after September 30th, termination of membership will only be effective as of the end of the following year. The



resigning member must fulfill all its obligations including the payment of dues until termination of its membership.

15.2 The Board, acting on behalf of the General Assembly may terminate a member's membership for cause. In less severe cases, it may suspend membership for a certain reasonable time period. Without limitation, the following causes shall be deemed terminable causes:

- a) Failure to satisfy the membership admission criteria on an ongoing basis;
- b) Failure to pay any annual membership fee or other dues to the WFSGI for at least six (6) months as of the date of written notification to the said member to settle the open accounts;
- c) A substantial violation of these By-Laws or actions that in the reasonable view of the Board bring discredit to the WFSGI and/or the Sporting Goods Industry and trade in general.

15.3 The Board of the WFSGI shall, wherever feasible and advisable under the circumstances, notify a member in writing in advance prior to the suspension or termination notice that its suspension or termination is under consideration and accord the respective member an opportunity to address the issues for which its membership may be suspended or terminated. A two-thirds (2/3) majority vote of the Board shall be required for any suspension or termination. A suspended or terminated member may also appeal such decision of the Board by notifying the Secretariat not later than thirty (30) days prior to the date of the respective next General Assembly. The General Assembly may overrule the Board's decision provided such action will be approved by a two-thirds (2/3) majority vote of the Full Member representatives validly present at the respective General Assembly meeting.

ARTICLE 16: Dissolution of the WFSGI

16.1 The WFSGI may be dissolved by decision of the General Assembly, to be adopted by two-thirds of the votes of those present. The quorum shall be fifty per cent (50%) of all Full Members.

16.2 The WFSGI may be dissolved by the Board, if during two (2) successive years there has not been a General Assembly.



16.3 After dissolution of the WFSGI and after payment of its financial obligations, any remaining assets shall be divided among the members in relation to their last year's membership fee.

ARTICLE 17: Miscellaneous

17.1 The CEO of the WFSGI shall be obliged to keep complete and correct records of account and shall keep minutes of the proceedings of the meetings and Committees. The Board shall be obliged to keep minutes of the Board meetings, but may delegate this responsibility to the CEO.

17.2 Property of the WFSGI may be assigned, conveyed or encumbered by the Board or its authorized agents or attorneys, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the WFSGI shall be authorized only if approved by the General Assembly with a two-thirds (2/3) majority vote of all Full Members.

17.3 No loans shall be made by the WFSGI to any of its Board members.

17.4 If any person who is a member of the Board or the CEO becomes aware that the WFSGI is about to enter into any business transaction directly or indirectly with such person, any member of that person's family, or any entity in which that person has any legal, equitable or fiduciary interest or position, including without limitation as a member of the Board, management, partner, beneficiary or trustee, such person shall (a) immediately inform those charged with approving the transaction on behalf of the WFSGI of such person's interest or position, (b) aid the persons charged with making the decision by disclosing any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of the WFSGI, and (c) shall not be entitled to vote on the decision to enter into such transaction.

17.5 The WFSGI's official language is English. In any case of a difference in the interpretation of documents or other communications in other languages, the English language shall prevail.



- 17.6 The WFSGI may accept any designated contribution, grant, bequest or devise consistent with its general tax-exempt purposes, as set forth in its articles of incorporation. As so limited, donor-designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the WFSGI shall reserve all right, title and interest in and to control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any such special fund, purpose or use. Further, the WFSGI shall acquire and retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used to carry out the WFSGI's tax-exempt purposes.
- 17.7 Within its membership, the WFSGI shall not allow any discrimination for reasons of religion, gender, race, politics or any other arbitrary discriminatory reason.
- 17.8 Any power to alter, amend or repeal these By-Laws shall be vested in the General Assembly of the WFSGI.
- 17.9 The invalidity of any provision of these By-Laws shall not affect the other provisions hereof, and in such event these By-Laws shall be construed in all respects as if such invalid provision were omitted.
- 17.10 If the By-Laws are silent as to any procedural aspect of any action or meeting hereunder, the procedures of the latest edition of Roberts Rules of Order shall control such procedure.

ARTICLE 18: ACCEPTANCE OF THESE BY-LAWS

- 18.1 These By-Laws were approved by the General Assembly of the WFSGI on 29 November 2023 and are valid with immediate effect from the same day onward.