

International Melges 24 Class Association Inc.

CONSTITUTION

Approved by World Sailing on 18th November 2015, updated in January 2018, 2020 & 2021

CONSTITUTION

1. NAME

The name of the Association shall be the "International Melges 24 Class Association Inc.". Hereinafter in this document to be written as the "IM24CA."

2. PURPOSE

2.1. The objectives of the IM24CA are:

- a) To promote and develop Melges 24 class racing under Closed Class Rules throughout the world.
- b) To provide a structure for class management and for the exchange of information among Melges 24 sailors to enhance the enjoyment of these sailboats.
- c) Subject to World Sailing regulations, hold absolute rights to the titles and management of World and Continental championships and the structure of any series organized in the name of the IM24CA. It shall coordinate and select venues for the championships, and shall work with any sponsors and management bodies involved.

2.2. In furtherance of other events with international participation the IM24CA will:

- a) Encourage the formation of National Melges 24 Class Associations in all countries where boats are present and raced.
- b) Ensure that World, Continental and National Championships are held according to the approved Event Regulations, and oversee such Class Sanctioned Events.
- c) Approve other events of International impact on the Melges 24 Class and ensure they are held to proper standards.
- d) Promote and review the class rules in association with the IP Right Holders.
- e) Ensure wherever applicable the National Class Association (NCA) is subject to the regulations of the World Sailing, and the IM24CA's Constitution and endeavor to carry out and respect the same.

2.3. Permitted activities of the IM24CA are:

The nature of the activities to be conducted or the purposes of the IM24CA are to engage solely in any lawful act or activity permitted under the Act, which is charitable, religious, educational in nature, entitling the Corporation to exemption from taxation under 501©3 of the Internal Revenue Code of 1986, as the same may be amended and in force from time to time (the "Code") in accordance with the IM24CA's Certificate of Incorporation (the "Certificate").

3. TERMS AND DEFINITIONS

- 3.1. "World Sailing" shall mean the world governing body for the sport of sailing, officially recognized by the International Olympic Committee (IOC).
- 3.2. "Class" shall mean the international class of Melges 24 sailing yachts designed by Reichel/Pugh Yacht Design and constructed in accordance with the building specifications and known under the name of Melges 24.
- 3.3. "Class Association" shall mean the governing body responsible for promoting, managing and organizing Melges 24 class racing.
- 3.4. "Class Rules" shall mean the rules relating to measurement, equipment, racing condition of a Melges 24, and the practices of its crew, annexed hereto and incorporated herein as a by-law of this Constitution.

- 3.5. "One Design" shall mean a racing method in sports which use complex equipment, whereby all equipment is near identical.
- 3.6. "Event Regulations" shall mean the rules and requirements relating to the conduct and organization of the IM24CA Class Sanctioned Events, annexed hereto and incorporated herein as a by-law of this Constitution.
- 3.7. "World Council" shall mean the governing body or board of directors of the IM24CA as defined by the Act and the Certificate, the composition of which is defined in Point 14.
- 3.8. "World Council Representative" shall mean the NCA representative as defined in Point 11.4.
- 3.9. "Executive Committee" is defined in Point 5.
- 3.10. "MNA" shall mean the Member National Authority, the principle members of World Sailing responsible for the decision making process that governs the sailing world. They are the national governing bodies for the sport of sailing around the world.
- 3.11. "NCA" shall mean the National Melges 24 Class Association organized inside the individual countries and officially recognized by the IM24CA and its MNA.
- 3.12. The Copyright holder shall mean Reichel/Pugh Yacht Design. The Trademark holder shall mean Melges Boat Works Inc. Jointly known as the Intellectual Property Right Holders. Herein written as "IP Right Holders".
- 3.13. Licensed Builder shall mean a person or corporation holding a valid license issued jointly by the IP Right Holders, IM24CA and World Sailing to build the Melges 24.
- 3.14. "Class Sanctioned Event" shall mean those regattas organized or approved by the IM24CA or in which the IM24CA sanctions the various events to form a series and in which the IM24CA may act with a title sponsor.
- 3.15. "Officer" shall mean a member of the IM24CA Executive Committee as defined in Point 5.
- 3.16. "AGM" shall mean the Annual General Meeting of the IM24CA World Council as defined in Point 14.
- 3.17. "EGM" shall mean the Extraordinary General Meeting of the IM24CA World Council as defined in Point 15.
- 3.18. The "Act" shall mean the Connecticut Revised Nonstock Corporation Act, including any amendments thereto or the corresponding provisions of the nonstock corporation laws of the State of Connecticut in force from time to time.
- 3.19. The official language of the IM24CA shall be English.
- 3.20. The Emblem of the Melges 24 shall be as shown on the sail plan of the Melges 24 Class.

