

FILED
DONETTA DAVIDSON
COLORADO SECRETARY OF STATE

ARTICLES OF INCORPORATION

NONPROFIT

OF

USA TAEKWONDO, INC.

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SECRETARY OF STATE
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Pursuant to section 7-122-102 and part 3 of article 90 of title 7, Colorado Revised Statutes (C.R.S.), the undersigned adult natural person, acting as incorporator, hereby establishes a nonprofit corporation and adopts the following articles of incorporation:

ARTICLE I.

NAME

The name of the corporation is USA Taekwondo, Inc.

ARTICLE II.

DURATION

The corporation shall have perpetual existence.

ARTICLE III.

PURPOSES AND POWERS

Section 3.1 Purposes. The corporation is organized and shall be operated exclusively for charitable, scientific and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code. Subject to the foregoing, the specific purposes and objectives of the corporation shall include but not be limited to the following:

(a) to develop interest and participation throughout the United States in the sport of Taekwondo and be responsible to the persons and amateur sports organizations it represents;

(b) to minimize, through coordination with other amateur sports organizations, conflicts in the scheduling of practices and competitions;

(c) to keep amateur athletes involved in Taekwondo informed of domestic and international (World Taekwondo Federation and Pan American Taekwondo Union) policy matters and reasonably reflect the views of such athletes in its policy decisions;

(d) to promptly review every request submitted by an amateur sports organization or person for a sanction;

(1) to hold an international amateur athletic Taekwondo competition in the United States; or

(2) to sponsor United States amateur athletes to compete in international amateur athletic Taekwondo competitions held outside the United States;

(e) to allow an amateur athlete participating in Taekwondo to compete in any international amateur athletic Taekwondo competition conducted under its auspices or that of any other amateur Taekwondo sports organization or person (including the World Taekwondo Federation and the Pan American Taekwondo Union);

(f) to provide equitable support and encouragement for participation in programs for male and female Taekwondo athletes and officials on a national and international basis without discrimination on the basis of race, color, religion, age, sex, or national origin;

(g) to encourage and support the development of amateur athletic Taekwondo programs and competition for handicapped individuals in conjunction with other Taekwondo programs;

(h) to provide and coordinate technical information on physical training, equipment design, coaching, and performance;

(i) to encourage, promote, sponsor, and support publications, institutes, clinics, seminars, establishment of scholarships, and institution and maintenance of training aids and facilities, research, development, educational idealism of martial art as promoted by the Kukkiwon, and dissemination of information in the areas of sports medicine and sports safety;

(j) to institute, regulate, and issue awards for national Taekwondo championships;

(k) to provide competitive Taekwondo opportunities for all ages and levels of ability, including international competition;

(l) to encourage physical fitness and improve the quality of both competitive and non-competitive Taekwondo among those who participate solely for the physical, educational, or social benefits derived therefrom;

(m) to operate exclusively for public health, safety, educational, and charitable purposes and to further the purposes and objectives of the Ted Stevens Olympic and Amateur Sports Act (136 U.S.C. 22501 et. seq.); and

(n) to aid in the accomplishment of such purposes, to make disbursements that qualify it as an exempt organization, under Section 501 (c)(3) of Internal Revenue Code of 1954 and the Tax Reform Act of 1976 (or the corresponding provisions of any future United States Internal Revenue law).

Section 3.2 Powers. In furtherance of the foregoing purposes and objectives (but not otherwise) and subject to the restrictions set forth in Section 3.3, the corporation shall have and may exercise all of the powers now or hereafter conferred upon nonprofit corporations organized under the laws of Colorado and may do everything necessary or convenient for the accomplishment of any of the corporate purposes, either alone or in connection with other organizations, entities or individuals, and either as principal or agent, subject to such limitations as are or may be prescribed by law. In accordance with the foregoing, the specific powers of the corporation shall include but not be limited to the following:

- (a) to represent the United States in appropriate international Taekwondo sports and arts organizations, federations, or unions;
- (b) to establish national goals for Taekwondo and encourage the attainment of these goals;
- (c) to serve as the coordinating body for amateur athletic Taekwondo activity in the United States;

