

ARTICLES OF ASSOCIATION

of the Association “Asociace golfových hřišť, z.s.”
(hereinafter referred to as the “Articles of Association”)

ARTICLE I

Legal Form, Name and Registered Office of the Association

1.1 Asociace golfových hřišť, z.s. has, as of 1 January 2014, the legal status of an association within the meaning of Section 214 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the “Civil Code”). The Association is a legal entity and may establish other legal entities, merge with other associations or divide into successor associations.

1.2 The name of the Association is Asociace golfových hřišť, z.s. (hereinafter referred to as the “Association”).

1.3 The Association is a voluntary, self-governing, non-political association of natural and legal persons who own or operate golf courses and golf practice areas, driving ranges or, as the case may be, virtual golf practice facilities within the territory of the Czech Republic.

1.4 The registered office of the Association is in Prague.

1.5 The Association may be internally structured into territorial units (“Regional Units”).

1.6 The Association is established for an indefinite period.

ARTICLE II

Purpose of the Association

2.1 The purpose of the Association is to represent and defend the interests of golf entities referred to in paragraph 1.3 in the Czech Republic. The objective of the Association is to support its members in ensuring the conditions for the development of golf, the development and promotion of golf tourism, the provision of services for visitors and clients of golf resorts and facilities. At the same time, the Association, through its members, aims to maintain the quality of the environment in connection with the maintenance and development of golf resorts and also sustainability in the operation of golf resorts.

ARTICLE III

Scope of Activities of the Association

3.1 The activities of the Association are directed towards fulfilling the purpose and objectives described in Article II as a common interest of its members. This purpose is achieved in particular through the following activities:

- a) providing activities and services according to the current needs of the members of the Association on the basis of suggestions and requests from individual regions through elected members of the Presidium, especially, but not exclusively, information, advisory, educational and promotional activities;
- b) representing the members of the Association externally in dealings with public authorities, local governments, as well as other institutions and companies for the purpose of fulfilling its purpose and objectives;
- c) carrying out activities aimed at creating a favourable image and promoting golf to the general public.

ARTICLE IV

Ancillary Activities of the Association

4.1 In view of the fact that the operation of the main activity of the Association pursuant to Article III incurs costs for the Association, the Association may also carry out ancillary economic activities consisting in business or other gainful activities, both for the purpose of supporting the main activities of the Association and for the purpose of managing the assets of the Association.

4.2 The profit from the activities referred to in paragraph 4.1 shall be used by the Association primarily to support the main activities set out in Article III and also to achieve the purpose of the Association and to cover the costs of the administration and operational needs of the Association.

4.3 Under the conditions regulated by the relevant laws and related regulations and these Articles of Association, the Association may establish or participate in commercial corporations or companies.

ARTICLE V

Establishment of Membership

5.1 The Presidium shall decide on the admission of applicants as members of the Association, provided that there is no legal entitlement to admission as a member of the Association and the Presidium is entitled to reject the application without stating reasons.

5.2 The President of the Association is entitled to cancel such a decision and to decide himself/herself if he/she considers it contrary to the interests of the Association.

5.3 Any natural person over the age of 18 or a legal entity which owns or operates:

a) at least one six (6) or more hole golf course meeting the USGA standard for handicap adjustment; and

b) a golf course not meeting the USGA standard for handicap adjustment, a golf practice facility, i.e. driving range, or other golf facilities (such as an indoor golf practice facility, etc.)

may become a member of the Association.

5.4 Membership in the Association shall arise for an applicant if he/she meets the requirements set out in paragraph 5.3 and at the same time meets the following conditions:

a) duly completes and personally signs a written application form for admission as a member, the particulars and form of which shall be determined by the Presidium ("Application Form");

b) delivers the Application Form together with the required attachments to the Presidium of the Association;

c) agrees with the Articles of Association of the Association and undertakes to comply with them unconditionally, identifies with the purpose of the Association and wishes to participate in its fulfilment;

d) pays the admission and membership fees within the period specified in the communication of the Presidium on the obligation to pay the admission and membership fees.

