



MYBA ASSOCIATION STATUTES 2009

PREAMBLE

MYBA Members shall be individual persons or legal entities operating in one or more of the following fields: brokerage (sale and purchase), charter, rental or management of yachts, commercial vessels or luxury passenger vessels. All these boats shall be luxury vessels aiming to satisfy the demand from highly prestigious clients.

MYBA the Association shall be a non-profit body organised under French Law aiming to develop the profession without any discrimination whatsoever.

We aim at bringing together professionals able to meet the demands of a highly prestigious clientele wishing to purchase, sell, charter and/or own top-of-the-range yachts offering a premium quality of onboard services provided by a professional crew trained to offer outstanding services.

Our aim is to be the Association that brings together the greatest number of professionals from the sector and contributes to the development of the market through the promotion of credible professional practices.

We aim at setting a benchmark for the highest standards in terms of quality and professionalism in our fields.

The constant improvement of market standards and quality of services shall be a key objective of the Association.

Each Member shall retain full autonomy in defining and managing its business.

Members shall commit to maintaining and developing the highest possible standards in their profession by constantly setting a benchmark by their example and professional ethics in their business conduct.

Members shall be united by the moral ties of belonging to the luxury yachting profession and by the common desire to provide the best service possible. Members shall uphold relationships based on esteem and mutual trust and shall seek to settle disputes in an amicable manner.

Each Member undertakes to comply with these Statutes.

TITLE I
FORMATION & OBJECTIVES

Article 1 – Formation

An association is hereby formed between the current members and all future members accepting to be bound by the current Association Statutes in accordance with the French Law on non-profit organisations dated 1st July 1901, and its implementing decrees.

Article 2 - Name

The name of the Association shall be:

MYBA, which shall also be known as “The Worldwide Yachting Association”

Article 3 - Purpose of the Association

The purpose of the Association shall be to:

1- Gather professionals operating in the fields of brokerage, chartering, and management of luxury yachts, commercial vessels or luxury passenger vessels willing to develop the highest quality standards on the market in order to satisfy demand in this exceptional market in terms of infrastructure and onboard services.

MYBA’s admission criteria shall be defined by Articles 8 and 9.

For the purposes of these Association Statutes, “yachts” shall mean luxury and high quality vessels registered either as recreational crafts, passenger vessels or commercial vessels (i.e. boats recorded in commercial registries which accept more than 12 guests or passengers under commercial operation) capable of undertaking international navigation at sea with a permanent professional crew and subject, when under charter contract, to full chartering (rental by the cabin shall be excluded). For the purposes of these Statutes, the term “yachts” shall also include passenger vessels able to carry more than 12 guests or passengers. All boats shall necessarily be luxury vessels aiming to satisfy the demands of highly prestigious clients.

2- Represent such professionals with different national and international groups and administrations in order to set up the regulations necessary to the development and sustainability of activities relating to brokerage, chartering and management of yachts.

3- In order to better define the activity of professionals who could request membership, the terms below have the following meaning:

(a) brokerage is herein defined as operations requiring an intermediary for the sale and purchase of new yachts, second hand yachts or new build yachts;

(b) chartering means operations consisting of offering the services of a yacht with a crew against remuneration;

(c) Yacht management is defined as: handling the accounting of the business, and the accounting of the yacht owner (physical person or company), the payment of suppliers’ invoices, of salaries, providing assistance for the yacht’s maintenance, and in the construction of yachts, assistance within the framework of national and international maritime regulations (ISM, ISPS etc) advice in the choice of a flag, and of the owning structure, employment and management of crew (including payment of salaries, etc).

Article 4 - Aims of the association

The aims of the Association shall be:

- To establish and maintain high standards in terms of professional ethics and professional rules and within this framework define a Code of Ethics which will apply to all members;
- To promote, at both national and international levels, the activities of brokerage in the fields of chartering and management of yachts;
- To undertake actions resulting in the establishment of regulations and legal texts required for the pursuit of the business of brokerage in the fields of chartering and management of yachts at both national and international levels;
- When requested, to contribute to an amicable settlement of disputes amongst Members.

