

**UNITED STATES BOWLING CONGRESS
HAWAII STATE SUPPLEMENT**

CONTENTS

- I. Introduction**
- II. Organizational Steps**
- III. Sample Forms**

SECTION I. INTRODUCTION

A. Single Membership Organization

As you know, the four principal national bowling organizations - American Bowling Congress, Women's International Bowling Congress, USA Bowling, and Young American Bowling Alliance are expected to approve the formation of a single national membership organization to represent the sport of bowling. The new national single membership organization will be called the **United States Bowling Congress ("USBC")**. The state and local bowling associations, women's bowling associations, and youth bowling associations by May 31, 2006 must become fully "chartered" (that is, approved) as a USBC state or local bowling association to serve bowlers in the association's geographic area; comply with all USBC bylaws, policies and procedures; either become merged in that state or local area or remain non-merged and incorporate.

B. Hawaii State Supplement

The purpose of the Hawaii State Supplement is to provide the Hawaii ABC, WIBC and YABA associations with the information needed to establish their respective USBC state or local merged association or to remain non-merged and incorporated. Section II of the supplement "walks" through the necessary steps for merging and non-merging associations to incorporate and, either, combine into the USBC merged association in the state or local area or remain non-merged and incorporated.

For example, if your association is merging, it must combine into one of the existing bowling associations in your area or into it's newly created state or local USBC association as determined by the merging associations.

Your bowling association, however, may choose to remain non-merged. In that case, if your bowling association is already incorporated, then it must vote to amend and conform its governing documents so they are consistent with the requirements and rules of the national USBC charter. If your association is not merging and is not incorporated, your association must incorporate and develop governing documents consistent with the national USBC charter.

All merging associations and unincorporated non-merging associations also must vote to determine whether to transfer their assets and liabilities from their current association

to their incorporated merged or non-merged association. (If you do not know whether your particular state or local bowling organization is incorporated, call the Department of Commerce and Consumer Affairs at (808) 586-2744 and ask if your association is incorporated.)

The final part of the supplement, Section III, provides a collection of sample forms to assist in accomplishing the relevant steps.

C. Tax Exemption

The supplement also will provide the state and local associations with basic information about obtaining state tax exemption to complement the USBC national association's sponsored Federal Group Income Tax Exemption. Even if your association has obtained its own federal or state tax exemption, depending on the applicable state law, you still may be required to collect and report sales and/or other state taxes on any merchandise sold by your association.

D. Finances

If your state or local association has decided to merge then it must determine which, if any, of its assets will transfer to the new merged association as part of the merger process. If your unincorporated association decides not to merge then its assets and liabilities must be transferred to your new incorporated and non-merged association.

E. Legal Review

With the information in the supplement and the accompanying sample forms, your association should be able to follow its chosen course without the necessity of outside legal counsel. If you have questions or concerns about any of the sample forms or the process, you can contact the State as set forth below and/or USBC.

SECTION II. ORGANIZATIONAL STEPS FOR MERGING AND NON-MERGING ORGANIZATIONS

Each Hawaii state and local bowling association first must determine whether it will merge or remain non-merged.

If your association is merging, follow the instructions in Step 2 and either merge into one of the existing incorporated state or local bowling associations or merge into a newly created USBC in your state or local area as determined by the merging associations.

If your association is remaining non-merged and is unincorporated, it must incorporate and adopt articles of incorporation and bylaws consistent with the USBC national organization.

If it is already incorporated but not merging then it must amend its articles of incorporation and bylaws to conform to the requirements of the USBC national organization.

STEP 1 – UNINCORPORATED MERGING OR NON-MERGING

Each unincorporated association must: (1), if merging, merge into an existing incorporated state or local association or, into a newly incorporated merged state or local association as determined by the merging associations; or (2), if not merging, the association must become incorporated consistent with the national USBC charter and bylaws.