5.5 The Presidium of the Association shall inform the respective applicant for membership of the approval or disapproval of the Application Form in writing or in another form within thirty (30) days from the date of receipt of the Application Form.

5.6 If an applicant who was not admitted wishes to apply for membership in the Association again, he/she may do so no earlier than six (6) months after the disapproval of the previous Application Form.

ARTICLE VI

Termination of Membership

6.1 Membership in the Association shall terminate:

a) by the resignation of the member on the basis of a notice of resignation from the Association, which the member shall deliver in writing to the Presidium. Membership under letter a) shall terminate on the first day of the calendar month following the month in which the notice of resignation of the respective member is delivered to the Presidium of the Association;

b) by expulsion of the member on the basis of a written proposal of the Presidium. Membership under letter b) shall terminate on the day when the resolution on the expulsion of the member is adopted by the General Assembly of the Association. A member may be expelled from the Association in particular if he/she violates the Articles of Association, the conditions of membership or other regulations issued by the Presidium, or causes damage to the good name of the Association or acts against the interests of the Association;

c) by liquidation, dissolution or declaration of bankruptcy if the member is a legal entity;

d) by death if the member is a natural person;

e) by failure to comply with the condition under paragraph 5.3 letters a) and b) (e.g. by losing ownership rights).

6.2 Termination of membership for any reason does not give the member the right to financial or other compensation or to the return of any already paid contributions. Any financial obligations of the member towards the Association remain unaffected by the termination of membership.

ARTICLE VII

Types of Membership

7.1 The Articles of Association distinguish the following types of membership:

7.1.1 Membership of owners and operators of golf courses ("GH Member")

a) A GH Member who simultaneously meets the conditions for admission pursuant to paragraph 5.3 letter a), has paid the admission fee and membership fee according to the membership fee schedule of the Association valid at the time of admission, and regularly pays the annual membership fee.

7.1.2 Membership of owners and operators of golf courses not meeting the USGA standard for handicap adjustment, golf practice facilities, i.e. driving ranges and other golf facilities (such as an indoor golf practice facility, etc.) ("GO Member")

a) A GO Member who simultaneously meets the conditions for admission as a member pursuant to paragraph 5.3 letter b), has paid the admission fee and membership fee according to the membership fee schedule of the Association valid at the time of admission, and regularly pays the annual membership fee.

7.2 The amount of the admission fees, the payment of which, together with the relevant first annual contribution, is one of the necessary conditions for the establishment of membership, and the regular annual contributions for the relevant calendar year shall be determined by resolution of the General Assembly of the Association.

ARTICLE VIII

Rights and Obligations of Members of the Association

8.1 A GH Member has the right to:

- a) participate and vote at meetings of the General Assembly of the Association;
- b) stand as a candidate for the bodies of the Association;
- c) use the services of the Association and participate in events organised by the Association;
- d) use, in all forms of business dealings with the public, a designation indicating membership in the Association;
- e) submit proposals and recommendations for the deliberations of the Association;
- f) be informed about the activities of the Association.

8.2 A GO Member has the right to:

- a) participate and vote at meetings of the General Assembly of the Association;
- b) stand as a candidate for the bodies of the Association;
- c) use the services of the Association and participate in events organised by the Association;
- d) use, in all forms of business dealings with the public, a designation indicating membership in the Association;
- e) submit proposals and recommendations for the deliberations of the Association;

f) be informed about the activities of the Association.

8.3 All members of the Association have, in particular, the following obligations:

a) to comply with decisions adopted by the General Assembly, the President and the Presidium of the Association;

b) to abide by the Articles of Association of the Association and to fully respect the instructions and decisions of the President of the Association and to contribute by their conduct to the good reputation of the Association;

c) to actively participate in the activities of the Association and duly perform the entrusted functions and tasks;

d) to pay membership fees regularly and within the prescribed deadlines;

e) to notify the Association of any change of address for service or other important changes;

f) to act and behave in a manner that is not contrary to applicable legal regulations;

g) not to damage the Association by their actions or to restrict the rights of other members of the Association;

h) to comply with the Code of Ethics of the Association;

i) to contribute to the support fund of the Association.