Article 5 - Registered Office

The registered office of the Association shall be situated at “Cap Center”, 92-120 Avenue Eugène Donadeï, 06700 St. Laurent du Var, France.

This registered office may, at any time, be transferred – within the same region – upon a simple decision taken by the Board of Directors and – to another region in France – upon a decision taken by the General Meeting of the Association.

Article 6 - Duration

The duration of the Association shall be FIFTY (50) years from the date of declaration in accordance with the French Law dated 1st July 1901, this being from 14th February 1984. This period may be extended upon a decision taken by the General Meeting.

Article 7 - Fiscal Year

Each fiscal year shall run from 1st January to 31st December.

TITLE II

COMPOSITION OF THE ASSOCIATION

Article 8 – Members and Admission Criteria

The following shall be eligible for admission to the Association:

(a) Any legal entity or individuals acting independently, operating principally, for a minimum of two years, in the fields as defined in article 3 in the conditions defined hereafter:

Applicants must meet the following criteria:

- at least 70% of the applicant's turnover made directly and in the name of the applicant,, excluding tax must come directly from one or more of the aforementioned fields as defined in article 3;
- The applicant's activities shall be exercised on premises that are exclusively commercial;
- Proof shall be required of the applicant's subscription to a professional insurance company with a coverage starting from 500.000 Euros per claim during the preceding fiscal year;
- Proof shall be required of the legality of the applicant's situation in terms of tax and social security clearance as well as of the absence of a criminal record (sentence not yet amnestied) for facts related to the applicant's activity dating back less than five years prior the application. The applicant will include in the application file a declaration on his/her honour confirming such compliance.

Financial holding companies shall, however, be excluded from Membership.

Each subsidiary of the group shall apply for Membership individually.

The aforementioned applicants admitted as members of the Association shall hereafter be considered as "MYBA Companies".

(b) Any individual acting either as employee or on behalf and in the name of a MYBA Company justifying 2 years or more experience as a sales broker, charter broker or yacht manager and who can justify that s/he is employed by a MYBA company at the time s/he submits his Membership Application or is acting on behalf and in the name of a MYBA Company can apply, as an individual, to the association.

The title of HONORARY MEMBER may be granted by the Board to any person having rendered significant services to the Association, active member included. No particular obligations or rights shall be derived from this title.

Article 9 - Admission Procedure

Legal entities or individuals wishing to apply for MYBA Membership shall send their application by registered letter or equivalent with acknowledgement of receipt to the Association Secretary.

Within a period of one month starting from the receipt of the admission request, the Association Secretary shall send the applicant a Membership Application file.

Within a period of two months dating from receipt of the application file, the applicant shall return the file to the Association by registered letter or equivalent with acknowledgement of receipt, duly completed and containing the following obligatory documents:

- a letter of undertaking addressed to the MYBA President expressing the applicant's intention to comply with the Association's principles and to act in compliance with professional rules and ethical standards.
- a record of the applicant's professional activity;
- an adequate professional insurance policy as mentioned in Article 8 (excluding employees);

And moreover, for legal entities:

- the applicant's Company Statutes;
- for French companies, an "*extrait Kbis*" no older than three months (or any type of registration certificate for foreign companies issued by the Trade and Companies Registry);
- a copy of the balance sheet for the previous fiscal year or a certificate of good standing delivered by a chartered accountant or a certified public accountant.

Within a period of two months commencing from receipt of the applicant's file, MYBA the Association shall inform the applicant by registered letter or equivalent with acknowledgement of receipt, whether the application is fully compliant or not; the applicant shall be informed of the grounds for possible refusal of the application if this is the case.

The application file may only be refused if the applicant does not fulfil one of the conditions mentioned in Article 8.

In the event that the application is refused, the candidate will have a three month period from receipt of the written refusal to complete his file.

If the applicant (either legal entity or individual) is declared admissible, they shall be convened for an interview and/or an exam with the pertinent committee appointed by the Board.

Exams or interviews will be organised, as required, up to four times a year at dates decided by the Board of Directors.