A. Incorporation

Incorporating either as a merging or non-merging association will provide a separate legal identity distinct from the persons who belong to and run them. As a separate legal corporation, each new state or local merging or non-merging association may enter into contracts, pay bills, and conduct regular association activities.

A(i) Articles of Incorporation

Either in cooperation with other bowling associations, if merging, or singularly, if not merging, Articles of Incorporation for a nonprofit corporation must be prepared as provided in the sample Articles of Incorporation in **Section III, Exhibit 1** of this supplement. A form for Hawaii Articles of Incorporation also may be found at www.businessregistrations.com and clicking on "Forms".

A(ii) Registered Agent

Each incorporated association, whether merging or not, also must designate a registered agent in Article 7 of its Articles of Incorporation. The registered agent is the person, residing in Hawaii, designated by the new corporation to receive official communications on its behalf, such as service of process, annual report forms, tax forms, etc. The registered agent may be a director, employee, or volunteer of the association, or someone not directly involved, such as an attorney. The physical address of the corporation's registered agent's business office is the corporation's "registered office." It is important to keep the registered agent and registered office information current, as significant consequences could arise for failure to receive and act on important papers sent to the corporation's registered agent.

A(iii) Initial Directors and Incorporators

In drafting the Articles of Incorporation you must name at least three (3) initial directors and at least one person must act as the incorporator. As a general matter, unless otherwise specified in the articles or bylaws, a director's term shall be one year but a director may be elected for successive terms. The incorporator can be any one over 18 years of age and does not have to be a member of the association. The incorporator signs the Articles of Incorporation.

A(iv) Filing and Contact Information

Signed and notarized Articles of Incorporation should be filed with the Department of Commerce and Consumer Affairs with a check or money order for the filing fee of \$50 payable to the Department of Commerce and Consumer Affairs. The filing address for the Articles of Incorporation and contact phone number to ask questions and check on the status of the filed articles is:

**Department of Commerce and Consumer Affairs
Business Registration Division
1010 Richards Street
P.O. Box 40
Honolulu, Hawaii 96810**

**www.businessregistrations.com
Phone Number: (808) 586-2744**

A(v) When Incorporated

Once the Articles of Incorporation have been accepted by the State, the corporate existence of the merging or non-merging association will begin. Generally, Articles of Incorporation are reviewed and approved or rejected soon after filing. You may call the Department of Commerce and Consumer Affairs to confirm that a document has been received, but its acceptance and approval cannot be determined until it has been examined. You will be notified by mail of the State's determination. You also may call to check on the status of the State's review of your Articles of Incorporation.

B. Adoption of Bylaws

The initial state/local Board and delegates/members of every newly organized corporation must adopt and approve bylaws, which, regardless of whether the association is merging or non-merging, must be consistent with applicable statutory and USBC requirements. The mandatory bylaws at **Section III, Exhibit 2** can serve as the principal governing document for your association.

C. Initial Organizational Meeting

The initial directors of the corporation named in the Articles of Incorporation also must hold an organizational meeting or obtain unanimous consent to take basic actions to get your USBC merging or non-merging association up and running. The initial Board, as well as the delegates/members, also can adopt the sample set of corporate resolutions at **Section III, Exhibit 3**.

The organizational resolutions will ratify the filing of the Articles of Incorporation, adopt the bylaws, authorize the opening of bank accounts, affirm appointment of the officers and members of the initial board of directors as set forth in the Articles of Incorporation, and take other basic corporate steps.

STEP 2 - MERGING ASSOCIATIONS

As discussed, the existing Hawaii state and local bowling associations must separately determine how to become affiliated with USBC. Unless your association chooses to remain non-merged it, along with the other bowling associations in the particular geographic area, will merge into one of the existing state or local bowling association or merge into a newly incorporated state or local USBC association as determined by the merging associations. In either case, the name of the new merged state or local bowling association is subject to approval of the national USBC and the name must end with the words "USBC Association," e.g. the "Oahu USBC Association."

