

**ARTICLES OF INCORPORATION
OF
JAPAN SPORT WELLNESS FUKIYA ASSOCIATION
("The Association")**

CHAPTER I GENERAL PROVISIONS

Article 1 Trade Name

The Association shall be called ‘Ippan Shadan Houjin Nihon Sport Wellness Fukiya Kyoukai’, and shall be written ‘General Corporate Juridical Person Japan Sport Wellness Fukiya Association’ (the abbreviated name is SWFA) in English.

Article 2 Head Office

The Association shall have its Head Office in Sumida-ku, Tokyo.

CHAPTER II PURPOSES and UNDERTAKINGS

Article 3 Purposes

The purposes of The Association shall be to contribute the succession of Japanese traditional culture, and the creation of people’s health and useful life. In order to materialize these purposes through Sport Wellness Fukiya, The Association contributes to educate and spread Sport Wellness Fukiya as the sport which promotes people’s health and creates useful life of not only working member of society but also children, students, the aged and the disabled, and contributes the promotion of social education through the study of sport and preventive medicine. Furthermore, The Association shall be to contribute people’s healthy development of mind and body and promotion of the Japanese Sports.

Article 4 Undertakings

4.1 The Association shall be to conduct the following undertakings to materialize the purposes prescribed in the preceding Article 3:

1. Spread and advance the undertakings which promote people’s health and create useful life by Sport Wellness Fukiya.
2. Hold competitions, classes, seminars, experimental meetings to spread and advance Sport Wellness Fukiya
3. Bring up and certify instructors to advance educational and promotional activities, and send instructors to such occasions.

4. Establish meet and competition rules and train referees to enlighten the safety of Sport Wellness Fukiya.
 5. Medical study related to the Sport Wellness Fukiya's abdominal breathing and health.
 6. Study and develop the equipment of Sport Wellness Fukiya.
 7. Inspect and give official approval for the equipment of Sport Wellness Fukiya.
 8. Authorize Dan-Kyu-I related to Sport Wellness Fukiya.
 9. Publish books and create audiovisual aids to spread and promote Sport Wellness Fukiya.
 10. Manage the site of training camp, training school and institute, which provide the opportunities and places for the training of Sport Wellness Fukiya, and personal exchanges regardless of The Association's member or not..
 11. Plan the international exchanges by establishing overseas organization to spread and educate them in order to promote Sport Wellness Fukiya.
 12. Other lines of undertakings which shall be necessary to achieve the purposes of the Association.
- 4.2** Undertakings prescribed in preceding items 1 through 10 and 12 shall be done in Japan and prescribed in item 11 shall be done in Japan and Overseas.

CHAPTER III MEMBERSHIP OF THE ASSOCIATION

Article 5 Kinds of Membership

5.1 The Association shall have the following four kinds of membership:

1. Regular Member: General Member of The Association with the qualification of Certified Instructor.
2. General Member: An individual or a corporate member who approves the purposes of The Association and joins The Association.
3. Support Member: An individual or a corporate member who joins The Association to support the purposes of The Association.
4. Honorary Member: An individual who contributes a great deal to The Association and/or persons of learning and experience with the approval of the Board of Directors.

5.2 The Association's working partner (*) shall be the Members of Representative selected from the regular members prescribed in preceding item 1 of Article **5.1**.

**Prescribed in the Laws of General Corporate Juridical Person and General*

Nonprofit Corporation (hereinafter referred to 'General Corporate Law').