(d) to exercise jurisdiction over international amateur athletic Taekwondo competitions held in the United States and sanction the sponsorship of international amateur athletic Taekwondo competitions including national championships and international amateur athletic Taekwondo competitions held outside the United States;

(e) to conduct amateur athletic Taekwondo competitions, including national championships and international amateur athletic Taekwondo competitions in the United States, and establish procedures for the determination of eligibility standards for participation in such Taekwondo competitions, except for that amateur athletic competition specified in Section 220526 of the Ted Stevens Olympic and Amateur Sports Act;

(f) to recommend to the United States Olympic Committee individuals and teams to represent the United States in the Olympic Games and Pan American Games whenever applicable;

(g) to designate individuals and teams to represent the United States in international amateur athletic competitions (other than the Olympic Games and the Pan American Games) and certify in accordance with applicable international rules and the amateur eligibility of such individuals and teams;

(h) to determine the amateur status of registered athletes;

(i) to facilitate, through orderly and effective administrative procedures, the resolution of conflicts or disputes which involve any of its members and any amateur athlete, coach, instructor, trainer, manager, administrator, official, or amateur sports organizations, which arise in connection with their eligibility for and participation in the Olympic Games, the Pan American Games, world championship competition, or other competitions under the jurisdiction of the corporation;

- (j) to sue and be sued;
- (k) to make contracts;
- (l) to acquire, hold and dispose of real and personal property as may be necessary for its corporate purposes;
- (m) to accept gifts, legacies, and devises in furtherance of its corporate purposes;
- (n) to borrow money to carry out its corporate purposes; issue notes, bonds, or other evidences of indebtedness thereof; and secure the same by mortgage, subject in each case to the laws of the United States or of any state;
- (o) to provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purposes of the Corporation;
- (p) to approve and revoke membership in the Corporation;
- (q) to adopt and alter a corporate seal;
- (r) to establish and maintain offices for the conduct of affairs of the Corporation;
- (s) to publish a newspaper, magazine, or other publication consistent with its corporate purposes;
- (t) to take any and all acts necessary and proper to carry out the purposes of the Corporation;
- (u) to amend its Articles of Incorporation and Bylaws in a manner not inconsistent with the Constitution and Bylaws of the United States Olympic Committee or with the laws of the United States;

- (v) to independently determine and control all matters central to governance of the Corporation and not to delegate such determination and control;
- (w) to remain free from outside restraint; and
- (x) to not be a member of more than one international sports federation which governs a sport included on the program of the Olympic or Pan American Games.

Section 3.3 Restrictions On Powers.

- (a) No part of the net earnings of the corporation shall inure to the benefit of or be distributable to any director or officer of the corporation or any other individual (except that reasonable compensation may be paid for services rendered to or for the benefit of the corporation affecting one or more of its purposes), and no director or officer of the corporation or any other individual shall be entitled to share in any distribution of any of the corporate assets on dissolution of the corporation or otherwise.
- (b) No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. However, if the corporation is an organization to which section 501(h) of the Internal Revenue Code applies and the corporation has effectively elected to have such section apply, the corporation shall have power to carry on the activities permitted by such section, but only to the extent such activities shall not result in the denial of exemption under such section. The corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.
- (c) Upon dissolution of the corporation, all of the corporation's assets remaining after payment of or provision for all of its liabilities shall be paid over or transferred to

and among one or more exempt organizations described in section 501(c)(3) of the Internal Revenue Code, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, and/or governmental units within the meaning of section 170(b)(1)(A)(v) of the Internal Revenue Code for exclusively public purposes. The organizations or governmental units to receive such property, and their respective shares and interests, shall be determined by the board of directors.