4. IM24CA OFFICES

- 4.1. The World Headquarters of the IM24CA shall be generally located at the address most convenient to the Chairman and Treasurer and shall be determined by the Executive Committee.
- 4.2. Other offices may also be established at such places as the Executive Committee determines.

5. IM24CA EXECUTIVE COMMITTEE OFFICERS

- 5.1. The Executive Committee of the IM24CA shall be composed of the following Officers:
 - a) Chairman
 - b) Vice Chairman Europe
 - c) Vice Chairman Americas (either representative from south, central or north)
 - d) Vice Chairman Asia Pacific
 - e) Member Europe
 - f) Member Americas (either representative from south, central or north)

- g) Member Asia Pacific
 - h) Treasurer
 - i) Chairman of Technical Committee, serving *ex-officio*
- 5.2. Each Officer shall be a Melges 24 boat owner and current full member of an NCA for the past two (2) years, except the Chairman of Technical Committee.
 - 5.3. Each Officer position is for three (3) year term period. Term limits are set to two consecutive terms in the same Officer position. The Chairman of the Technical Committee shall be appointed by the World Council on an annual basis and shall serve on the Executive Committee *ex officio* without a vote and without being counted towards quorum.
 - 5.4. The election of Officers will involve a democratic process whereby Officers are elected through a vote of the World Council.
 - 5.5. The Chairman shall be responsible for the day to day running of the IM24CA and organization of the AGM.
 - 5.6. A Class Administrator may be employed by the Executive Committee at such times and on terms and conditions determined by it.
 - 5.7. In the event of the absence or vacancy of the position of Class Administrator / Media Coordinator one of the Vice-Chairmen shall fulfill all the obligations and duties of the Class Administrator / Media Coordinator.
 - 5.8. No person who is a member of or employed by the IP Right Holders or a commercial undertaking involved with the IM24CA may be elected to any office within the IM24CA.
 - 5.9. Each Officer shall have only one vote except that the Chairman or acting chairman shall have a casting vote in the event of a tie vote. The Chairman of the Technical Committee shall not have a vote.
 - 5.10. In the event of the absence or vacancy of an Officer position, the NCA from which the departing Officer came shall nominate a replacement (who shall be an individual member of the NCA) for the remainder of the term and approval must be made by the World Council at an IM24CA EGM or AGM.

6. EXECUTIVE COMMITTEE MEETINGS

- 6.1. Executive Committee meetings shall be held on such occasions and at such places as are either called by the Chairman or decided by previous meetings of the Executive Committee.
- 6.2. Five (5) voting Officers shall form a quorum of the total Executive Committee.
- 6.3. The Executive Officer shall give at least three (3) week notice of such meetings, unless five (5) of the voting Officers give their prior consent to a reduced notice period which shall be no less than two (2) days.
- 6.4. The Chairman shall chair all meetings at which they are present. At meetings where the Chairman is not present a Vice Chairman if present shall chair, otherwise the meeting shall elect a chairman of the meeting from among themselves.
- 6.5. Resolutions at Executive Committee Meetings shall be passed by a simple majority of the voting Officers present and voting. In the event of a tied vote the chairman of the meeting shall have a casting vote.
- 6.6. The Executive Committee is authorized to utilise for meetings electronic communications provided all participants can hear and participate in all communications.
- 6.7. The Executive Committee may delegate to any one or more of its members such powers and duties as it shall determine for special purposes for a limited period.

