



## Modak Institute Bylaws

**Article 1°** - Modak Institute, a legal entity governed by private law, constituted in the form of a non-profit civil association and for non-economic purposes, without political or religious purpose, governed by these bylaws and other legal provisions.

**Article 2°** - The association headquarters will be at 101 Augusta Street, Floor 10, Office 1017- Unit 1, Consolação, São Paulo - SP, ZIP Code: 01305-000.

**Article 3°** - The purpose of the association is to ensure loyalty to the Kusum Modak Method execution - Ayurvedic Massage Yoga Therapy - created by the Indian master Kusum Modak. It aims to develop and provide teacher training on the method, updates and practices, educational events, and social actions, develop training and dissemination material, grant certification, provide technical support to all Modak Institute associates, and expand this method to the world through representatives appointed by the institute.

**Article 4°** - All lawful means may be utilized to accomplish the intended objectives, including the development of other ancillary activities aimed at the improvement of the institutional objectives through projects' direct execution, action programs, or plans; signing of agreements, contracts, or other legal instruments; physical, human, and financial resources donation, or the provision of intermediary support services to other non-profit organizations and public sector bodies those act in related fields.

**Article 5°** - The association will establish necessary service units to achieve its goals in compliance with legal and regimental provisions.

**Subparagraph** - The association may have an Internal Regulation that, approved by the General Meeting, will discipline its operation. The creation of the Internal

Regulation aims to complement and detail the organization and how the association operates.

**Article 6°** - The Modak Institute association period of duration is indefinite.

**Article 7°** - The General Meeting is the highest and sovereign body of the association and will be constituted by its members in full enjoyment of their rights. It will meet once a year, in May, to become aware of the Executive Board's actions and, extraordinarily, when duly called. It shall constitute the first call with the absolute majority of the members and, on the second call, half an hour after the first, with any number, acting by a simple majority of the votes of those present, except in the cases provided for in these bylaws, having the following prerogatives.

- I.** Supervise the members of the association in the pursuit of its objectives;
- II.** Elect and dismiss the managers;
- III.** Deliberate on the financial forecast and submit the accountability reports;
- IV.** Set the monthly membership fees;
- V.** Decide on the purchase and sale of association property;
- VI.** Amend, in whole or in part, these bylaws;
- VII.** Resolve the dissolution of the association;
- VIII.** As a last resort, decide on any matter of social interest in the cases covered in these bylaws.

**Paragraph One** - The General Meetings may be annual or extraordinary and shall be called by the President or the Executive Board through a public notice posted on the Modak Institute website, with public access, at least 10 (ten) days in advance, with one-fifth of the affiliates being ensured the right to promote it.

**Paragraph Two** - When members convene a General Meeting, the President must call it within three days of receiving a request through extrajudicial notification. If the President does not convene the meeting, those who resolve to hold the meeting shall call the meeting.

**Article 8° - Members**

Members will be divided into the following categories:

- I. Founding Members: are those who helped in the association foundation, and they are listed in the annex;
- II. Meritorious Members: are those who contribute with donations;
- III. Contributing Members: individuals or legal entities that contribute annually, with the amount fixed by the General Meeting;
- IV. Beneficiary Members: are those who receive free of charge the benefits achieved by the entity, with the contributing members, and public and private agencies due to their deliberate merit at the General Meeting.

**Article 9°** - Any person of legal age, of either sex, regardless of race, creed, or political party affiliation, who has been approved by the official certification process of the Modak Institute may be admitted as a member. The process for certification will be specified in the student and teacher material.

**Article 10° - The duties of the members**

- I. Respect and comply with the decisions of the meetings and other management bodies of the entity;
- II. Comply with and enforce the bylaws and other internal provisions;
- III. Ensure the name of the association;
- IV. Participate in General Meetings;
- V. Attend the Modak Institute;
- VI. Vote and be voted on;
- VII. Represent the Executive Board against any detrimental act to the rights or social interests or infringes the bylaws.