Article 6 System of Members of Representative

- 6.1** Number of Members of Representatives shall be Seventy (70). The details of number of Members of Representative shall be prescribed separately in the rules and regulations about election of Members of Representative.
- 6.2** Election of Members of Representative shall be done by regular members. Detailed rules and regulations of election shall be decided by the Board of Directors.
- 6.3** Members of Representative shall be selected from the regular members. Regular members shall be able to announce their candidacy.
- 6.4** Regular members shall have the right to elect Members of Representatives as all regular members have. Directors and/or Board of Directors shall not have the right to elect Members of Representative.
- 6.5** Election of Members of Representatives shall be done every two years in January. The term of office of the Members of Representative shall be two years until the end of next election. However when a Member of Representative files a suit for revocation of resolutions made by General Meetings of Members of Representative, dissolution, searching responsibility, dismissal of Directors (under the General Corporate Law Article 266 Clause 1, Article 268, Article 278, Article 284, including to demand question of suit prescribed in Article 278 Clause 1 of General Corporate Law), shall not lose the status of Member of Representative until the suit concerned comes to the end. (The Member of Representative shall not have the voting rights for election and dismissal of Directors under General Corporate Law Article 63 and 70 and Changes of Articles of Incorporation under General Corporate Law Article 146.)
- 6.6** When the number of Members of Representative is missing or to prepare the short of numbers, election of substitutes can be done. The term of office of the substitute shall be the end of the term who resigned before the end of the term.
- 6.7** When the election of substitute shall be done, the following items must be decided and announced:
1. Relative candidate shall be the substitute.
 2. When election shall be done as the substitute of one or more than two specific representatives, it must be announced that relative election shall be effect to the substitute of specific representatives together with those names.
 3. When election of more than two substitutes shall be done for one representative (in case more than two substitutes are elected for more than two

representatives), priority of each candidate concerned must be clarified.

6.8 The resolution related to the election of substitutes under the Article **6.6** is valid until the end of the next first election after the substitutes are elected.

6.9 Regular members shall have the rights prescribed below to act against The Association as Members of Representative have.

1. General Corporate Law Article 14 Clause 2 ‘Read Articles of Incorporation etc.’
2. General Corporate Law Article 32 Clause 2 ‘Read list of regular members etc.’
3. General Corporate Law Article 57 Clause 4 ‘Read Minute of General Meetings of Members of Representative etc.’
4. General Corporate Law Article 50 Clause 6 ‘Read certificate of proxy of regular members etc.’
5. General Corporate Law Article 51 Clause 4, and Article 52 Clause 5 ‘Read papers of exercising voting rights etc.’
6. General Corporate Law Article 129 Clause 3 ‘Read statement of accounts etc.’
7. General Corporate Law Article 229 Clause 2 ‘Read Balance Sheet etc. of liquidated corporation etc.’
8. General Corporate Law Article 246 Clause 3 Article 250 Clause 3, and Article 256 clause 3 ‘Read the contract of merger etc.’

6.10 When Directors and/or Controllers neglect their duties, they shall be responsible to compensate The Association for damages caused by their negligence. In spite of the rules and regulations prescribed in General Corporate Law Article 112, this responsibility cannot be exempted until all regular members agree to exempt.

Article 7 Admission

7.1 An individual or a corporation who plans to join The Association shall complete the procedures in accordance with the rules and regulations for Membership prescribed separately.

7.2 An individual or a corporation who plans to be a supporting member must not have the reasons which disturb fair activities of The Association.

7.3 An individual who is recommended an honorary member does not need to complete the procedures and becomes a member by acceptance.

Article 8 Annual Membership Fee

8.1 Regular members and general members shall pay annual membership fee in

accordance with the rules and regulations about Membership.

8.2 Support member shall pay supporting fee decided by the Board of Directors.

8.3 Honorary member does not need to pay annual membership fee.

8.4 Annual membership fee paid by regular and general members and supporting fee paid by supporting members shall not be returned regardless of reasons.

Article 9 Loss of Qualification of Membership

Members shall lose its qualification of membership when they fall under the following reasons:

1. Withdraw from The Association.
2. Pass away or be declared by a court as a missing person.
3. Dissolve a corporate membership organization.
4. Nonpayment of annual membership fee more than one year after due and disagree with the notification.
5. Be expelled.
6. Be agreed for loss of qualification by all regular members.
7. Qualification of regular membership is lost when a member loses qualification of Certified Instructor, but qualification of general membership remains.

Article 10 Withdrawal

Members can withdraw from The Association at their discretion in accordance with the procedures prescribed by the Board of Directors separately.

Article 11 Expulsion

Members shall be expelled when they fall under the following reasons by the resolution of General Meeting of Members of Representative, at which more than a half of all regular members are present, with the agreement for expulsion more than two thirds of voting rights. In this case, members shall be noticed the expulsion at least one week before the General Meeting with the reason and such members shall have the right to defend before the resolution of General Meeting of Members of Representative.

1. Violate The Association's Articles of Incorporation and/or rules and regulations.
2. Bring dishonor of The Association or act against the purposes of The Association.

