STATUTES OF THE WORLD PUZZLE FEDERATION

Because the WPF has its statutory seat in Amsterdam, the statutes are based on Dutch law and are written in Dutch. The text presented here is a translation into English.

Initial statutes were approved upon unanimously by the General Assembly in Budapest on October 6-8, 1999.

This version of statutes was approved by General Assembly on [to be completed]

In complement to these WPF Statutes, WPF is also governed by documents providing more details on the way WPF official bodies function. Contrary to the Statutes, which require a 2/3 majority vote in General Assembly (see below article 27.1) for any change, these additional governance documents can be modified by a simple vote in General Assembly.

GENERAL (ART. 1-7)

- **The name of the federation**

1 The federation is known as World Puzzle Federation; abbreviated as: WPF.

- **Seat of the federation**

2 The federation has its seat in Amsterdam.

- **The time for which the federation is formed**

3 The federation is formed for an indefinite period.

- **The object of the federation**

4 The object of the federation is:

a. to develop the practice of puzzles worldwide, by increasing numbers of puzzle solvers and increasing number of countries these solvers live in;

b. to establish an environment helping such a development, including common rules for puzzles, protection of authors rights, communication platforms;

c. in particular, to organize events, to co-organize events such as the World Sudoku Championships (WSC) and World Puzzle Championships (WPC), and to help members organize events following internationally recognized guidelines;

d. to provide means for an international exchange of puzzle ideas and to stimulate innovations in the field of puzzles;

e. to foster friendship among puzzle fans world-wide.

- **The funds of the federation**

5 The funds of the federation comprise:

a members' contributions;

b income from capital;

c the profits gained from events organized or co-organized by the federation;

d subsidies, donations, property acquired by testamentary succession and legacies;

e other possible revenues.

- **The association year**

6 The association year is the same as the calendar year.

STRUCTURE (ART. 7)

7.1 The official bodies of the WPF are:

General Assembly (the WPF's main decision-making body);

Board;

Director;

Committees (as named by the General Assembly).

MEMBERSHIP (ART. 8-15)

8.1 Only legal entities – including those formed according to foreign law – can be representative members of the federation. With the exception of article 8.2, the term 'member' in these statutes always refers to a representative member that is a legal body as described in this article.

8.2 An individual can be a personal member under the conditions described in WPF additional governance documents. With the exception of this article, the term 'member' in these statutes always refers to a representative member that is a legal body as described in article 8.1.

8.3 Only one legal entity per country can be a WPF member. The WPF will follow International Olympic Committee guidelines in deciding which countries are eligible to have a legal entity admitted to membership.

8.4 Processes to deal with exceptions to article 8.3 and with possible disputes between different legal entities of a same country are defined in WPF additional governance documents.

- **Membership application**

9.1 The legal entity wishing to join the federation must apply in writing to the federation Board.

9.2 The Board decides on the admittance of a member within four weeks after the application.

9.3 If the Board decides not to admit a legal entity as member, it must give the rejected party written notification of the reasons within four weeks after the Board's decision.

9.4 If the Board admits a new member, this admittance becomes effective at the beginning of the next calendar year. If the new member prefers, and if the Board agrees, admittance can become effective at the beginning of the next month; in this case, annual contribution will be paid pro rata temporis.

- **Obligations and rights of the members**

10.1 The members must pay a contribution each year; the General Assembly determines each year how much this contribution will be.

10.2 The members must meet the stipulations of the articles and rules, the decisions of the Board and the General Assembly.

10.3 The members must promote the interests of the federation in their own country.

10.4 All members are entitled to attend and to speak at the General assemblies of the federation.

- **Termination of membership**

11 Membership terminates:

a when terminated by a member;

b when terminated by the Board on behalf of the federation;

c with removal from membership by the General Assembly;

d with the bankruptcy or liquidation of the member.

- **On termination by the member**

12 If a member wishes to terminate its membership, it must give the federation written notice of the same at least thirty days before the end of the association year; in that case, membership will last until the start of the new association year.

- **On termination of membership by the federation**

13.1 The federation can terminate a membership if the member fails to pay its contribution, fails to meet other obligations to the federation or if, for whatever reason, the federation cannot reasonably be expected to allow the membership to continue.