Whether or not, your association is incorporated, it will have to determine whether and how to transfer its assets and liabilities into the new incorporated state or local USBC association and/or to another nonprofit charitable organization classified as federally tax exempt under Section 501(c)(3) of the Internal Revenue Code. Step 3 Asset and Liability Transfer specifically addresses these issues for all associations.

A Plan of Merger

To merge, the board of your association must draft and approve a Plan of Merger. A sample Plan of Merger is included in **Section III, Exhibit 4**.

A(i) Required Information for Plan of Merger

As reflected in the attached sample Plan of Merger, the following must be included: (1) the name of each corporation (association) planning to merge (there would always be at least two) and the newly formed state/local USBC association; (2) the name of the newly formed state/local USBC association; (3) the terms and conditions of the merger (how your existing corporation will vote at the board and delegate or member level to approve the merger); and (4) how the members of the merging corporation will become members of the new state or local USBC association . All required language is included in the sample in italics.

A(ii) Approving the Plan of Merger

According to Hawaii state law, the Plan of Merger must first be approved by a majority of the entire board of directors of your association. A vote to approve the Plan of Merger must occur at a board meeting with a quorum of directors present, and all directors should have received at least ten days notice of the meeting, or longer if required in your Articles of Incorporation or bylaws.

State and Local ABC/WIBC and State YABA

After board approval of the Plan of Merger, according to Hawaii state law, the Plan also must be approved by the voting delegates or members of your association. The voting delegates or members must approve the plan of merger by either a two-thirds majority of all votes cast or a majority of all voting delegates or members, whichever is less. In other words, if your association has 100 voting delegates or members and 30 of them actually vote, you need only 2/3 of 30 (or 20 votes) in favor, rather than 51 vote majority in favor of the plan of merger.

Your association vote should occur at a delegate or member meeting. The delegates or members should receive specific notice of the meeting at least ten days in advance, or longer if required by your Articles of Incorporation or bylaws. The meeting notice should contain (1) a statement that the vote will be on a Plan of Merger, (2) a copy or summary of the Plan of Merger, and (3) copies of the new state or local USBC's Articles of Incorporation and bylaws.

Local YABA

Because your local YABA association does not have voting members, when the Plan of Merger has been approved by a majority of all directors, you will be ready to file the Articles of Merger with the State as described below.

B. Articles of Merger

After the Plan of Merger is approved by the board and the delegates or members, the merging associations file Articles of Merger with the State. Articles of Merger are included at **Section III, Exhibit 5**. The Articles of Merger must contain: (1) the Plan of Merger; and (2) a statement of how the Plan of Merger was approved by the board and delegates or members.

B(i) Filing Articles of Merger

Articles of Merger are filed much like Articles of Incorporation. The signed Articles of Merger should be filed with the State with a check or money order for the filing fee of \$100 payable to the Department of Commerce and Consumer Affairs. The filing address for the Articles of Merger and contact phone number to ask questions and check on the status of the filed articles is:

**Department of Commerce and Consumer Affairs
Business Registration Division
1010 Richards Street
P.O. Box 40
Honolulu, Hawaii 96810**

**www.businessregistrations.com
Phone Number: (808) 586-2744**

STEP 3 – ASSET AND LIABILITY TRANSFER

All merging state or local bowling associations and unincorporated non-merging associations must determine whether and to what extent they will transfer their assets to an incorporated state or local merged USBC association or a newly incorporated non-merged association. Liabilities either must be transferred or satisfied or otherwise addressed before any transfer. The sample form at **Section III Exhibit 6** titled “Asset and Liability Transfer Agreement,” will guide you in this process.

As a general matter, a merging or unincorporated non-merging association may transfer its assets to a new state or local USBC association or a newly incorporated non-merging association either in an unrestricted manner or earmark its assets to be used by the new incorporated association only for certain purposes. In addition, a merging association also could donate some or all of its assets to a similar non-profit charitable organization classified as federally tax exempt under Section 501(c)(3). An unincorporated non-merging association presumably would not elect to transfer its assets to any other organization because it will continue as a separate association only incorporated and non-merged.