8.4 A breach of membership obligations means:

a) conduct contrary to good morals and/or conduct contrary to the rules of fair economic competition and/or contrary to adopted codes and/or principles pursuant to paragraph 8.3 letter f);

b) breach of the obligation to comply with the Articles of Association, the decisions of the President, the Presidium and the General Assembly of the Association;

c) failure to pay membership fees collected by the Association in accordance with the Articles of Association, despite a request for payment, or failure to pay them in full.

8.5 Breaches of obligations arising from the Articles of Association or adopted codes may be dealt with by a written warning from the Presidium or, in serious cases, by temporary suspension of membership or expulsion of the member.

8.6 The Presidium shall decide on the temporary suspension of membership and its conditions by resolution. This resolution shall become effective on the day of delivery of a registered letter to the member whose membership is suspended. The President of the Association is entitled to cancel the decision if he/she considers it to be contrary to the interests of the Association.

8.7 A member may, within fifteen (15) days from the date of the resolution on the suspension of membership, request a review, which shall be conducted by the General Assembly of the Association.

8.8 The General Assembly shall decide on the expulsion of a member upon the proposal of the Presidium by resolution. A four-fifths (4/5) majority of the votes of the members present shall be required to adopt the resolution. No appeal may be lodged against the decision on expulsion.

ARTICLE IX

Bodies of the Association

9.1 The bodies of the Association are:

- a) General Assembly
- b) President
- c) Vice-President
- d) Presidium
- e) Auditor

ARTICLE X

General Assembly

10.1 The General Assembly is the supreme body of the Association.

10.2 The General Assembly consists of all members of the Association. A legal entity that is a member of the Association shall be represented at the General Assembly by its statutory body or by an authorised representative.

10.3 Proposals for amendments to the Articles of Association shall be submitted by members of the Association no later than twenty (20) days before the date of the General Assembly. The General Assembly shall not consider proposals submitted after this deadline. The General Assembly shall vote on duly submitted proposals. A resolution on amendments to the Articles of Association shall require at least a two-thirds majority of the votes of the members present.

10.4 A meeting of the General Assembly shall be held at least once (1) a year.

10.5 The General Assembly shall be convened by the Presidium by means of a written invitation sent to members to the email address or data mailbox registered by the President at least thirty (30) days before the date of the meeting of the General Assembly.

10.6 The Presidium shall send the agenda of the General Assembly meeting to the members to the email address or data mailbox registered by the President at least fourteen (14) days before the date of the meeting. The President may do so through bodies established by him/her.

10.7 An extraordinary General Assembly must be convened on the decision of the President, the Presidium, or at the request of members of the Association holding at least one-third (1/3) of all votes.

10.8 Members of the Association must be informed of the extraordinary General Assembly no later than ten (10) days before it is held. The information on the extraordinary General Assembly shall include the reasons for its convening.

10.9 At the General Assembly, each member shall always have one (1) vote.

10.10 The General Assembly shall have a quorum if members holding at least an absolute majority of all votes are present.

10.11 The General Assembly shall decide by resolution by a simple majority of the votes of the members present, unless otherwise provided in these Articles of Association.

10.12 The proceedings and voting of the General Assembly shall be conducted in accordance with the Rules of Procedure of the General Assembly, if adopted.

10.13 Elections of bodies shall be conducted in accordance with the Electoral Rules approved by the General Assembly, if adopted.

10.14 The powers of the General Assembly shall include, in particular:

- a) approving and amending the Articles of Association;
- b) determining the amount of admission and membership fees;
- c) electing and removing the bodies of the Association (unless otherwise provided in these Articles of Association);
- d) approving the budget of the Association;
- e) approving and amending the programme of activities of the Association;
- f) deciding on the dissolution of the Association, including the settlement of property;
- g) reviewing the suspension of membership by the Presidium, if requested by the member pursuant to paragraph 8.7 of these Articles of Association;

h) deciding, on the proposal of the Presidium, on the expulsion of a member pursuant to paragraph 8.8 of these Articles of Association.

