

ARTICLES

OF

SALÓN DE TANGO CLUB (VEREIN)

Dated as of 26 April 2007

§ 1 NAME, DOMICILE AND TERM

- (a) A Verein pursuant to articles 60 et seq. of the Swiss Civil Code is hereby established with domicile in Basel, Switzerland, under the name of Salón de Tango Club (Verein) (“SdTC”). The Verein is governed by these Articles, by Supplemental Regulations enacted according to these Articles and by the applicable provisions of the Swiss Civil Code.
- (b) The Verein is established for an indefinite term unless it is dissolved in accordance with the provisions of these Articles.

§ 2 PURPOSES AND NON-PROFIT STATUS

The purposes of the Verein shall be:

- (a) to promote the culture of Argentine Tango in Switzerland, England, and Germany;
- (b) to organise tango events, such as dance evenings (milongas), to give members of the public an opportunity to dance Argentine Tango;
- (c) to organise classes and workshops for Argentine Tango to enable members of the public to learn how to dance Argentine Tango.

The Verein shall be run as a non-profit making organisation; all its income shall be invested in the Verein and its activities.

§ 3 MEMBERS OF THE VEREIN

- (a) The Members of the Verein comprise the Founding Members listed in Schedule 1 and any other Person admitted as a Member pursuant to the provisions of these Articles, provided they have neither terminated their membership nor had their membership terminated according to § 8 below.
- (b) Requests for admission as a member shall be addressed to the President. The Committee decides upon such requests in accordance with § 7 below.
- (c) The President holds a current list of all Members of the Verein. Any Member can request a copy of this list in writing.
- (d) Members are entitled to free entry to and participation in all activities of the Verein.
- (e) Membership terminates according to § 8 below.

§ 4 GENERAL ASSEMBLY

4.1. President

The President shall be appointed by the General Assembly. The President shall:

- (a) preside at all General Assemblies;

- (b) determine the date, time and place of General Assemblies; and
- (c) be responsible for sending notices for General Assemblies and other announcements to the Members.

4.2. Meetings

- (a) The annual ordinary General Assembly (“Ordinary General Assembly”) shall be held no later than six months following the close of each Financial Year.
- (b) Extraordinary General Assemblies (“Extraordinary General Assemblies”) may be called by the President acting alone. Moreover, Extraordinary General Assemblies shall be called by the President if so requested in writing:
 - (i) by one or more Members entitled to cast at least one tenth of the total number of votes; or
 - (ii) by a three-quarters majority of the Committee.

Any such request must state in detail the matters to be addressed at the meeting. The President shall be obliged to convene an Extraordinary General Assembly within four weeks following receipt of such a request.

4.3. Notice and papers

- (a) Each Member shall be given at least thirty days’ and not more than ninety days’ notice of any Ordinary or Extraordinary General Assembly. Notices to attend General Assemblies shall be given by registered mail or regular letter or by facsimile or by electronic mail.
- (b) The papers for a General Assembly shall be circulated to all Members not less than 14 days before the date fixed for the General Assembly.

4.4. Powers

The General Assembly shall:

- (a) elect the President and members of the Committee, duly considering any proposals made by the Members;
- (b) approve amendments to these Articles;
- (c) approve the annual balance sheet and profit and loss statement;
- (d) elect the auditors if applicable according to § 6.3 below;
- (e) dismiss members of the Committee, provided there is important cause, which shall be concluded only after due deliberation;
- (f) hear an appeal made by a Member pursuant to § 8.2 below, and confirm or overturn the decision of the Committee in respect of expulsion of a Member; and
- (g) have the mandatory powers specified in the applicable provisions of the Swiss Civil Code.

4.5. Voting

Each Member has one vote.

4.6. Minutes

The affairs transacted at General Assemblies shall be recorded in minutes and shall be confirmed by the signatures of the President and a secretary designated for such purpose by the President. Such minutes shall be approved at the next meeting of the Committee.

§ 5 COMMITTEE

5.1. Composition

- (a) The Committee shall comprise at least 2 and not more than 5 members (“Directors”).
- (b) The initial composition of the Committee is set forth in Schedule 3 hereof.

5.2. President

The President shall be the President of the General Assembly and preside at all the meetings of the Committee.

The President or another Director appointed by the Committee shall:

- (a) be responsible for sending notices for meetings of the Committee; and
- (b) perform such other duties and have such other powers as the Committee may from time to time prescribe.

5.3. Meetings

The Committee shall meet at least once a year as and when and in such location as it shall determine.

5.4. Notice and papers

- (a) Each Director shall be given at least thirty days’ and not more than ninety days’ notice of Board Meetings. Notices to attend Board Meetings shall be given by registered mail or regular letter or by facsimile or by electronic mail.
- (b) The papers for a Board Meeting shall be circulated to all Directors not less than 14 days before the date fixed for the Meeting.