13.2 Termination of the membership on behalf of the federation is done by the Board; the Board must give the member written notice of the same, stating the reasons for the termination. The member can appeal the decision within 14 days, explaining its reasons for appeal. The Board then has 14 additional days to answer and either confirm or cancel its decision. Termination is in effect at the end of the appeals process.

- **On removal from membership by the General Assembly**

14.1 The General Assembly can decide to remove a member from membership; it can take such a decision only if the member acts in conflict with the articles, rules or decisions of the federation or if the member unreasonably injures the federation.

14.2 Immediately after the General Assembly has taken such a decision, the Board gives the member written notice of the same, stating the reasons for the removal. The member can appeal the decision within 14 days, explaining its reasons for appeal. The Board then has 14 additional days to answer and either confirm or cancel the decision on behalf of the General Assembly. Removal is in effect at the end of the appeals process.

- **On temporary suspension from membership**

15.1 Temporary suspension is defined as a temporary loss of rights and obligations, due to specific issue needing to be solved, with no end-date pre-determined.

15.2 Suspension of membership can be decided by the Board, and takes effect immediately. All member rights are suspended.

15.3 End of suspension can be decided by Board at any moment, with member thus recovering its full rights.

15.4 If suspension lasts eighteen months, the suspension is reviewed by the Board. This review will result in a decision on one of three options: terminate membership, end suspension, or prolong suspension. Prolonged suspension will need to be reviewed if it lasts eighteen months.

BOARD (ART. 16-20)

- **On the federation Board**

16.1 The federation has a Board comprising at least three natural persons, but even if the number of Board members is less than three, the Board continues to be authorized.

Any change in the number of persons at the Board has to be decided in General Assembly.

16.2 The General Assembly selects the Board members on the recommendation of the members; each member of the federation can nominate a candidate; such a recommendation must take place in writing at least fourteen days before the General Assembly; the nominated candidate must have stated his or her willingness to stand in writing before then.

16.3 The Board itself decides which of its members will be chairman, secretary and treasurer; the chairman cannot hold any other Board position.

16.4 The Board members are not paid.

- **On suspending and dismissing Board members**

17.1 The General Assembly can at any time suspend or dismiss Board members.

17.2 If the suspension of a Board member is not followed by dismissal within three months, the suspension is terminated.

- **On the duration and termination of the Board membership**

18.1 The General Assembly appoints the members of the Board for a period of three years; after the expiration of a term, a member is immediately re-electable.

18.2 Board membership terminates:

a with the termination of the period for which the Board member was appointed;

b with dismissal by the General Assembly;

c with the resignation of the Board member.

- **On convening and decision-making by the Board**

19.1 The Board convenes as often as the chairman or two other Board members wish, but at least once a year. Board meeting notification should be sent at least eight days in advance, unless 60% of Board members agree to reduce notification, though not to less than 48 hours.

19.2 A Board member can be represented at a Board meeting by another Board member or by the Director. This will have to be indicated at least three days before the meeting. In case of shortened delay as described in article 19.1, the representing person should be indicated at least 24 hours in advance.

19.3 The Board can take decisions only if a majority of the Board members is present or represented.

19.4 The Board takes its decisions based on a simple majority vote.

19.5 If the votes are equally divided, the chairman reopens the discussion; if the votes are equally divided again, the chairman decides.

19.6 The Board must take minutes of all its meetings. These minutes must be sent to the Board within thirty days, and adopted no later than during the following Board meeting.

- **Restricting the powers of the Board**

20.1 Without the consent of the General Assembly, the Board cannot enter into agreements concerning the purchase, alienation or objections to registered properties, conclude agreements whereby the federation binds itself as surety or principal joint debtor, support a third party or obligate

itself to providing security for the debts of another or whereby the association provides or receives monies in loan.

20.2 On the following decisions, the Board can make proposals, but a vote in General Assembly is required:

- Change in Statutes (requiring a 2/3 majority vote in General Assembly);

- Change in additional governance documents;

- Expenses not planned in budget and representing over a certain % of annual budget; this % is set at 10% but modifiable by General Assembly;

- Expenses planned in budget but with a difference between planned cost and actual cost exceeding a certain % of annual budget; this % is set at 10% but modifiable by General Assembly;

- Major partnership with any entity that may be detrimental to several members in terms of image or financially.