The purpose of the interview and/or the exam shall be to verify, that the applicant, or the company represented by its director, has sound knowledge of professional rules and, additionally, that the applicant has been exercising their activity in compliance with the professional rules, the code of ethics and acceptable professional practice.

In the case of an interview a report of the proceedings will be filed.

On the basis of the minutes of the interview and/or the result of the exam and after a possible hearing of the Chairman of the Membership Committee, the Board of Directors shall take a final decision regarding the applicant, within a period of one month starting from the exam/interview date.

Grounds for refusal of the application shall be accurately and concretely stated having taken into consideration the applicant's professional capacity and compliance with the ethical standards which the Association aims at promoting and which are defined in the Association Statutes. Membership will be complete upon the applicant's signature of the Association's Statutes and payment of the Entrance and Membership Fees.

Article 10 - Entrance Fees and Membership Fees

Members shall be liable for an Entrance Fee to be paid to the Association, and subsequently for annual Membership Fees.

The Board of Administrators shall set the Entrance and Membership Fees on an annual basis. These Fees shall be submitted to the Assembly for approval within the framework of the voting of the annual budget; different Entrance and Membership Fees may established for

each category of members: legal entities, self-employed professionals and employees of MYBA Companies.

On an exceptional basis, the budget for the year 2008 will be fixed by the Board of Directors which will report on its administration to the General Assembly, to be held during the year 2009.

The Entrance Fee shall be payable upon admission and the annual dues shall be payable in advance on the 1st of January of each year. Any Member failing to pay the due fees shall, after two warnings, have their Membership cancelled.

The first warning will be sent within a period of six (6) weeks starting from the above mentioned payment deadline or, in the event of a new member, from their admission. The second warning is sent within a period of ten (10) weeks starting from the aforementioned payment deadline or, in the event of a new member, from their date of admission.

If a Member is admitted during the first half-year, they shall be liable for the full annual fee. Should Membership be granted during the second half-year, the Member shall only pay 50% of the annual fees.

Entrance Fees and Membership Fees shall not be refundable. In the event of retirement or termination of activity, Members shall pay all dues and fees owed to the Association before leaving.

Article 11 - Cancellation of Membership and Revocation

Membership shall automatically be terminated more specifically in the following – but non-exhaustive cases:

- Death, retirement, termination of activity;
- If a MYBA Company enters into voluntary or mandatory liquidation or receivership;
- If the individual member is no longer an employee or no longer acting on behalf of a MYBA company.

Should the Board of Directors find that a member or an Administrator has failed to comply with the provisions of the Association Statutes or, where appropriate, the Internal Rules (including non-payment of Entrance and/or Membership Fees), it shall inform the Member in question of the established breach and of the resulting risk of exclusion, or revocation in the case of a Director.

The Board shall have the power to exclude a member or revoke a Director particularly on, but not limited to, the following grounds: either a breach of the Association Statutes, the Internal Rules or the code of ethic where appropriate, Board or General Meeting decisions, any behaviour harming the Association, or on any other serious grounds at the discretion of the Board of Directors.

The member or Director shall be offered the possibility to present his/her oral or written defense to the Board of Directors before the Board takes any decision.

The Member or the Board Member shall have a one-month period from the receipt of a letter stating the grievance to present their remarks or to take any necessary steps.

Upon expiration of this one-month period, the Board of Directors shall notify the Member of his/her exclusion or revocation by registered letter or equivalent with acknowledgement of receipt stating the grounds for this decision.

The revoked member can lodge an appeal against the decision before the Assembly.

TITLE III ADMINISTRATION

Article 12 - The Board of Directors

The Association shall be run by a Board of Directors composed of at least five and no more than nine Members.

The Board shall meet upon the request of the President, or that of at least three Directors.

The Board can only deliberate if at least a third of the members are present.

The Board shall undertake to execute the decisions taken by the Annual General Meeting and shall be vested with all rights to proceed with or authorise all actions which are not dedicated by law to the Annual General Meeting.

The Board may, more particularly, propose to the Assembly the creation of any commercial company.