If the merging or non-merging association is incorporated, there is no specific Hawaii law that regulates how an unincorporated nonprofit association should govern itself or vote on such matters. Therefore, we recommend that the unincorporated merging associations deliberate and vote on a transfer in the same manner and using the procedures the incorporated association would use before taking any significant action. For unincorporated merging or non-merging associations, upon approval of a transfer, the new state or local, merged or non-merged association simply could automatically grant membership to all members of the existing unincorporated state or local bowling association.

STEP 4 – STATE TAX EXEMPTION

The state and local associations will be able to participate in the USBC national organization's sponsored Federal Group Income Tax Exemption. This recognition by the Internal Revenue Service provides the state and local bowling associations' exemption from the requirement otherwise imposed upon corporations to pay federal income tax. Participation in the Group Exemption also avoids having to complete a separate tax exemption application for the IRS (saving filing and legal fees). In addition to qualifying to participate in the federal group tax exemption sponsored by the USBC national organization, your association may be eligible for exemption from the obligation to pay state or local sales tax, state or local real estate tax, etc. A Hawaii nonprofit corporation that is classified as federally exempt under Section 501(c)(3) is automatically exempted from Hawaii state income tax. More specific information on Hawaii state tax exemption can be found at www.state.hi.us/tax/tax.html.

SECTION III. SAMPLE FORMS

Exhibit 1 – Hawaii Articles of Incorporation

Exhibit 2 – State/Local Bylaws

Exhibit 3 – Organizational Resolutions

Exhibit 4 – Hawaii Plan of Merger

Exhibit 5 – Hawaii Articles of Merger

Exhibit 6 – Asset and Liability Transfer Agreement

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
1010 Richards Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810

INSTRUCTIONS FOR FILING ARTICLES OF INCORPORATION
(Section 415B-34, Hawaii Revised Statutes)

Instructions: Articles must be typewritten or printed in **black ink**, and must be **legible**. If additional space is required, use an attachment. Attachment must be typewritten or printed in black ink on 8-1/2 x 11 white, bond paper, printed only on one side. The articles must be signed by at least one individual (incorporator). All signatures must be in **black ink**. Submit original articles together with the appropriate fee. The date of incorporation will be the date that the Articles of Incorporation is filed in compliance with the Hawaii Nonprofit Corporation Act (Chapter 415B).

This pre-printed Articles of Incorporation conforms to the Hawaii Nonprofit Corporation Act, and does not automatically qualify for any specific tax exemption. In order to qualify for a tax exemption, you must prepare your own articles to include specific information required by the Internal Revenue Service. Please contact the Internal Revenue Service for more information.

(Optional) If a certified copy is required, the fee for one certified copy is \$10.00 plus \$0.25 per page.

- Article I. State the exact corporate name.
- Article II. State the complete street address (including number, street, city, state, and zip code) of the corporation's initial office. If no specific street address is available, state the rural route number or post office box designated by the United States Postal Service.
- Article IV. State the purpose(s) for which the corporation is organized, which must be nonprofit in nature. Do not use vague or incomplete terms.
- Article V. State the number of members constituting the initial Board of Directors. Every nonprofit corporation must have a minimum of three directors. State the names and complete addresses (including city, state, and zip code) of the initial directors of the corporation.
- Article VI. State the names of the initial officers of the corporation next to the respective titles. Also state the complete address (including city, state, and zip code) for each.

EXHIBIT 1 - Hawaii Articles of Organization

Officers shall consist of a president, a vice-president, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary and prescribed in the Articles of Incorporation.