7. TECHNICAL COMMITTEE

- 7.1. At the AGM the World Council shall appoint a Chairman to the Technical Committee. The Technical Committee Chairman, with the approval of the Executive Committee, shall appoint a Committee of not less than three (3) and not more than ten (10) people who have the knowledge and the experience to serve on the technical committee. The Technical Committee Chairman shall be appointed for his skills in fulfilling the position. The members of the Committee shall be actively involved with the Class, but need not be boat owners. They may be employed within the Marine Trade.
- 7.2. The function of the Technical Committee is:
- a) To advise the World Council and Executive Committee on any technical matters relevant to the Class.
 - b) In conjunction with the Technical Department of the World Sailing, to ensure that the One Design control of the Class is properly exercised by the Licensed Builders and suppliers in accordance with the Manufacturing specifications and Handbook.
 - c) To investigate any query by a boat owner regarding the One Design Class Rules or specification of this boat, and to report to the Executive Committee.
 - d) To consult with the IP Right Holders on any development of the boat or equipment deemed to be in the best interests of the class.
 - e) To ensure that the boats used in the World and Continental Championships and major regattas comply with the Class Rules.

8. CLASS MEASURERS

- 8.1. The NCAs shall, in cooperation with IM24CA Technical Committee, be responsible for the appointment of official class measurers. Candidates must demonstrate their proficiency of the class rules and their knowledge and background with the boat to be considered.
- 8.2. Names and addresses of such appointed Class Measurers shall be reported to the IM24CA and posted on the web site.
- 8.3. Class Measurers, under the guidance of the Chief Measurer and the Technical Committee, shall be responsible for rule compliance prior to the delivery of each yacht, for measurement prior to and during events, and for the re-measurement of yachts when they have been outside Class Rules configuration.

9. EXPERIMENTAL PROJECTS AND DEVELOPMENT

- 9.1. It shall be mandatory that all proposed modifications or changes which may improve or degrade the performance of the boat be submitted for an experimental project.
- 9.2. In order to keep the class within one design parameters while still allowing the opportunity to evolve and develop the boat, any experimental proposal shall address the follow criteria in a positive manner:
- a) Provide more than an incremental speed advantage to the experimenter.
 - b) Make the boat safer to race.
 - c) Make the boat more economical for the majority of competitors.
 - d) Enhance the enjoyment of racing the boat.
 - e) Attract new participants or enable existing participants to continue racing longer.
- 9.3. Applicants shall present a written proposal for an experimental project to the Technical Committee and shall include:
- a) A description of the project and its goals.

- b) Suggested duration.
 - c) Approximate cost.
 - d) List any rules that might be affected.
 - e) Its effects on or advantages over other boats not modified.
- 9.4. The Technical Committee shall convene by any practical means and by majority vote approve or reject the proposal within 30 days of application. If approval is granted an experimental boat may compete, but shall not be scored, in all class sanctioned events unless limited or modified by the experimental terms approved by the committee. At the end of the approved experimental period, the experimenter shall submit written results with images where appropriate detailing the effects on the class rules and the boat. At that time the Technical Committee will review the details and if warranted consider further review. If the experiment is deemed to be a positive development for the boat and the class then the experimenter may be invited to submit a rule change proposal for the class to review at the next available AGM.

10. NATIONAL CLASS ASSOCIATION ELIGIBILITY

- 10.1. Any nation recognized by World Sailing shall, upon application to the Executive Committee of IM24CA, be granted a charter as an NCA provided it satisfies the following requirements of membership to the World Council:
- a) All Melges 24 boats in the country are sailing under the official Melges 24 insignia on the cabin sides and main sail;
 - b) There are four (4) or more Melges 24 boats sailing under the country national letters;
 - c) Shall / has formed a duly constituted Class Association, recognized and approved in writing by their country's MNA, for the development of racing Melges 24s within the country;
 - d) That it has a duly elected executive committee, including such officers as it shall determine necessary and requisite, and,
 - e) That there is no other Class Association in their country already granted a charter.

11. NATIONAL APPLICATIONS FOR WORLD COUNCIL CHARTER

- 11.1. Each application to the Executive Committee of the IM24CA for a charter shall include a copy of their Class Association Rules, together with a current list of the members of that Class Association and all the Melges 24s registered within that Class Association. This member and boat/hull list shall be updated by each NCA secretary on a quarterly basis to IM24CA official membership list.
- 11.2. Each application shall be accompanied by a registration fee in such amount as shall from time to time be fixed by the by-laws enacted by the World Council in accordance with the provisions of this Constitution.
- 11.3. Each NCA shall be governed by a constitution which operates in line with this Constitution and Class Rules. If the officers of an NCA fail to comply with the rules of their own constitution, this Constitution or the Class Rules, the IM24CA may take action under Point 18. Within these limitations an NCA has the right to organize itself at its own discretion. A country by definition may have districts and fleets.
- 11.4. After the issuance of a charter, each NCA shall elect a World Council Representative who shall be the only official channel of communication with the World Council and whose address will be the official address of that NCA until the World Council Secretariat is advised, in writing, by that NCA of any change of World Council Representative and/or address.