3. Violate the duties of members of The Association.
4. There are some other reasonable reasons.

Article 12 Rights and Duties with the Loss of Qualification of Membership

When a member loses its qualification of membership in accordance with the rules and regulations prescribed in Article 9, a member loses rights against The Association and be saved from duties. However, a member cannot be saved from nonpayment of membership fee.

**CHAPTER IV
GENERAL MEETING OF MEMBERS OF REPRESENTATIVE**

Article 13 Formation

General Meeting of Members of Representative shall be formed by the Members of Representative as prescribed in Article 5.2.

Article 14 Matters for Resolution

General Meeting of Members of Representative shall resolve the following matters:

1. Expel members from The Association.
2. Elect and dismiss Directors and Controllors.
3. Decide remuneration of Directors.
4. Change the Articles of Incorporation.
5. Plan and report of undertakings, budget and financial statements of each business year.
6. Dissolve an organization and decide disposal of balance properties.
7. Change the procedure of joining the association and annual membership fee.
8. Matters adopted and proposed by the Board of Directors.
9. Matters prescribed by the Laws and Articles of Incorporation in addition to before-mentioned 1 through 8.

Article 15 Holding a General Meeting of Members of Representative

15.1 The Association shall have an Ordinary General Meeting of Members of Representative and an Extraordinary General Meeting of Members of

Representative.

15.2 An Ordinary General Meeting of Members of Representative shall be held in June of each year after the end of fiscal year and an Extraordinary General Meeting of Members of Representative shall be held whenever necessary.

Article 16 **Convene General Meeting**

16.1 Unless otherwise provided for by laws and the regulations or these Articles of Incorporation, Chairman of The Association shall convene the General Meeting of Members of Representative based on the resolution of the Board of Directors.

16.2 Regular members who have more than one tenth of total voting rights shall have the right to ask convocation of the General Meeting of Members of Representative to the Chairman with the purposes and reasons of convocation.

Article 17 **Chairperson**

Chairperson of the General Meeting of Members of Representative shall be elected from by mutual vote among the regular members who attend the General Meeting of Members of Representative.

Article 18 **Quorum**

The General Meeting of Members of Representative shall not be held unless the attendance of members of representative, including attendance by proxy, reaches one half or more of total number of members of representative.

Article 19 **Proxy**

When member of representative submits the proxy, he or she shall be considered being in attendance at the General Meeting of Members of Representative.

Article 20 **Voting Rights**

Each member of representative shall have one voting right at the General Meeting of Members of Representative.

Article 21 Method of Adopting Resolution

- 21.1** Unless otherwise provided for by laws and regulations or these Articles of Incorporation, resolutions at General Meeting of Members of Representative at which members of representative representing one half or more of the voting rights of all members of representative shall be presented, shall be adopted by a majority of the votes of members of representative, who are present in such meeting and are entitled to vote. Voting shall be done by raising hand.
- 21.2** In spite of the rules and regulation prescribed in the preceding Article **21.1**, any resolution of the following matters shall be adopted at General Meeting of Members of Representative where more than a half of members of representative shall be presented, by a majority votes of two-thirds or more of the voting rights of the members of representative who are present in such meeting and are entitled to vote.
1. Expel members from The Association.
 2. Dismiss controllers.
 3. Change the Articles of Incorporation.
 4. Decide the disposal of basic properties.
 5. Other matters prescribed by Laws.
- 21.3** When electing Directors and/or Controllers, resolution shall be adopted for each candidate as prescribed in Article **21.1**. When total number of candidates of Directors and/or Controllers are more than fixed numbers which is prescribed in the Article **26**, the adoption of Directors and/or Controllers shall be done among the candidates who get one half or more votes from the candidate who gets the highest number of votes to the next until total number reaches the fixed number.

Article 22 Vote by Written Document and Others

- 22.1** Members of representative who cannot attend the General Meeting of Members of Representative shall be able to exercise of voting rights for the previously prescribed subject by written document and/or electric transmission.
- 22.2** In case of exercising of the voting right as mentioned in the preceding Article **22.1**, such member of representative shall be considered to be presented at the General Meeting concerned
- 22.3** When Directors and/or members of representative propose the subject which is the purpose of resolution of General Meeting of Members of Representative, such proposal shall be considered to be resolved at General Meeting of Members of Representative when all members of representative agreed by written document

and/or electric transmission.