5.5. Powers

- (a) The affairs of the Verein shall be managed by or under the direction of the Committee. Other than the rights and powers expressly reserved to the General Assembly, and except as provided by these Articles or the Swiss Civil Code, the Board shall have the full discretion to manage the affairs of the Verein and to take such actions as it deems necessary or appropriate to accomplish the purposes of the Verein as set forth herein. In particular, the Committee shall:
 - (i) admit Members to the Verein;

- (ii) approve the terms of withdrawal or expulsion of Members, subject to an appeal to the General Assembly;
 - (iii) approve all major Verein programmes or strategies;
 - (iv) approve the annual budget and expense contributions, provided the maximum yearly contribution of each Member shall be the sum or equivalent of CHF 100.-;
 - (v) adopt and amend Supplemental Regulations according to these Articles.
- (b) The President and any additional members of the Committee or other officers of the Verein who are so specified by the Board shall be authorised by joint signature to act on behalf of the Verein. The Committee may regulate and confer signatory power to one or more designees, acting jointly.
- (c) The Committee may:
- (i) create such committees, offices and positions as it shall deem appropriate; and
 - (ii) delegate such of its responsibilities and powers in whole or in part to the President, or such other committees, officials or appointees as the Committee may determine.

5.6. Voting

Each member of the Committee has one vote.

5.7. Minutes

The affairs transacted at Board Meetings shall be recorded in minutes and shall be confirmed by the signatures of the President and a secretary designated for such purpose by the President. Such minutes shall be approved at the next meeting of the Committee.

§ 6 FINANCIAL MATTERS, AUDITORS, AND EXCLUSION OF LIABILITY

6.1. Budget and Expense Contributions

- (a) The Verein budget for each Financial Year shall be as approved by the Committee.
- (b) Each Member shall contribute towards the budgeted operating expenses of the Verein for each Financial Year in such amount as determined by the Committee at the beginning of each Financial Year. The amount allocated to each Member shall be based upon the estimated aggregate turnover. It shall not exceed the sum or the equivalent of CHF 100.- per year.
- (c) The financial means of the Verein consist of the Members' contributions (if any), revenues from tango events and donations.

6.2. Exclusion of Personal Liability

The liabilities and obligations of the Verein may be enforced solely against its own assets only, and no Member and no member of the Committee shall have any personal liability for any liabilities or obligations of the Verein.

6.3. Auditors

- (a) The General Assembly may decide to appoint auditors for a term of four years.
- (b) If auditors are appointed they shall review each year the annual balance sheet and profit and loss statement of the Verein and submit to the General Assembly their respective report.

§ 7 ADMISSION OF NEW MEMBERS

7.1. Eligibility

The Committee may, in accordance with such principles and procedures as it may determine from time to time, admit new Members by a majority of three-quarters.

7.2. Effective Date

Any person approved for admission to the Verein shall execute and deliver to the President a signed Declaration of Acceptance of these Articles and Supplemental Regulations, and such other documents as the Committee may require in the application for membership. Additionally, such contribution (if any) fixed by the Committee has to be paid to the Verein. Admission shall become effective on the date of delivery of such instruments or on such other date as may be determined by the Committee.

§ 8 TERMINATION OF MEMBERSHIP

8.1. Voluntary Withdrawal

A Member may voluntarily withdraw from the Verein, as of the end of March, June, September and December, provided notice of withdrawal is given to the Committee at least one month prior to the respective date. Founding Members may withdraw within one week of the Founders' meeting; their withdrawal shall be effective immediately.

8.2. Expulsion

A Member may be expelled from the Verein by affirmative vote of all members of the Committee save for the vote of the Member concerned according to these Articles, and the applicable provisions of the Swiss Civil Code.

The Member shall at his or her request be afforded an opportunity for a hearing before the General Assembly (such request to be made within 30 days of said Member being notified of an affirmative vote of the Committee). Unless overturned by a vote of the General Assembly, expulsion shall be effective from the date specified in the notice of expulsion delivered to the Member.

§ 9 DISSOLUTION

9.1. By Resolution

A dissolution of the Verein shall occur if a resolution to that effect is adopted by the General Assembly.

9.2. Distributions

Upon dissolution of the Verein, any liquidation proceeds shall be applied in the following order:

- (a) payment or discharge of all liabilities of the Verein, including any unpaid principal of and accrued interest on any loans and advances made by the Members to the Verein; and
- (b) payment of any remaining balance to an organisation which furthers similar purposes to those of the Verein.

§ 10 PROCEDURAL MATTERS

Unless otherwise provided, the following procedural rules shall apply:

10.1. Waiver of Notice

Any person may waive a notice of meeting by signing a written waiver of notice at any time or by attending the meeting for which notice was given.