The Board shall rule upon simple majority; should there be equality of votes, the President shall hold the casting vote.

Decisions shall be taken by majority of the present or represented Members.

Only Board Members shall have the right to deliberate at all Board Meetings. They shall be allowed to be represented by another Director by way of mandate. Each Director may not represent more than two absentee Directors.

Minutes of the Board decisions shall be drafted by the Secretary and signed by the President. The Secretary shall then circulate authorised copies to the Members. The Board shall approve all new Members.

The Board shall establish, if appropriate, Internal Rules for the Association which shall be circulated by the Board to all Members.

The Board may create Committees to carry out specific duties and projects and shall supervise their activity.

The Board shall authorise the President and the Treasurer to proceed with all purchases, disposals or rentals necessary for the running of the Association, and shall approve the annual financial reports and the proposed budget to be submitted at the Annual General Meeting for approval.

Article 13 - The Directors

Directors shall be Members elected at the Annual General Meeting, for a two-year term and can be re-elected.

This rule does not apply to Directors who have been elected according to the dispositions of the previous Association Statutes.

Subsidiaries of the same Holding Company and the employees of said group cannot have, at the same time, more than two Directors on the Board. Should a candidate be elected in breach of this limitation, his/her election shall be invalidated.

In the event of the death or resignation or invalidation of a Director, the Board shall be entitled, but not obliged, to appoint a temporary Director, whose mandate shall be terminated at the next Annual General Meeting.

A Director who is not present at three consecutive Board meetings shall present his/her resignation.

Directors shall not be remunerated; expenses strictly related to their mandates may however be reimbursed according to a price scale fixed by the Board of Directors.

Article 14 - The Officers

The Board shall elect four Officers:

- A President
- A Vice-President
- A Secretary
- A Treasurer

The President shall be elected by the Board of Directors for a two-year period. S/he may only be re-elected three times successively. Nevertheless, s/he can be re-elected after an interruption of one year.

The President and Vice-President must be Directors; the Secretary and Treasurer may be any person whom the Board considers suitable and qualified for these positions.

The President shall convene the Annual General Meeting and the Board Meetings. S/he shall represent the Association in all legal affairs and, to this effect, s/he is vested with all rights. S/he shall represent the Association in court as defendant and may act as plaintiff with the authorisation of the Board. Moreover, the President may lodge an appeal and accept settlement in such matters. The President shall chair all Board Meetings.

The President shall hire all staff.

The President, on behalf of the Board of Directors, shall be responsible for declaring and publishing all formalities regarding the creation of the Association, as well as any modifications that may regularly be made by the Board of Directors or by the Assembly, and shall provide documented proof thereof, as required under the French law dated 1st July 1901 and its implementing Decree of 16th August 1901.

The Vice-President shall assist the President in any of his/her duties and may be assigned specific tasks. In the absence of the President, the Vice-President shall chair Board Meetings and shall accomplish any of the President's duties as formally requested by the President. The Secretary shall be responsible for correspondence and filing.

The Secretary shall draft minutes of all Board Meetings and Annual General Meetings and shall perform all day to day tasks necessary for the running of the Association. The Secretary shall hold a special register in accordance with Article 5 of the French law dated 1st July 1901 and Articles 6 and 31 of the 16th August 1901 implementing Decree and shall ensure the execution of the formalities required by those provisions.

The Treasurer shall be responsible for all financial matters pertaining to the Association.

The Treasurer shall ensure that all accounts be kept in accordance with the current laws and regulations and shall submit a detailed financial report to the Board on at least a quarterly basis. The Treasurer must establish and submit the proposed budget and annual balance sheet to the Board for approval. Once the Board has approved the annual balance sheet and budget, these shall be submitted by the Treasurer for approval at the Annual General Meeting. The Treasurer shall represent the Association with the tax and fiscal authorities for all matters relating to tax and excise.

Article 15 - The Committees

The board decides on the creation and dissolution of any committees.

Committees shall be chaired by a Board Member and may consist of Association Members, non-Members, as well as paid consultants and experts.