Article 23 Administration

The General Meeting of Members of Representative shall be administered in accordance with the rules and regulations about Administration of the General Meeting of Members of Representative.

Article 24 Notification

The points of proceedings of the General Meeting of Members of Representative and the subjects which were resolved at the General Meeting shall be noticed to all members by bulletin and/or posting a notice at the main offices.

Article 25 Minutes of Proceedings

25.1 The minutes of proceedings of the General Meeting of Members of Representative shall be made in accordance with the relative Laws.

25.2 The Chairperson and Directors, Controllers who attended the General Meeting of Members of Representative shall sign and seal on the minutes of proceedings of the General Meeting concerned.

**CHAPTER V
DIRECTORS**

Article 26 Kind and Fixed Number of Directors

26.1 The Association shall have the following Directors:

1. Directors: More than 10 (Ten) and less than 20 (Twenty).
2. Controllers: Less than 2 (Two).

26.2 The Board of Directors shall, by its resolution, elect one Chairman, a few Vice Chairmen, a few Senior Managing Directors, a few Managing Directors and a few Executing Directors from among its members.

26.3 Chairman mentioned in the preceding Article **26.2** shall be the Representative Director of The Association as prescribed in the General Corporate Law.

26.4 Vice Chairmen, Senior Managing Directors, Managing Directors and Executing Directors shall be considered as Directors who execute the duties prescribed in

the General Corporate Law.

Article 27 Elections of Directors

- 27.1** Directors and Controllers shall be elected by the resolution of the General Meeting of Members of Representative.
- 27.2** The Board of Directors shall, by its resolution, appoint Chairman, Vice Chairmen, Senior Managing Directors, Managing Directors and Executing Directors from among Directors.
- 27.3** Controllers must not be the Directors and/or employee of the Association concurrently.
- 27.4** Total number of any one Director, his or her spouse, relatives within the third degree of kinship and persons with special relationship prescribed in the relative Laws must not be more than one-third of total number of Directors. Same rule shall be applied for the Controllers.
- 27.5** When Directors and Controllers have been changed, such notice of change shall be kept in the main office of The Association together with the certificate of alternation of registration.

Article 28 Duties and Authorities of Directors

- 28.1** Directors shall form the Board of Directors and execute the duties in accordance with the Laws and these Articles of Incorporation.
- 28.2** Chairman shall represent The Association and execute the duties in accordance with the Laws and these Articles of Incorporation.
- 28.3** Vice Chairmen shall assist the Chairman.
- 28.4** Senior Managing Directors, Managing Directors and Executing Directors shall execute the duties of The Association by allotment.
- 28.5** One of the Managing Director shall be in charge for financial affairs.
- 28.6** Chairman and Executing Directors must report the situation of their execution of duties to the Board of Directors at least two times in one fiscal year with the interval of four months or more.

Article 29 Duties and Authorities of Controllers

- 29.1** Controller shall inspect the execution of duties by Directors and make an Audit Report in accordance with the Laws.

Article 33 Honorable Chairman, Honorable Vice Chairman, Highest Advisor and Advisors

33.1 The Association shall be able to appoint Honorable Chairman, Honorable Vice Chairman, Highest Advisor and a few Advisors.

33.2 The Board of Directors shall elect Honorable Chairman, Honorable Vice Chairman, Highest Advisor and a few Advisors.

33.3 Term of office of Honorable Chairman, Honorable Vice Chairman, Highest Advisor and Advisors of The Association shall be two years. They may be reelected.

33.4 Honorable Chairman, Honorable Vice Chairman, Highest Advisor and Advisors shall get no remuneration. But, they shall be compensated the expenses which they need to execute the duties.

Article 34 Duties of Honorable Chairman, Honorable Vice Chairman, Highest Advisor and Advisors

Honorable Chairman, Honorable Vice Chairman, Highest Advisor and Advisors shall respond to the Chairman's request for advice.

**CHAPTER VI
BOARD OF DIRECTORS**

Article 35 Formation

5.1 The Association shall have the Board of Directors.

35.2 The Board of Directors shall be composed of all Directors.

Article 36 Authorities

The Board of Directors shall execute the following duties in addition to the matters prescribed by the Articles of Incorporation.