**Subparagraph** - The contributing member must honor, on time, the associative contributions.

**Article 11°** - Members shall not be jointly or severally liable for any obligations incurred by the association.

**Article 12°** - The rights of members

- I. Vote and be voted for any position of the Executive Board or the Audit Committee, as provided for in these bylaws;
- II. Enjoy the benefits offered by the association, as provided for in these bylaws;
- III. Appeal to the General Meeting against any act of the Executive Board or the Audit Committee.

**Article 13°** - Exclusion and dismissal of the member

The loss of associate status will be determined by the Executive Board when the associate voluntarily requests it or if there is an act of failure, thus recognized in a disciplinary procedure, in which be granted full right to defense, when the occurrence of the following:

- I. Violation of the bylaws;
- II. Defamation of the association, its members, or its associates;
- III. Activities contrary to the decisions of the general meetings;
- IV. Deviation from good morals;
- V. Dubious behavior through the practice of illicit or immoral acts;
- VI. Non-payment by contributing members of three consecutive installments.

**Paragraph One** - Once the act of failure is defined, the member will be duly notified of the facts attributed to him/her through extrajudicial notification, and he/she will present his/her prior defense within twenty (20) days from the communication.

**Paragraph Two** - After the expiration of the period described in the previous paragraph, regardless of the presentation of the defense, the representation will

be decided at an extraordinary meeting of the Executive Board by a simple majority of votes of the directors present.

**Paragraph Three** - Once the penalty of exclusion has been applied, the excluded member may appeal to the General Meeting, which must, within 30 (thirty) days of the decision to exclude him/her through an extrajudicial notification, express its intention to have the decision of the Executive Board decided on by the General Meeting in the last instance.

**Paragraph Four** - Once excluded, regardless of the reason, the member shall not be entitled to request compensation or indemnity of any type, regardless of the title.

**Paragraph Five** - The member excluded for non-payment may be readmitted, upon payment of his/her debt to the treasury of the association.

**Article 14°** - The Executive Board will apply the penalties, which may consist of the following:

- I. Written warning;
- II. Suspension of thirty (30) days up to one (01) year;
- III. Elimination from membership.

**Article 15°** - Administrative bodies of the institution

The bodies of the association are:

- I. Executive Board;
- II. Audit Committee.

**Article 16°** - Executive Board

The association's Executive Board will comprise seven (07) members who will hold the following positions: President, Vice President, 1<sup>st</sup> Secretary, 2<sup>nd</sup> Secretary, 3<sup>rd</sup> Secretary, 1<sup>st</sup> Treasurer, and 2<sup>nd</sup> Treasurer. These positions will be filled by individuals, who will be elected by the General Meeting. The Executive Board will

meet ordinarily once a month and, extraordinarily, when called by the President or the majority of its elected members.

**Subparagraph** - Except for the positions of President and Secretary, the same person may hold two or more positions.

**Article 17°** - It is incumbent upon the Executive Board:

- I.** Manage the association and the equity by these bylaws;
- II.** Comply and enforce the bylaws and the decisions of the General Meeting;
- III.** Promote and encourage the creation of commissions with the function of developing vocational courses and cultural activities;
- IV.** Represent and defend the interests of its members;
- V.** Draw up the annual budget;
- VI.** Present to the General Meeting, at the annual meeting, the report of its management and account for the previous year;
- VII.** Admit request for registration of members;
- VIII.** Accept the voluntary resignation of members.

**Subparagraph** - The Executive Board shall decide by majority vote. An absolute majority of members must be present at the meeting, and the President has a casting vote in case of a tie.

**Article 18°** - It is incumbent upon the President:

- I.** Represent the association actively and passively before public, judicial, and extrajudicial bodies, including in or out of court, and may delegate powers and appoint attorneys and lawyers for the purpose it deems necessary;
- II.** Convene and preside over the meetings of the Executive Board;
- III.** Convene and preside over the Annual and Extraordinary Meetings;
- IV.** Open and maintain bank accounts, sign checks, and bank and accounting documents with the Treasurer;
- V.** Organize a report containing the balance sheet of the fiscal year and the

main events of the previous year, presenting it to the Annual General Meeting;

- VI.** Hire specialized employees or assistants, setting their salaries, and may license, suspend, or dismiss them;
- VII.** Create heritage, cultural, social, health, and other departments that it deems necessary to fulfill the social purposes, appointing and dismissing the respective persons responsible.