Article VII. If the corporation has an officer or director who is a resident of Hawaii, this is optional. State the name of the corporations registered agent and the complete street address (including number, street, city, state, and zip code) of its registered office in the State of Hawaii. The agent must be either an individual resident of Hawaii, a domestic corporation, or a foreign corporation authorized to transact business or conduct affairs in the State of Hawaii. If the agent is a corporation, list the state or country in which it was incorporated. A domestic corporation cannot be its own agent. The agents business office must be identical to the corporation's registered office.

Article VIII. Check whether the corporation has members or not. **DO NOT CHECK BOTH.**

Filing Fees: *Filing fee (\$50.00) is not refundable.* Make checks payable to DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS. Dishonored Check (\$15 fee plus interest charge).

NOTICE: THIS MATERIAL CAN BE MADE AVAILABLE FOR INDIVIDUALS WITH SPECIAL NEEDS. PLEASE CALL THE DIVISION SECRETARY, BUSINESS REGISTRATION DIVISION, DCCA, AT 586-2744, TO SUBMIT YOUR REQUEST.

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
1010 Richards Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810

ARTICLES OF INCORPORATION
(Section 415B-34, Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

The undersigned, desiring to form a nonprofit corporation under the laws of the State of Hawaii, certify as follows:

I

The name of the corporation shall be:

II

The mailing address (must be a street address including number, street, city, state, and zip code) of the initial or principal office of the corporation is:

III

The period of its duration is perpetual.

IV

Section 1. The purpose(s) for which the corporation is organized is:

and the transaction of any or all lawful activities for which nonprofit corporations may be incorporated under Chapter 415B, Hawaii Revised Statutes.

Section 2. And in furtherance of said purposes, the corporation shall have all powers, rights, privileges and immunities, and shall be subject to all of the liabilities conferred or imposed by law upon corporations of this nature, and shall be subject and have all the benefits of all general laws with respect to nonprofit corporations.

V

The number of directors shall not be less than three (3). The number of directors constituting the initial Board of Directors is _____. The names and addresses of the initial directors are as follows:

	<u>Name</u>	<u>Address</u>
1	_____	_____
2	_____	_____
3	_____	_____

VI

The officers of the corporation shall consist of a president, a vice-president, a secretary and a treasurer. The names and addresses of the initial officers are as follows:

<u>Office Title</u>	<u>Name</u>	<u>Address</u>
President	_____	_____
Vice-President	_____	_____
Secretary	_____	_____
Treasurer	_____	_____

VII

The corporation shall have and continuously maintain in the State of Hawaii a registered office and a registered agent. If the corporation has an officer or director who is a resident of Hawaii, this requirement is optional.

- a. The name (and state or country of incorporation, if applicable) of the corporation's registered agent in the State of Hawaii is:

(Name of Registered Agent)

(State/country of incorporation)

- b. The street address of the corporation's registered office in the State of Hawaii is:

VIII

Please check one:

- The corporation has members.
- The corporation has no members.

IX

The corporation is nonprofit in nature and shall not authorize or issue shares of stock. No dividends shall be paid and no part of the income or profit of the corporation shall be distributed to its members, directors, or officers, except for services actually rendered to the corporation, and except upon liquidation of its property in case of corporate dissolution.

We certify under the penalties of Section 415B-158, Hawaii Revised Statutes, that we have read the above statements and that the same are true and correct.

Signed this _____ day of _____, _____.

(Type/Print Name of Incorporator)

(Type/Print Name of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

SEE INSTRUCTIONS PAGE. The articles must be signed by at least one individual (incorporator).

EXHIBIT 2 - BYLAWS

Refer to the State Supplement Index Page on bowl.com to download a copy of the state/local association bylaws for your state.

Go to next page to continue reading this document.