1. Decide the execution of duties of The Association.
2. Decide the yearly plan of the undertakings and make a budget.
3. Supervise the Directors' execution of duties.
4. Appoint and dismiss Representative Director and Executing Directors.

Article 37 Kind and Opening the Board of Directors

37.1 The Board of Directors shall have Ordinary and Extraordinary Meeting.

37.2 Ordinary Meeting shall be held two times a year in June and February.

37.3 Extraordinary Meeting shall be held in case of the following occasions:

1. Chairman judges its necessity.
2. Director except Chairman requests to Chairman to convene the meeting by written document with the subjects to be discussed.
3. Controller judges its necessity and requests to Chairman to convene the meeting.

Article 38 Person Authorized to Convene the Board of Directors

38.1 The Board of Directors shall, except otherwise provided for by laws and regulations, be convened by the Chairman.

38.2 During the absence of the Chairman or Chairman is unable so to act, the Board of Directors shall be convened by each Director.

Article 39 Administration of the Board of Directors

Administration of the Board of Directors shall be done in accordance with the rules and regulations about the administration of the Board of Directors.

Article 40 Chairperson of the Board of Directors

Chairman of The Association shall act Chairperson of the Board of Directors.

Article 41 Method of Adopting Resolutions

Unless otherwise provided for by laws and regulations or these Articles of Incorporation, resolutions at the Board of Directors at which one half or more Directors except the interested directors shall be presented, shall be adopted by a majority of the votes of Directors, who are present in such meeting.

Article 42 Minutes of Proceedings

42.1 The minutes of proceedings of the Board of Directors shall be made in accordance with the relative Laws.

42.2 All Directors and Controllers who attend the Board of Directors shall sign and seal on the minutes of proceedings of such Meeting.

CHAPTER VII CONFERENCE OF THE HIGHEST EXECUTIVES

Article 43 Set up the Conference of the Highest Executives

The Association shall set up the Conference of the Highest Executives in order to discuss and resolve about the important subjects related to the policy and administration of the Association.

Article 44 Formation of the Conference

The Conference of the Highest Executives shall be composed of Chairman, Vice Chairmen, Senior Managing Directors and Managing Directors.

Article 45 Holding the Conference

The Conference of the Highest Executives shall be held once a month as a general rule.

Article 46 Agenda of the Conference

The Conference of the Highest Executives shall discuss and resolve about the subjects to be sent to the Board of Directors and matters proposed by each Department, each Committee, Organizing Bureau and Secretariat.

Article 47 Administration of the Conference

The Conference of the Highest Executives shall be carried out in accordance with the rules and regulations about the Conference of the Highest Executives.

Article 48 Chairperson

Chairman of the Association shall be the Chairperson of the Conference of the Highest Executives and Vice Chairman shall be the Vice Chairperson.

Article 49 Method of Adopting Resolutions

Unless otherwise provided for by laws and regulations or these Articles of Incorporation, resolutions at a Conference of the Highest Executives at which one half or more executives shall be presented, shall be adopted by a majority of the votes of executives who are present in such conference.

Article 50 Minutes of Proceedings

The minutes of proceedings of Conference of the Highest Executives shall be made by the Secretariat.

**CHAPTER VIII
HEAD OFFICE OF THE ASSOCIATION**

Article 51 Set up the Head Office

51.1 The Head Office shall be set up in The Association in order to promote all undertakings of The Association.

51.2 Chief Supervising Officer shall be appointed in the Head Office to control all duties of Secretariat, Organizing Bureau.

**CHAPTER IX
CONFERENCE OF THE GENERAL MANAGERS**

Article 52 Set up the Conference of General Managers

The Conference of General Managers shall be set up in The Association in order to promote all undertakings and activities of The Association.

Article 53 Formation of the Conference

The Conference of the General Managers shall be composed of Chairman, Vice Chairmen, Senior Managing Directors, Managing Directors, Chief of Secretariat, Chief of Organizing Bureau and General Manager of each Department.

The Association in order to promote undertakings of The Association when it is necessary.

60.2 Members of the committee shall be elected by the Board of Directors from the regular members and persons of learning and experience.

60.3 The Board of Directors shall decide duties, formation and administration of the Committee, by its resolution, separately.