This list above must not be understood as the complete list of decisions that the General Assembly can vote on.

Governing documents outside statutes may define additional decisions that the Board cannot take, beyond the five ones listed above.

GENERAL ASSEMBLY (ART. 21-23)

- **On convening for a General Assembly of the members of the federation**

21.1 The Board convenes the members for a General Assembly as often as it sees fit but at least once a year.

21.2 Notice for each General Assembly must be given in writing at least twenty-eight days prior to the General Assembly (not counting the day of notice or the first day of the meeting); the Board must include the agenda with the invitation.

21.3 The agenda of a General Assembly will be prepared by the Director and determined by the Board. The invitation can be sent either by the Director or by any Board member.

21.4 Each member has a right to put forward an agenda point for a General Assembly; but this can only take place if the member has presented the topics in writing to the secretary of the Board 21 days prior to the General Assembly. In this case, an updated agenda will be sent to the members.

21.5 If requested by at least one third of the members, the Board must convene a General Assembly; the members must do this in writing, stating the reasons for the General Assembly; the Board must convene such a General Assembly within twenty-eight days after that request; if the Board fails to meet this request within the set period, the applicants themselves can convene the General Assembly in the way stated in this article; if necessary, the General Assembly will provide its own chairman and make its own minutes of the General Assembly.

- **On attending General Assembly and specific roles and responsibilities**

22.1 Each member will indicate to the Board a permanent representative. This member representative can be changed by a written message to the Board at any time, except in the last two days before a General Assembly.

22.2 Each member can be represented in General Assembly by its member representative as well as by up to two other persons, as long as these other persons have been indicated to the Board at least 2 days before the General Assembly.

22.3 Each person attending General Assembly can do so either in person or remotely. For this reason, invitation to General Assembly will include details on how to attend remotely.

22.4 The chairman and secretary of the Board also act as chairman and secretary of the General Assembly; if the chairman or secretary is absent, one of the other Board members acts as chairman or secretary; if no chairman or secretary can be found in this way, the General Assembly will name a person to fill the position.

22.5 Under the supervision of the General Assembly secretary, General Assembly will start with the identification of all persons attending and the member they represent, or their position as Board member or Director.

22.6 The chairman of the General Assembly must ensure that the minutes of the General Assembly are transcribed. The minutes must be forwarded to the members within 30 days after the meeting. The members have fourteen days to make comments; final version of minutes are then sent and must be approved by a vote in written form within the following seven days.

- **On voting and quorum during the General assemblies**

23.1 Only members have the right to vote. Each member will have one vote in General Assembly.

23.2 Board members, who are individuals and not members of the WPF, are not entitled to vote at General Assembly, unless they are also the representatives of a member-country.

23.3 If these articles do not stipulate otherwise, the General Assembly bases its decisions on a simple majority vote.

23.4 A special General Assembly (as described in article 21.5) can take decisions only if a majority of members is present or represented.

23.5 On matters involving individuals, the General Assembly must vote by ballot, but if none of the members objects, the vote may also be done orally.

23.6 On matters involving individuals, other than elections, if the votes are equally divided, there will be a second ballot; if the votes are equally divided again, the proposal is dismissed.

23.7 Elections are decided by absolute majority vote; if no candidate receives an absolute majority, the candidate with the least vote is eliminated, and a new ballot is held between the remaining candidates. If needed, this process is repeated until a candidate obtains absolute majority.
If the votes are equally divided, the Chairman of the Board has the right to break the tie, or to re-schedule the vote to another date.

23.8 The General Assembly votes orally on matters of business unless the Board or the General Assembly wishes to vote by ballot.

23.9 If the votes are equally divided on matters of business, the proposal is dismissed.

23.10 Abstentions and invalid votes are not included in the decision-making process.

23.11 All votes by ballot must be made by means of unsigned, closed slips.

As some members may not be represented at the General Assembly in person, an online voting system will be set up. The system used will be indicated to members fourteen days prior General Assembly.

23.12 During General Assembly, on any matter at the agenda and discussed in General Assembly, the Board can propose not to vote immediately, but to vote in written form within the following seven days. This decision to move vote to written form must be approved by General Assembly.