- 11.5. The World Council Representatives shall be bound by this Constitution, and duly enacted amendments thereto and shall comply with all resolutions and regulations made in accordance with this Constitution. NCAs shall use their best endeavors to ensure that individual members also comply with such resolutions and directions.
- 11.6. A Class Association shall cease to be an NCA during any period in respect of which it has not paid its subscription or other monies due to the IM24CA or upon receipt of notice of its surrender of its charter the Executive Committee. Such membership may be renewed with immediate effect by payment of outstanding dues or other monies owing to the IM24CA.

12. INDIVIDUAL MEMBERSHIP

- 12.1. Every individual member in good standing of a NCA with all fees paid, which is also in good standing with the World Council, shall be a non-voting member of the IM24CA. The World Council may authorize persons or classes of persons not members of an NCA to be individual members of the IM24CA upon such terms and conditions as the World Council determines provided that any individual member without a national authority shall be assigned to an existing NCA to represent them.
- 12.2. Individual membership of the IM24CA shall be open only to members of NCAs.
- 12.3. The following types of individual membership to NCAs shall be recognized.
- a) Full Members shall be boat owners - individuals, companies or associations - who have paid the full NCA and IM24CA dues. Only full members are entitled to vote within their NCA. Votes are limited to one vote per boat. In the case of two or more owners of the same boat, only one vote will be allowed. In the case of two or more boats owned by one owner, then two or more votes will be allowed – one per boat.
 - b) Associate Members shall be those not included in Point 12.3(a), or those who have an interest in the class be it as a crew or supporter and who have paid the NCA associate member dues. They shall not vote in the NCA, nor are they eligible to hold office within the NCA or the IM24CA.
 - c) Honorary Members shall be nominated by the NCA and conferred on individuals or companies who have provided a special service to the class. They shall not vote in the NCA and term of membership shall be decided by the NCA.
- 12.4. Proof of IM24CA membership shall be only by listing on the IM24CA website. The NCAs shall be quarterly fully responsible for maintaining the lists of their individual members, their boats and boat certificates on the IM24CA website. Access to the IM24CA membership edit area shall be provided to the World Council Representative by the IM24CA.

13. GOVERNANCE

- 13.1. The IM24CA shall have as its voting members the World Council and its property shall be managed and administered on an ongoing basis and fiduciary governance and oversight shall be provided by its Executive Committee in accordance with:
- a) the provisions of this Constitution and any regulations passed under this Constitution;
 - b) any policies for the operation of the IM24CA determined by the World Council;
 - c) or any directives or guidelines established by the World Council;
 - d) The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the IM24CA in all cases to which they are applicable and in which they are not inconsistent with this Constitution and any special rules of order the IM24CA may adopt.

13.2. Minutes including actions taken and decisions made at the AGM, an EGM, Executive Committee meeting and Technical Committee meeting shall be recorded, kept in an accessible location and made available to members.

14. WORLD COUNCIL; ANNUAL GENERAL MEETING (AGM)

14.1. The World Council shall consist of the Officers and the World Council Representative of each NCA.

14.2. An AGM shall be held in such place and time as the Executive Committee may consider most convenient to the majority of the members. This meeting shall:

- a) Receive from the Executive Committee, and approve, a statement of accounts for the preceding accounting year, forecast accounts for the current year, and a budget for the next year.
- b) Receive and decide on resolutions submitted in accordance with Point 14.3.