**Subparagraph** - It is incumbent upon the Vice President to legally replace the President, in his/her absences and impediments, assuming the position in case of vacancy.

**Article 19°** - It is incumbent upon the 1st Secretary:

- I.** Write and keep up to date a transcript of the minutes of the General Meetings and the meetings of the Executive Board;
- II.** Write the association's correspondence;
- III.** Keep and keep under his/her custody the association's file;
- IV.** Manage and supervise all the work of the secretariat.

**Subparagraph** - It is incumbent upon the 2<sup>nd</sup> Secretary to replace the 1<sup>st</sup> Secretary in his/her absences or impediments, assuming the position in case of vacancy, and so on the 3<sup>rd</sup> Secretary.

**Article 20°** - It is incumbent upon the 1st Treasurer:

- I.** Maintain the values of the association in banking establishments and, with the President, may apply them, provided that the Executive Board is heard;
- II.** Sign the checks and other bank and accounting documents with the President;
- III.** Make the authorized payments and receipts due to the association;
- IV.** Supervise treasury and accounting work;

- V. Submit to the Audit Committee the half-yearly balance sheets and the annual balance sheet.

**Subparagraph** - It is incumbent upon the 2nd Treasurer to replace the 1st Treasurer, in his/her absences and impediments, assuming the position in case of vacancy.

**Article 21°** - Audit Committee

The Audit Committee, which will be composed of five (05) members, and has the objective, non-delegable, to supervise and give an opinion on all acts of the Executive Board of the association, with the following attributions:

- I. Examine the association's bookkeeping books;
- II. Give opinions on balance sheets and financial and accounting reports, submitting them to the Annual or Extraordinary General Meeting;
- III. Request from the Treasurer, at any time, the supporting documentation of the economic and financial operations carried out by the association;
- IV. Monitor the work of any independent external auditors.
- V. Convene, extraordinarily, the General Meeting.

**Subparagraph** - The Audit Committee shall meet ordinarily, once a year, in July, in its absolute majority and extraordinarily, whenever called by the President of the association or by the simple majority of its members.

**Article 22°** - The Modak Institute's internal organizational structure will include Coordinators who will be overseen by a Chief Coordinator. The Executive Board will appoint the Chief Coordinator and, optionally, the Deputy Coordinators. The Coordinators may also be divided into working groups as required.

- I. The Chief Coordinator shall inform, at the beginning of the term of office, the projects that shall be implemented and also suggest the names of the Deputy Coordinators chosen by him/her; during the term of office, he will inform the names of those who are indicated for replacement;



- II. In the temporary absence of the Chief Coordinator of any Coordination, a Deputy Coordinator, appointed by resolution of the Executive Board, will occupy the position on an interim basis;
- III. By June of each year, the Coordinators must communicate to the Executive Board which projects they intend to carry out in the immediate year, informing the benefits of their implementation and the costs arising so that the Executive Board may present a financial forecast for the immediate year, establishing the needs and priorities.

**Article 23°** - Permanent Coordinators of the Modak Institute will be considered Technical and Education Coordination, Communication Coordination, and Professional Support Coordination; they can only be extinguished by resolution at the General Meeting.

**Subparagraph** - The Executive Board is allowed to create new coordination by resolution, as demonstrated by the need.

**Article 24°** - Term of Office

The elections for the Executive Board and the Audit Committee will be held jointly every 02 (two) years by a complete list of candidates presented to the General Meeting, and its members may be reelected indefinitely.

**Article 25°** - Loss of mandate

The loss of status of the member of the Executive Board or Audit Committee will be determined by the General Meeting, being admissible only if there is an act of failure, thus recognized in the disciplinary procedure, when it is proven:

- I. Malpractice or dilapidation of equity;
- II. Serious violation of these bylaws;
- III. Abandonment of position, thus considering the unjustified absence in 03 (three) consecutive Annual Meetings, without express communication of the reasons for the absence to the Secretariat of the Association;

**IV.** Acceptance of a position or function incompatible with the exercise of the position held in the association;

**V.** Dubious behavior.

**Paragraph One** - Once the act of failure has been defined, the officer or director will be notified, through extrajudicial notification, of the facts imputed to him/her, that he/she may present his/her prior defense to the Executive Board, within 20 (twenty) days, counted from the communication.