The composition and the proposed budget of each Committee shall be approved by the Board.

Committees have no predefined term and shall be dissolved once their tasks have been accomplished.

Committees may vote recommendations upon simple majority.

These recommendations shall be submitted to the Board for approval.

TITLE IV

RESOURCES OF THE ASSOCIATION

Article 16 - Revenues

The revenues of the Association shall be composed of Entrance Fees and Membership Fees paid by Members and other resources permitted by law.

TITLE V

GENERAL MEETINGS

Article 17 - Meetings

All active Members of the Association shall be entitled to attend and to vote at General Meetings, subject to the following provisions.

Each Member shall hold one vote, plus the votes he bears a mandate for. A member cannot carry more than ten proxies.

The legal representative of a legal entity shall have one vote and one more vote in the event he is also a Member on a personal basis.

Legal entities acting under the same commercial name shall hold no more than one vote per country they are incorporated in. Legal entities established in the same country are free to determine which one of them will bear the right to vote.

Decisions taken in General Meetings shall be binding on all Members.

An Annual General Meeting (AGM) or an Extraordinary General Meeting (EGM) can be held either by video conference, or in writing, or by electronic means, however, an electronic vote does not mean a vote by e-mail but is organised according to specific rules which take into consideration the confidentiality of the votes.

The Annual General Meeting (AGM) shall be held once a year at the date and place stated in the individual invitation from the President or by public announcement, at least two weeks in advance.

The Extraordinary General Meeting (EGM) may be called by the President in the case of exceptional circumstances with Board approval, or upon written request addressed to the Secretary by at least one-fifth (1/5th) of the registered Members; in the latter case the Meeting should be held within thirty (30) days following the date of lodging the request with the Secretary.

In addition to the matters mentioned on the Agenda by the Board, all proposals carrying the signatures of at least one-fifth (1/5th) of the Members and lodged with the Secretary at least eight (8) days before the Meeting, shall be submitted to the Meeting.

Minutes of the meeting shall be taken by the Secretary and signed off by the Members of the Board in attendance. These minutes shall record the number of Members present at Meetings.

Article 18 – Annual General Meeting (AGM)

The Annual General Meeting (AGM) shall review the Board's yearly work and approve the Annual Financial Reports.

The AGM shall have the final decision over all subjects relating to the running of the Association, and shall give all required authorisations to the Board, the President, and the Treasurer to carry out all operations in connection with the purpose of the Association.

The AGM shall vote the annual budget.

At least one-third (1/3rd) of the Members must be present or represented at an AGM in order to take binding decisions.

All binding decisions at an AGM shall be taken by simple majority of the Members present or represented, whatever the number of these Members.

The voting for the election of the Board Members shall begin no later than five (5) days before the AGM by correspondence addressed to the Association Secretary and shall officially be closed upon the opening of the AGM.

The minutes of AGMs, including the Secretary's and the Treasurer's reports, shall be circulated to all Members of the Association.

Article 19 - Extraordinary General Meeting

The Extraordinary General Meeting (EGM) shall address and settle all matters on the agenda. It may approve any amendments to the Association Statutes, organise the extension, or declare the dissolution of the Association, or its merger with any other Associations with similar objectives, or its affiliation to any union of Associations, and decide the transfer of its assets following dissolution, to another association.

At least half the Members must vote in order for binding decisions to be reached at an EGM. Failing this, a new EGM shall be held within three weeks, where decisions may be made without a quorum.

Binding decisions at an EGM may only be reached by majority vote of 70 % of the votes cast.

Article 20 – Dissolution of the Association

In case of voluntary or mandatory dissolution, the Extraordinary General Meeting (EGM) shall decide on the disposal of the assets of the Association. The EGM shall rule on the disposal of net assets, i.e. it designates who shall be the beneficiaries receiving the balance of the assets after all the Association's debts, expenses and liquidation costs have been paid.

The EGM shall appoint one or several Members of the Association as liquidators to manage the liquidation proceedings and such Member/s will be vested with all necessary rights for this purpose.

Drawn up at.....on.....

Signature
The President

Oct 09