ARTICLE XI

President

11.1 The President may be a natural person over the age of 18 who has full legal capacity, is of good character, and is nominated by a member of the Association.

11.2 The President is the statutory body of the Association.

11.3 The President shall sign on behalf of the Association by appending his/her signature to its written or printed name.

11.4 The President is elected by the General Assembly of the Association.

11.5 The term of office of the President shall be four (4) years.

11.6 The office of President shall terminate:

a) upon the expiry of the term of office;

b) by removal of the President, with the removal of the President being decided by the General Assembly. A four-fifths (4/5) majority of the votes of all members is required to adopt the decision on removal;

c) upon death;

d) by resignation from office based on a written notice delivered to the Executive Secretariat and effective upon delivery, or on a later date specified in the notice.

11.7 In the event of resignation pursuant to paragraph 11.6 letter d) or removal pursuant to paragraph 11.6 letter b), the Vice-President shall automatically assume the President's office until the end of the relevant term for which the President was elected.

11.8 The Presidium shall be obliged to convene an extraordinary General Assembly no later than ten (10) days from the date on which it learned of the termination of the President's office pursuant to paragraph 11.6 letters a), b), c) or d).

11.9 The powers of the President shall include, in particular:

a) deciding on all matters concerning the management and activities of the Association which are not within the competence of the General Assembly;

- b) representing the Association in all legal acts and dealings externally; the President shall act on behalf of the Association externally on his/her own;
- c) carrying out activities that do not fall within the exclusive competence of the General Assembly;
- d) annulling decisions of the Presidium concerning the membership of members in the Association pursuant to ARTICLE V and ARTICLE VIII;
- e) controlling and managing the activities of the bodies of the Association;
- f) proper keeping of the accounting records of the Association;
- g) establishing advisory bodies or, where applicable, working committees or other bodies at the level of Regional Units.

11.10 The President shall establish, within the approved budget, an Executive Secretariat, the task of which is to handle the operational matters of the Association.

ARTICLE XII

Vice-President

12.1 The Vice-President may be a natural person over the age of 18 who has full legal capacity, is of good character, and is a member of the Association.

12.2 The Vice-President shall be appointed by the President from among the members of the Presidium.

12.3 If the President is unable to perform his/her duties for a period longer than one (1) month, the Vice-President shall automatically assume his/her responsibilities.

ARTICLE XIII

Presidium

13.1 A member of the Presidium may be a natural person over the age of 18 who has full legal capacity, is of good character, and is a member of the Association.

13.2 The term of office of a member of the Presidium shall be four (4) years.

13.3 The Presidium is an advisory body of the Association.

13.4 The Presidium must always have an odd number of members, but at least three (3) and a maximum of seven (7).

13.5 The President, who chairs it, and the Vice-President appointed from among the members of the Presidium by the President, shall automatically be members of the Presidium.

13.6 The members of the Presidium shall be representatives elected at the level of the Regional Units of the Association, who shall be elected as follows:

a) The Regional Unit from which the President comes shall not elect a member of the Presidium.

b) Only those members who own or operate a golf course pursuant to paragraph 5.1 letters a), b) or b) in the relevant Regional Unit may vote on the election of a member of the Presidium of the relevant Regional Unit.

13.7 If a member of the Presidium dies, resigns or is removed during his/her term of office, the remaining members of the Presidium may co-opt his/her successor from among the members of the Association in the relevant Regional Unit, but only until the end of the term of office of the respective member of the Presidium according to the first sentence of this paragraph.

13.8 If the number of members of the Presidium falls below three (3), the remaining members of the Presidium shall be obliged to convene an extraordinary General Assembly for the purpose of electing the unfilled positions of the members of the Presidium.

13.9 The Presidium shall discuss the current activities of the Association between the meetings of the General Assembly, at least once every three (3) months. Meetings of the Presidium may be held in person and/or by means of online conferences.

13.10 The Presidium shall have a quorum if more than half of the members of the Presidium are present.

13.11 The Presidium shall decide in all cases by a simple majority of votes unless these Articles of Association or the law require a higher number of votes.