**ORGANIZATIONAL RESOLUTIONS OF
[Insert name of new state or local USBC corporation]**

The initial directors of the newly incorporated [insert name] (“Corporation”), a Hawaii nonprofit corporation, hereby waive all notice of time, place, or purpose of meeting and adopt the following resolutions, in accordance with applicable Hawaii State law:

WHEREAS, the Corporation has recently incorporated as a Hawaii nonprofit corporation;

RESOLVED, that all actions of every nature taken by the incorporators in connection with the organization of the Corporation are, and they are hereby, ratified and approved; and

FURTHER RESOLVED, that the Articles of Incorporation of the Corporation, as filed in and approved by the State of Hawaii, be, and hereby are, ratified and approved; and

FURTHER RESOLVED, that the Bylaws approved by the initial directors shall be adopted as the Bylaws of the Corporation; and

FURTHER RESOLVED, that the initial officers and directors listed on the Articles of Incorporation shall remain as officers and directors of the Corporation until their successors are duly qualified and elected in accordance with the Bylaws of the Corporation; and

FURTHER RESOLVED, that the Board of Directors shall control the administrative management and operation of the Corporation in accordance with the Bylaws and may hire employees, including an association manager, and take all steps required by law in connection with such employment, and may authorize any and all Corporation employees to conduct activities authorized by the Board; and

FURTHER RESOLVED, that, in order to conduct its financial activities, the Board of Directors shall have the authority over the collection and disbursement of funds, including opening a bank account or accounts from time to time with such banks as they shall deem desirable (referred to as the "Bank") for and in the name of the Corporation; and

FURTHER RESOLVED, that the Board may authorize individuals to sign checks, drafts, notes, acceptances, and orders for the payment or withdrawal of moneys, credits, and any property items held by the Bank for account of this Corporation. The Bank is hereby authorized to honor any or all such checks, drafts, notes, acceptances, and orders and to accept for deposit for the account of this Corporation for credit, or for collection, any or all checks, drafts, notes and other instruments of every kind endorsed by any person or by hand stamp impression in the name of the Corporation or without endorsement; and

EXHIBIT 3 – Hawaii Organizational Resolutions

FURTHER RESOLVED, that the officers of the Corporation are directed to establish the offices of the Corporation at any suitable location and to enter into agreements with other organizations and companies to provide needed services; and

FURTHER RESOLVED, that the directors are authorized to take any actions necessary or recommended by outside counsel to protect the name and any other intellectual property, of the Corporation, and any such steps already taken are hereby ratified and approved; and

FURTHER RESOLVED, that the officers of the Corporation are hereby authorized and directed, on behalf of the Corporation, to execute, file, or register with the appropriate federal or state governmental authorities such documents as may be necessary to comply with applicable laws relating to activities conducted by the Corporation; and

FURTHER RESOLVED, that the directors of the Corporation are authorized to file or submit, with outside tax advice, to become part of the UNITED STATES BOWLING CONGRESS group tax exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and to prepare and execute all documents deemed by them to be in the best interest of the Corporation, including the execution of such forms and powers of attorney in favor of its outside tax advisor by the Board to represent the Corporation before the appropriate agencies of the federal government in order to obtain such exemption, and any such steps already taken by the Board are hereby ratified and approved; and

FURTHER RESOLVED, that an application for an employer identification number from the Internal Revenue Service be made for and on behalf of the Corporation, and any such steps already taken are hereby ratified and approved; and

FURTHER RESOLVED, that the fiscal year of the Corporation shall be the August 1 to July 31.

The above resolutions are adopted by the incorporators effective the _____ day of _____, 200_

Attested to by the initial Board Directors:

PLAN OF MERGER
for
[INSERT STATE/LOCAL] ASSOCIATION OF THE
UNITED STATES BOWLING CONGRESS

WHEREAS, *the [insert names of the merging state or local associations], (collectively “Merging Corporations”), pursuant to the applicable state statutory provisions governing the procedures for approval of a Plan of Merger, hereby propose the following Plan of Merger for the purposes of merging the Merging Corporations into the UNITED STATES BOWLING CONGRESS [INSERT STATE/LOCAL] ASSOCIATION (“USBC” or “Surviving Corporation”), an organization incorporated as a Hawaii nonprofit corporation, which corporation shall be the sole surviving corporation after the merger.*