14.3. Timing of the AGM:

- a) Notice of the date of the AGM will be communicated by announcement on the IM24CA website not less than eighty-five (85) days before the officially announced date of the meeting.
- b) Resolutions for approval at the AGM shall be proposed only by the Officers, the Executive Committee, NCAs, the Technical Committee, and World Sailing.
- c) Resolutions to be proposed at the AGM shall be submitted to the Treasurer not less than eight (8) weeks before the officially announced date of the meeting.
- d) The Treasurer shall distribute an Agenda of all resolutions and relevant paperwork for the AGM not later than six (6) weeks before the officially announced date of the meeting.
- e) Amendments to the above resolutions shall be submitted no later than four (4) weeks before the officially announced date of the meeting.
- f) The Treasurer shall distribute an attachment to the Agenda of any such amendments not later than three (3) weeks before the officially announced date of the meeting.
- g) Only the resolutions on the Agenda and its attachment/s shall be voted upon with the exception of special resolutions (discussed in Point 14.11).
- h) The Agenda shall contain all resolutions in their original form. However, the Executive Committee shall have the discretion to produce composite motions for the agenda, drawing on any amendments submitted. However, "slate" motions shall not be permitted for the election of Officers and the selection of championship venues.
- i) The Chairman may, in exceptional circumstances, accept amendments from the floor of the AGM when, in his opinion, this will assist the resolution of issues on which the World Council has had an opportunity to express their views.
- j) If a World Council Representative is unable to attend a meeting, his NCA may appoint a substitute for that meeting only. Such designations shall be in writing and received by the Treasurer of the IM24CA prior to the meeting.
- k) Each NCA must inform the IM24CA Treasurer of the name of their appointed World Council member or proxy substitute before the start of the AGM.

14.4. The Chairman at AGM shall be the Chairman, or in their absence, a Vice-Chairman. If neither the Chairman nor any Vice-Chairmen is present, the meeting shall elect a chairman for the meeting.

14.5. Two (2) weeks before the AGM the Executive Committee shall certify the official membership listing in writing to the agenda the number of registered Melges 24s that NCA represents.

- 14.6. Only the NCAs and their World Council Representatives and the Officers that IM24CA has received and recorded appropriate dues paid shall be entitled to vote at an AGM. The number of votes to be cast by World Council Representatives in any ballot in meetings of the World Council shall be in accordance with the number of boats registered in its NCA. Always one (1) country vote plus a vote(s) per boats registered per country as follows:
- | | |
|---------------|------------------------------------|
| 0 - 4 boats | 1 country vote + 0 membership vote |
| 5 - 9 boats | 1 country vote + 1 membership vote |
| 10 - 14 boats | 1 country vote + 2 membership vote |
| 15 - 19 boats | 1 country vote + 3 membership vote |
| 20 - 24 boats | 1 country vote + 4 membership vote |
| 25 - 29 boats | 1 country vote + 5 membership vote |
- etc.
- Officers shall have one vote each.
- 14.7. Voting at AGM shall be by simple majority of the votes cast. In the event of a tied vote the Chairman shall have a casting vote. If the Chairman is absent from the meeting the chairman of the meeting shall have a casting vote.
- 14.8. The quorum at AGM shall be 60% of the World Council Representatives, represented in person or by proxy, who shall be from at least two Continents and who are entitled to vote at the meetings.
- 14.9. A World Council Representative may not vote for more than two (2) proxies.
- 14.10. No World Council Representative shall ever be allowed to cast more than 42.5% of the total votes available at that meeting.
- 14.11. A special resolution not proposed in accordance with Point 14.3 shall be passed at the AGM only if 2/3rd or more of the votes cast are in its favor.
- 14.12. The IM24CA shall hold at least one informal meeting at World and Continental Championships each calendar year. Such meetings shall be open to all members of the International Melges24 Class Association, the main purpose being to provide a forum for individual members to express their views and opinions. No decisions made at such meetings shall be binding on the IM24CA or its Executive or Technical Committees.
- 14.13. In the event of the World Council passing a resolution which in the reasonable opinion of the IP Right Holders is contrary to the business interests of themselves, the IP Right Holders may request the resolution be referred to the Executive Committee of World Sailing for binding arbitration or to such body as selected by World Sailing executives with agreement of the parties.

15. EXTRAORDINARY GENERAL MEETING (EGM)

- 15.1. An EGM may be called at any time by the Executive Committee or by not less than fifty (50) individual requests from individual non-voting members from not less than four (4) different countries. The Treasurer shall receive and check that the requests are from valid members before any EGM can be called.
- 15.2. If the conditions have been met or the Executive Committee has called an EGM, there shall be not less than six (6) week notice given and the subject circulated to all World Council members at this time.
- 15.3. The Executive Committee may call a meeting in person or using other technology, including but not limited to email, Skype or internet based conference calls.
- 15.4. All other voting procedures etc shall proceed in the same way as at the AGM.