13.12 The Presidium shall draw up minutes of each meeting and proposals for measures, which it shall submit to the President.

13.13 The Presidium shall prepare once (1) a year an annual report on its activities, which it shall submit to the General Assembly for approval.

13.14 The powers of the Presidium shall include, in particular:

a) carrying out activities that do not fall within the exclusive competence of the General Assembly or the President;

b) promoting the Association, communicating with members, donors and other stakeholders;

- c) convening the General Assembly or an extraordinary General Assembly and organising its proceedings;
- d) proposing the agenda of the General Assembly and the extraordinary General Assembly;
- e) proposing and approving internal regulations of the Association;
- f) preparing the budget of the Association and proposing changes to the budget of the Association;
- g) receiving applications for membership and deciding on these matters;
- h) deciding on the suspension of membership;
- i) submitting proposals for the removal of the Auditor;
- j) submitting proposals for the expulsion of a member.

ARTICLE XIV

Auditor

14.1 The controlling body of the Association is the Auditor.

14.2 The Auditor may be a natural person over the age of 18 who has full legal capacity, is of good character, and is nominated by a member of the Association.

14.3 The Auditor is elected by the General Assembly of the Association.

14.4 The Auditor is responsible to the General Assembly for his/her activities.

14.5 The Auditor shall perform audit activities within the Association in accordance with the relevant generally binding legal regulations.

14.6 The Auditor shall prepare once (1) a year a report on the management of the Association, which he/she shall submit to the General Assembly for approval.

14.7 The Auditor may participate in meetings of the General Assembly of the Association.

14.8 The Auditor may not be simultaneously a member of the Presidium.

14.9 The term of office of the Auditor shall be four (4) years.

14.10 The Auditor may be elected to office repeatedly.

14.11 The office of Auditor shall terminate:

- a) upon death;
- b) upon expiry of the term of office;
- c) by resignation from office;
- d) by removal from office, with the removal of the Auditor being decided by the General Assembly by a four-fifths (4/5) majority of the votes of the members present, on the proposal of the Presidium.

14.12 In the event of termination of office pursuant to paragraph 14.11 letters a), b), c) or d), the Presidium shall convene an extraordinary General Assembly no later than thirty (30) days from the date on which it became aware of the termination of the office of the respective Auditor.

ARTICLE XV

Management of the Association

15.1 The Association manages its affairs as a legal entity with separate legal capacity.

15.2 The sources of income of the Association are, in particular:

- a) admission fees and annual contributions from members of the Association;
- b) income from events organised by the Association;
- c) subsidies, donations, grants, bequests and other contributions;
- d) other income as referred to in letter c).

15.3 The financial resources obtained shall be used by the Association primarily to fulfil its purpose as set out in ARTICLE II of these Articles of Association and to cover the administrative and operational expenses of the Association.

15.4 The Association shall manage its assets in accordance with the relevant generally binding regulations and the approved budget.

15.5 The Association shall keep proper accounting records in accordance with the provisions of the Civil Code and Act No. 563/1991 Coll., on Accounting, as amended.

15.6 The financial and accounting period shall be the calendar year.

ARTICLE XVI

Dissolution of the Association

16.1 The Association shall be dissolved:

- a) if the General Assembly decides on the voluntary dissolution of the Association. In such a case, the President shall settle all liabilities, and the non-monetary assets of the Association shall be liquidated and, together with the cash balance in the accounts and in the cash register, distributed among the members of the Association so that each member receives a share corresponding to the proportion of the contributions paid by him/her to the total sum of all contributions paid;
- b) by decision of the General Assembly on the merger of the Association with another association. In such a situation, no property settlement shall be carried out, and the assets recorded in the accounting records of the Association shall be transferred, as part of the merger, to the association with which the Association is merging;
- c) at the moment when, due to the resignation or expulsion of members, the number of members of the Association falls below three (3);
- d) for other reasons pursuant to generally binding legal regulations.

ARTICLE XVII

Final Provisions

These Articles of Association were approved at the General Assembly of the Association on 21 March 2025 and came into force on the date of their approval.