DIRECTOR (ART. 24)

24.1 Director is in charge of day to day management of WPF. This includes (though is not limited to) managing WPF accounts, preparing Board meetings and General Assemblies, and coordinating work undertaken by members to help achieve WPF objectives.

24.2 Director is allowed by the Board, directly and without explicit Board consent on each occasion:

- To provide information to members regarding WPF activity;

- To manage financial accounts, in particular to incur expenses in so far as (a) they have been previously approved in principle in budget or by the Board, and (b) do not exceed a % of annual budget set by the Board; these amounts allowed by the Board to Director should in no situation whatsoever exceed the amounts allowed by General Assembly to the Board.

24.3 Director reports to the Board on all activities, on a monthly basis at least.

24.4 Director is a paid position.

24.5 Director is hired by the Board. However, the Board should inform members at each key stage of the hiring process: initiation, short list of potential hires defined, final candidate identified. At each stage, the Board should synthesize all comments formulated by members within ten days, and send to all members this synthesis with Board comments.

24.6 Terminating contract of Director is a Board decision. However, the Board should inform members of this decision. The Board should synthesize all comments formulated by members within ten days, and send to all members this synthesis with Board comments. The Board can then proceed with actual termination. Between the dates of information to members and actual termination, the Board may decide to suspend the Director without pay.

ANNUAL REPORT (ART. 25)

- **On the annual report and accounts**

25.1 At least once a year, in General Assembly, the following will at the least be dealt with:

a the annual report and accounts for previous year;

b the report of the financial audit committee and the appointment of a new financial audit committee;

c update on current year financial situation and full-year projection;

d budget for the next year;

e the filling of any vacancies;

f the setting of the annual membership fee.

25.2 The annual report and accounts must contain: the Board's annual report, the financial balance, an overview of revenues and expenditure and an explanation of the annual report and accounts.

25.3 Financial audit committee is internal to WPF: it is composed of persons designated by the General Assembly. The number of persons in financial audit committee, and the way they are chosen, is described in additional governance documents.

These persons must receive the preliminary annual report and accounts 30 days before convocation of General Assembly, and must submit to Board a first draft of their report, along with questions within 30 days after receiving material. There will hence be 14 days for discussion between Board and financial audit committee, following which final

versions of annual report, accounts and committee report will be sent to General Assembly.

25.4 The treasurer renders an account of his or her financial management, including explanation of the annual report and accounts (as described in 25.2) and perspective on current year and budget for following year; if the General Assembly has adopted the annual report and accounts, the treasurer is discharged.

REPRESENTATION (ART. 26)

- **On the representation of the federation**

26.1 The Board represents the federation, but two Board members acting jointly can also represent the federation.

26.2 The Director can also represent the federation to operate bank accounts and interact with the chamber of commerce. Amounts for operations on bank accounts are limited as defined in Article 24.2.

AMENDMENTS (ART. 27)

- **On amendments to the articles and dissolution of the federation**

27.1 The General Assembly can decide to amend these articles or to dissolve the federation by a two-thirds majority vote; it can take such a decision only in a General Assembly at which the majority of its members are present or represented. Temporarily suspended members are not counted as members when determining the thresholds mentioned in this article.

27.2 Such a General Assembly must be convened by the Board at least twenty-eight days in advance with the notification of which articles amendments will propose a change on, or dissolution of the federation.

27.3 The Board must forward the text of any proposed amendments to the articles to the members at least fourteen days prior to the General Assembly.

LIQUIDATION (ART. 28)

- **On the liquidation of the capital of the federation**

28.1 After the decision to dissolve the federation as liquidator, the Board must liquidate the capital of the federation unless the General Assembly has appointed another party to do so.

28.2 Liquidation must take place taking consideration of the requirements laid down in 2:23 of the Dutch Civil Code.

28.3 Should there be any liquidation surplus after the liquidation, the General Assembly must designate a purpose that tallies as far as possible with the goal of the federation.

28.4 Once liquidation has taken place, the annual report and accounts and other documents of the dissolved federation must be retained for at least ten years by the individual appointed for this purpose by the General Assembly; within eight days after liquidation, the keeper of the documents must report this obligation to the commercial register of the Chamber of Commerce in Amsterdam.