10.2. Holding Meetings

Meetings may be held by conference telephone, video-telephone or any other method of communication by means of which all participants in the meeting are able to hear one another.

10.3. Circular Resolutions

Action required or permitted to be taken at a meeting may be taken by means of a written resolution setting forth the action to be taken, if the resolution is:

- (a) circulated to all persons entitled to vote at the meeting; and
- (b) approved by the number of persons whose votes would be sufficient to effect such action at the meeting.

10.4. Term of Office

The President and the persons serving on the Committee shall hold office for a term of four years.

10.5. Automatic Termination of Office

Any person serving as a Representative, or otherwise as an officer or member of a body of the Verein, shall automatically cease to be such in the event that the Member withdraws from the Verein.

10.6. **Removal from Office**

The Committee shall have the power to remove any officer or employee of the Verein it has appointed. All others holding positions with the Verein, including persons serving on the Committee, may be removed by the General Assembly. The Committee may also remove a person serving on it by the unanimous vote of those voting, save that the vote of the person affected shall not be counted.

10.7. **Replacement of the Members of the Committee**

Should a person for any reason cease to be a member of the Committee, any such vacancy shall be filled at the earliest opportunity according to the applicable provisions of these Articles.

§ 11 **GOVERNING LAW**

In view of the diverse locations of the Verein's activities and in order to provide for consistent interpretation and enforcement of these Articles and the other agreements and instruments referred to herein, the Members agree that the laws of Switzerland will govern these Articles, Supplemental Regulations and other obligations undertaken in connection with the membership in the Verein.

§ 12 **DEFINITIONS**

Unless the context otherwise requires, the terms defined in this § 14 shall, for the purposes of these Articles, have the meanings herein specified.

“**Articles**” shall mean these Articles, as amended, modified, supplemented or restated from time to time.

“**Committee**” shall mean the Committee of the Verein established pursuant to § 5.1 hereof.

“**President**” shall have the meaning set forth in § 4.2 hereof.

“**Financial Year**” shall mean the twelve month period ending 31 December of each year or any such other period as determined by the Committee.

“**General Assembly**” shall have the meaning set forth in § 4 hereof.

“**Founding Member**” shall mean each of the Members set forth in Schedule 1 hereof. “**Member**” shall have the meaning set forth in § 2 hereof.

“**Person**” shall mean any individual, corporation, association, partnership (general or limited), joint venture, trust, joint stock company, estate, limited liability company, unincorporated organisation or other legal entity or organisation.

“**Supplemental Regulations**” shall mean regulations provided for and enacted according to the provisions of these Articles, a current schedule of which is to be maintained by the President and produced to any Member on request.

“**Verein**” or “**SdTC**” shall mean Salón de Tango Club (Verein), a Swiss Verein formed under and pursuant to the Swiss Civil Code and these Articles, having its registered office in Basel/Switzerland.

§ 13 GENERAL PROVISIONS

The following provisions shall apply to these Articles, Supplemental Regulations and other obligations undertaken in connection with membership in the Verein:

13.1. Amendments

Amendments to these Articles, including amendments to the purposes of the Verein, may be made by resolution adopted by the General Assembly with the majority according to the rules of the applicable Swiss law.

13.2. Severability

If any provision is invalidated for any reason whatsoever, the instrument in which that provision is contained shall remain binding and in full force and effect except for such invalidated provision. If any injustice shall result therefrom, the parties involved shall negotiate in good faith to provide adjustments to ameliorate the effects of such injustice.

13.3. Waiver

No waiver of any breach, or of any objection to any act or omission connected therewith, shall be implied or claimed by the Verein or any Member, or be deemed to constitute a consent to any continuation of such breach, act or omission, unless contained in a written notice signed by the party against whom enforcement of such waiver or consent is sought.

13.4. Notices

All notices, requests and other communications required or permitted to be given shall be adequate if in writing sent by electronic mail, facsimile or any other form of written communication. Notices to Members shall be sent to the addresses or facsimile number, respectively most recently furnished to the President. Notifications and announcements by Members to the President or the Committee shall be sent to the offices or facsimile numbers most recently furnished by the President and to the address or facsimile numbers of the Verein.

13.5. Language and Counterparts

Documents, including these Articles and any resolution, may be executed in German and or in English and in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

13.6. Effective Date and Duration

On adoption by the founders' meeting these Articles shall become retrospectively effective as of 1 January 2007, and shall continue in full force and effect until dissolution of the Verein. All other documents shall become effective as of the date of their adoption, promulgation or execution, as the case may be, and shall continue in full force and effect until dissolution of the Verein.

13.7. Entry into the Register of Commerce

The Committee may register the Verein with the competent register of commerce.