16. FINANCIAL MATTERS OF THE IM24CA:

- 16.1. The IM24CA shall be funded by:
 - a) Subscriptions from NCAs and individual members.
Shall be invoiced direct by the IM24CA Treasurer
 - b) A share of the building fee paid on each boat. Shall be collected by the IM24CA as arranged with World Sailing.
 - c) A share of the fee paid on each sail manufactured. Shall be sold and invoiced direct by the IM24CA Treasurer.
 - d) Television rights of international events in accordance with World Sailing regulations. Shall be sold and invoiced direct by the IM24CA Treasurer.
 - e) A share of the Entrance Fee of World and Continental Championships, negotiated between the Executive Committee and the organizers of the event.
 - f) Any other revenue negotiated and accepted by the Executive Committee. Initial funding of the Association to cover the period before the above sources meet the expenditure required to carry out the essential duties of the Association shall be provided by the IP Right Holders, in negotiation with the Executive Committee.
- 16.2. The IM24CA subscription years shall run from 1 January to 31 December.
- 16.3. The amount to be paid as subscriptions and other annual fees to the IM24CA shall be decided by the World Council.
- 16.4. NCAs shall pay a fee for each paid up member of their Association. These fees shall be payable no more two times per year as determined by the IM24CA based upon the membership fees received as of the invoice date. The amount of the fee shall be decided by the World Council.
- 16.5. All other fees, such as those for approval of events, professional or other, or for services provided at events, shall be decided by the Executive Committee.

17. EXPENSES

- 17.1. A budget for expenses shall be agreed each year by the World Council, and expenses shall be reported under a separate heading in the Annual Accounts.
- 17.2. The reasonable expenses of the Officers in complying with their obligations and exercising their powers under these rules may be payable out of the funds of the IM24CA on application to the Executive Committee.

18. ACCOUNTS

- 18.1. The Executive Committee shall cause annual accounts to be prepared for each year which truly and fairly show the IM24CA's capital and its income and expenditure.
- 18.2. The fiscal period of the World Council shall be 1 January to 31 December each year unless changed by resolution of the World Council.
- 18.3. A copy of the accounts for the latest complete fiscal period shall be sent by the Treasurer to each member NCA with the notice of the AGM of the World Council.
- 18.4. The accounts of the IM24CA shall be audited by a third party financial company. This financial company shall not have any relations to the IM24CA and its Executive Committee.

19. NOTICE

- 19.1. Where under this Constitution the Executive Committee is required to give written notice to any person or body, such notice shall be deemed for the purposes of this Constitution to have been given if it is given by post or written electronic communication and so that:

- a) If it is given by post it shall be deemed to have been given on the 7th day after the Executive Committee shall have posted such notice by first class or air post to the person or body concerned at the address given for such person or body in the records of the IM24CA whether or not it shall in fact have been received by the person or body concerned within that time or at all.
 - b) If it is given by written electronic communication it shall be deemed to have been given 24 hours after the Executive Committee has successfully dispatched the written electronic communication whether or not it shall in fact have been received by the person or body concerned within that time or at all; provided that the Executive Committee shall only be entitled to give notice to a person or body by way of written electronic communication if that person or body shall have provided (and not withdrawn) the address or number for the electronic communication to the World Council.
- 19.2. The Executive Committee shall keep a register of such notices, which shall include evidence that the notice has been sent.

20. SUSPENSION AND REMOVAL FROM MEMBERSHIP

- 20.1. An individual member may be suspended from IM24CA membership by the Executive Committee only after a hearing protecting their rights to due process including a mutual exchange of evidence prior to the hearing.
- 20.2. A member may be suspended for the following:
- a) Committing an unlawful act in relation to the IM24CA or one of its members, or
 - b) For any unsportsmanlike conduct contrary to the interest of the members of the IM24CA, or
 - c) For intentional violation of Class Rules.
- 20.3. An NCA shall apply any such suspension to any of its individual members so suspended.
- 20.4. A member shall not be entitled to any return of any or any part of his subscription in respect of any period for which he shall be suspended or removed from membership.