(d) Notwithstanding any other provision of these articles of incorporation, the corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code, or by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, and, if at any time the corporation is a "private foundation" as defined in section 509(a) of the Internal Revenue Code, then during such period of time:

(1) The corporation shall not engage in any act of "self-dealing," as defined in section 4941(d) of the Internal Revenue Code, so as to give rise to any liability for the tax imposed by section 4941 of the Internal Revenue Code;

(2) The corporation shall make distributions for each taxable year at such time and in such manner so as not to become subject to the tax imposed by section 4942 of the Internal Revenue Code;

(3) The corporation shall not retain any "excess business holdings," as defined in section 4943(c) of the Internal Revenue Code, so as to give rise to any liability for the tax imposed by section 4943 of the Internal Revenue Code;

(4) The corporation shall not make any investments that would jeopardize the carrying out of any of the exempt purposes of the corporation, within the meaning of section 4944 of the Internal Revenue Code, so as to give rise to any liability for the tax imposed by section 4944 of the Internal Revenue Code; and

(5) The corporation shall not make any "taxable expenditure," as defined in section 4945(d) of the Internal Revenue Code, so as to give rise to any liability for the tax imposed by section 4945 of the Internal Revenue Code.

(e) All references in these articles of incorporation to provisions of the Internal Revenue Code are to the provisions of the Internal Revenue Code of 1986, as amended, and to the corresponding provisions of any subsequent federal tax laws.

ARTICLE IV.

OFFICES

Section 4.1 Principal Office. The address of the initial principal office of the corporation is One Olympic Plaza, Colorado Springs, Colorado 80909.

Section 4.2 Registered Office and Agent. The street address of the initial registered office of the corporation is One Olympic Plaza, Colorado Springs, Colorado 80909. The name of the corporation's initial registered agent at the initial registered office is Robert P. Gambardella.

ARTICLE V.

MEMBERS

The corporation shall have such classes of voting and nonvoting members as may from time to time be prescribed by its bylaws or by the board of directors. The designation and voting powers of each class of members and their respective manner of election or appointment, qualifications, tenure, terms of membership, rights, limitations and obligations shall be as provided from time to time in the bylaws of the corporation or by the board of directors. Voting powers may be denied to any class either generally or in any limited way. The corporation shall have no capital stock.

ARTICLE VI.

BOARD OF DIRECTORS

Section 6.1 General. The management of the affairs of the corporation shall be vested in a board of directors, except as otherwise provided in the Colorado Revised Nonprofit Corporation Act, these articles of incorporation or the bylaws of the corporation. The number of directors, their classifications, if any, their terms of office and the manner of their election or appointment shall be as provided from time to time in the bylaws of the corporation.

Section 6.2 Liability of Directors. No director shall be personally liable to the corporation for monetary damages for breach of fiduciary duty as a director, except that the foregoing shall not eliminate or limit liability of a director to the corporation for monetary damages for the following: (a) any breach of the director's duty of loyalty to the corporation, (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) acts specified in C.R.S. Section 7-128-403, as it now exists or hereafter may be amended, or (d) any transaction from which the director directly or indirectly derived an improper personal benefit. If the Colorado Revised Nonprofit Corporation Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the corporation, in addition to the limitation on personal liability provided herein, shall be further eliminated or limited to the fullest extent permitted by the Colorado Revised Nonprofit Corporation Act. Any repeal or modification of this Section 6.2 shall be prospective only and shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

Section 6.3 Initial Board. Two directors shall constitute the initial board of directors. Their names and addresses are as follows:

<u>Name</u>	<u>Address</u>
Steven Locke	19 East Columbia Street Colorado Springs, CO 80907
Robert P. Gambardella	One Olympic Plaza, Suite 104C Colorado Springs, CO 80909

ARTICLE VII.

BYLAWS

The initial bylaws of the corporation shall be as adopted by the board of directors. Except to the extent limited by the Colorado Revised Nonprofit Corporation Act, the board of directors shall have power to alter, amend or repeal the bylaws from time to time in force and adopt new bylaws. The bylaws of the corporation may contain any provisions for the managing and regulating of the affairs of the corporation that are not inconsistent with law or these articles of incorporation, as these articles may from time to time be amended. However, no bylaw shall have the effect of giving any director or officer of the corporation or any other individual any proprietary interest in the corporation's property, whether during the term of the corporation's existence or as an incident to its dissolution.

ARTICLE VIII.

AMENDMENTS

The board of directors shall have the exclusive power and authority at any time and from time to time to amend these articles of incorporation by the vote of a majority of the directors then in office.

ARTICLE IX
INCORPORATOR

The name and mailing address of the incorporator who causes this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused, are:

Robert P. Gambardella
One Olympic Plaza
Colorado Springs, CO 80909

Date: May 11, 2004