**Paragraph Two** - After the expiration of the period described in the previous paragraph, regardless of the presentation of the defense, the representation will be submitted to the Extraordinary General Meeting, duly convened for this purpose, composed of contributing associates up to date with their social obligations and cannot deliberate without a consenting vote of 2/3 (two thirds) of those present, being in the first call, with the absolute majority of the members, in the second call, one hour after the first, with any number of members, that will be granted full right to defense.

**Article 26°** - Resignation

In the event of the resignation of any member of the Executive Board or the Audit Committee, the position will be filled by his/her legal substitute.

**Paragraph One** - The resignation request must be submitted in writing to the association's secretariat. The renunciant must be replaced, as provided for in these bylaws at a meeting of the Executive Board, within a maximum period of 30 (thirty) days, counted from the protocol. If a legal substitute is unavailable, the General Meeting must be called to elect a new member who will serve until the end of the term.

**Paragraph Two** - In the event of collective resignation of the Executive Board and Audit Committee, the resigning President, any member of the Executive Board, or, in the last resort, one-fifth (1/5) of the members, may call the Extraordinary

General Meeting, which will elect a provisional committee composed of 05 (five) members, who will manage the entity and make new elections, within a maximum period of 60 (sixty) days, counted from the date of the said meeting. The officers and directors elected under these conditions will complement the term of office of the renunciant.

**Article 27° - Compensation**

The Executive Board and the Audit Committee will not receive any remuneration for their activities in the association.

**Article 28° - Liability of Members**

The members, even if invested as members of the Executive Board and Audit Committee, are not responsible, even in the alternative, for the social charges and obligations of the association.

**Article 29° - Equity**

The assets of the association will be constituted and maintained by:

- I. Annual contributions from contributing members;
- II. The issuance of certificates, affiliation of new members, and unified teaching material, being charged the percentage of 5% (five percent) of the gross value of each course taught by teachers;
- III. Donations, legacies, assets, rights, and acquired values, and their possible income and, also, by collecting the amounts obtained through the holding of parties and other events, provided that they are fully reverted to the benefit of the association.

**Article 30° -** These bylaws may be amended about the management, in whole or in part, at any time, by resolution of the Extraordinary General Meeting, specially convened for this purpose, composed of contributing members up to date with their social obligations and may not deliberate without a consenting vote of  $\frac{2}{3}$  (two thirds) of those present, being on first call, with the absolute majority of

members and on second call, one hour after the first, with any number of members.

**Article 31°** - The association may be dissolved, at any time, once the impossibility of its survival has been verified due to the impossibility of maintaining its corporate objectives, or distortion of its statutory purposes or, even due to lack of financial and human resources, by resolution of the Extraordinary General Meeting, specially convened for this purpose, composed of contributing members up to date with their social obligations and cannot deliberate without the consent of 2/3 (two thirds) of those present, being in the first call, with all members and in the second call, one hour after the first, with the presence of at least 1/3 (one third) of the members.

**Subparagraph** - In the event of social dissolution of the association, once the liabilities have been settled, the remaining assets will be destined to another similar assistance entity with proven legal personality, headquarters, and preponderant activity in this capital and duly registered with the competent public agencies.

**Article 32°** - Fiscal Year

The fiscal year will end on April 30th of each year, when the entity's financial statements shall be prepared, following the legal provisions.

**Article 33°** - General Provisions

The association does not distribute profits, bonuses, or benefits in any capacity for directors, associates, or maintainers under any form or pretext, and its income must be applied in favor of the institution.

**Articles 34°** - Omissions

The Executive Board shall resolve cases omitted in these bylaws "ad referendum" of the General Meeting.

São Paulo, March 15<sup>th</sup>, 2023.