21. AMENDMENTS

- 21.1. This Constitution and the Certificate may only be amended by a special resolution for which notice has been duly given and which is duly proposed and passed by the affirmative vote of at least two-thirds (2/3) of the vote of the World Council present at a World Council meeting pursuant to the terms and conditions of this Constitution and World Sailing.
- 21.2. No change shall be made to this Constitution or the Certificate which will revoke or otherwise negatively affect the exempt status of the IM24CA under 501©3 of the Internal Revenue Code.

22. DISTRIBUTION OF ASSETS

- 22.1. The IM24CA is nonprofit. The IM24CA shall not have or issue shares of stock or make distributions. The IM24CA's earnings, income or assets shall not be distributed to or inure to the benefit of its Officers, members, or to any private individual as such. The IM24CA may, however, reasonably compensate its Officers, members, or any individual, for services performed for the IM24CA in compliance with applicable law and applicable corporate policies concerning conflicts of interest. However, the IM24CA may make distributions in furtherance of its exempt purposes.
- 22.2. The IM24CA may be dissolved and liquidated at any time by the affirmative vote of at least two-thirds (2/3) of the World Council present, at a duly constituted meeting. Upon liquidation, the

assets remaining after payment of all liabilities shall be distributed pursuant to the Act, subject to and consistent with the Code and any donor imposed restrictions thereon, to such charitable, educational, religious and/or scientific organizations exempt from taxation under 501©(3) of the Internal Revenue Code as may be selected by the World Council, the purpose and mission of which are substantially similar as the IM24CA. Any remaining assets not so disposed of by the World Council shall be disposed of by a court having jurisdiction over charitable corporations and assets in the State of Connecticut, exclusively for exempt purposes, or to such organization or organizations as the court shall determine, the purpose and mission of which are substantially similar as the IM24CA.

23. OTHER PROVISIONS

- 23.1. The Officers and Executive Committee shall not be obliged to do any of the things required of them by these rules if the World Council shall not reasonably be expected to be in funds sufficient to pay their reasonable cost and expenses by the time these costs and expenses are estimated to come due.
- 23.2. In the execution of their powers and duties under this constitution no officer or other member of the Executive Committee shall be liable for any loss to any of the members or former members of the World Council or to the assets of the World Council by reason of any mistake or omission made in good faith by him or any other officer or member of the Executive Committee or for any other matter other than willful and individual wrongdoing omission or fraud on the part of the person who is sought to be made liable.
- 23.3. The IM24CA is incorporated under and shall be governed by the Act.
- 23.4. The decision of the Executive Committee shall be final in matters of the management of the World Council and only if the actions or decisions of the Executive Committee are disputed formally in writing by any member or group of members of the World Council. The decision of the World Council shall be final, subject to the judgment of a court of proper jurisdiction in the circumstances applying U.S. law.
- 23.5. The IM24CA shall be bound by and comply with the provisions of 33-1118 and 33-1122(c) of the Act pertaining to the mandatory indemnification. Pursuant to 33-1124(a) of the Act, the IM24CA shall indemnify its Officers and employees (in accordance with 33-1117 (except for subsection (a)(2)) of the Act and 33-1122 of the Act) to the fullest extent permitted by law; provided, however, the foregoing notwithstanding, the IM24CA may (but shall not be required to), in the sole discretion of the Board: (i) indemnify agents of the IM24CA in accordance with 33-1117 and 33-1122 of the Act, (ii) advance fees or reimburse expenses to Officers, employees, or agents in accordance with 33-1119 and 33-1122 of the Act, or (iii) indemnify Officers in accordance with 33-1117(a)(2) of the Act as set forth in the Certificate. In accordance with 33-1123 of the Act, the IM24CA may purchase and maintain insurance, to provide greater indemnification than that permitted by the Act, on behalf of any individual who is or was an Officer, employee, agent, or other representative of the IM24CA (including the members) to the extent set forth in the policy of insurance.
- 23.6. The Corporation shall adopt and at all times maintain a conflict of interest policy, which shall be adopted, maintained, and revised from time to time by the Board. A copy of the conflict of interest policy shall be kept in the permanent records of the Corporation.