CHAPTER XI SECRETARIAT

Article 61 Secretariat

61.1 Secretariat shall be set up under the Chief Supervising Officer in order to manage all clerical work of the Head Office.

61.2 Chief of Secretariat and clerical employees shall be in the Secretariat.

61.3 Chairman of The Association shall appoint, with the approval of the Board of Directors, Chief of Secretariat and main clerical employees.

61.4 Chairman of The Association shall decide the necessary matters about duties of the Secretariat by the resolution of the Board of Directors separately.

Article 62 Account Book and Documents to be kept

The following account books and documents shall be always kept in the main office:

1. Articles of Incorporation
2. List of Directors and Controllers
3. Documents related to authorization, permission, approval and registration.
4. Documents related to the proceedings of organization of the Association which is prescribed in the Articles of Incorporation, such as Board of Directors and General Meeting of Members of Representative.
5. List of properties
6. Regulations related to the remuneration of Directors.
7. Plan of Undertakings and Budget of income and expenditures.
8. Report of undertakings and statements of accounts
9. Audit Report
10. Other account books and documents prescribed by relative Laws.

be approved for unavoidable reason in time, Chairman shall be able to conduct income and expenditures, by the resolution of the Board of Directors, until the day of approval of the budget in accordance with the previous year's budget.

69.3 Income and expenditures in the preceding clause shall be considered those of newly approved budget.

69.4 The documents prescribed in clause **69.1** shall be kept in the main office until the end of the said year, and shall offer for the viewing of members who request to read.

Article 70 Report of Undertakings and Statements of Accounts

70.1 After the end of the business year, Chairman of The Association shall prepare the following documents, which shall be audited by the Controller and shall present to Ordinary General Meeting of Members of Representative after obtaining an approval from the Board of Directors. Chairman shall report the contents of the following items 1 and 2, and shall obtain an approval of General Meeting of Members of Representative for the following items 3 through 6.

1. Report of undertakings
2. Detailed statement of the report of undertakings
3. Balance Sheet
4. Income Statement (with Statement of Changes in Equity)
5. Detailed statements of Balance Sheet and Income Statement with Statement of Changes in Equity
6. List of Properties

70.2 The Association shall keep the documents mentioned in the preceding clause and Audit Report at main office at least five years in addition to the Articles of Incorporation and List of Members which shall be offered for viewing of members who request to read.

Article 71 Long-Term Borrowing, Disposal or Taking Over of Important Properties

71.1 When the Association plans to borrow long-term funds, except the short-term borrowings which shall be repaid by the income of said year, the resolution shall be adopted at the Board of Directors, at which more than a half of Directors are present, by not less than two-thirds majority of votes of such Directors.

71.2 When the Association plans to dispose or take over the important properties, same

shall be as follows:

Executing Directors	Mr. Motohide Ikari as Vice Chairman Mr. Kazumaro Nakamura as Senior Managing Director Mr. Takeshi Takahashi as Managing Director Mr. Hirobumi Yokota as Managing Director Mr. Fumitoshi Otabe as Managing Director
Directors	Ms. Kazuko Arai Mr. Miyoshi Ohno Mr. Masayoshi Ogata Mr. Toshiaki Echigoya Ms. Yoshino Shinoda Mr. Yoshiki Yago Ms. Chikako Takagi Mr. Nobuhiko Yamada Ms. Setsuko Suehiro Ms. Midori Akahori Ms. Noriko Kuraki Mr. Kenji Shiga Mr. Motohiro Tokuse Mr. Katuhiro Yonenaga
Controller	Mr. Hirotaka Yamada Mr. Jiro Kiuchi

4. When the liquidation of Special Civil Law Corporation and establishment of General Corporate Juridical Person are registered under Article 106 Clause 1 of the Law of Authorizing Public Corporate Juridical Person and Public Nonprofit Corporation which is applied in place of Article 12 Clause 1 Item 1 of the Law of General Corporate Juridical Person and General Nonprofit Corporation, previous day of registered liquidation shall be considered the end of business year and day of registered establishment shall be considered the commencement of the business year in spite of the provision prescribed in Article 55.
5. These Articles of Incorporation shall be revised and enforced as from 1st July of 2015.
6. These Articles of Incorporation shall be revised and enforced as from 1st April of 2016.
7. These Articles of Incorporation shall be revised and enforced as from 16th February 2018.