NOW THEREFORE, the parties by approving the Plan of Merger agree that:

- 1.** The Merging Corporations desire to merge into the USBC to constitute a single membership organization to promote the interests of the sport and activity of bowling. The Surviving Corporation is organized and operated as a nonprofit corporation and shall conduct its activities in accordance with the requirements for tax exemption pursuant to Section 501(c)(3) of the Internal Revenue Code.
- 2.** *The merger will be conducted according to the requirements of the Hawaii state statute. After proper notice is provided to the Board Members of the Merging Corporations, pursuant to the applicable statutory requirements, each merging Corporation shall convene a Board meeting with a quorum of Directors present. A resolution to approve the Plan of Merger will be presented to the Board of Directors of each Merging Corporation. The Board of Directors for each Merging Corporation must approve the Plan of Merger by a majority of the Directors.*
- 3.** *Upon approval of the Plan of Merger by a majority of the Directors of the Merging Corporations, the Plan of Merger shall be submitted to the voting members of those Merging Corporations having voting members at a time to be determined by their respective Boards. The eligible voting members of those Merging Corporations must approve the Plan of Merger by two-thirds of the votes cast or a majority of the voting power, whichever is less.*
- 4.** *Upon approval of the Plan of Merger according to the statutory requirements and as soon as reasonably and practicably possible thereafter, the Merging Corporations will merge into the USBC as of a date certain to be determined by the Merging Corporations.*
- 5.** The Surviving Corporation once incorporated shall possess all of the rights, privileges, and immunities of a public and private nature of the Merging Corporations. All property, real, personal, and intangible, and all debts and obligations due on whatever account, and every other interest, of or belonging to or due to the Merging Corporations shall be taken and deemed to be transferred and assigned to or vested in the Surviving Corporation without further action or deed required.

6. The Surviving Corporation shall be responsible and liable for all liabilities and obligations of the Merging Corporations. Any claim existing or action or proceeding pending by or against any of the Merging Corporations may be prosecuted to judgment as if the merger had not taken place, or the Surviving Corporation may be substituted in the place of such Merging Corporation as a successor in interest. Neither the rights nor any liens upon the property of any Merging Corporation shall be impaired by reason of the merger.

7. *The Articles of Incorporation of the USBC shall not be amended as a result of the merger.*

8. *The individual memberships of each Merging Corporation shall be converted into individual memberships in the USBC subject to the requirements and conditions of the Bylaws and policies and procedures of the Surviving Corporation.*

9. A Board of Directors of the USBC (“Board”) shall manage the affairs of the Surviving Corporation consistent with applicable law and the Bylaws and Articles of Incorporation of the Surviving Corporation. The Surviving Corporation shall have committees as the Board may deem, in its discretion, necessary, desirable or appropriate. The Board shall be responsible for the establishment of the policies and procedures, for approval of annual budgets, and for all other steps deemed necessary, desirable, or appropriate for the Surviving Corporation and to effect the purposes of the Plan of Merger.

10. Prior to filing the Articles of Merger with the state of the Surviving Corporation and the states of the Merging Corporations, any Merging Corporation may abandon the proposed merger upon a majority vote of its Board of Directors to abandon the merger, and, if the Plan of Merger has been approved by the voting members where applicable, a vote of the voting member delegates of the Merging Corporation conducted according to the applicable state statutory requirements.

11. The Plan of Merger may be executed in counterparts.

**Italicized provisions indicate the statutorily required language for a Plan of Merger.*

ARTICLES OF MERGER
for
[INSERT STATE/LOCAL] ASSOCIATION OF THE
UNITED STATES BOWLING CONGRESS

Pursuant to Chapter 415B-84 of the Hawaii Nonprofit Corporation Act the **[insert name of new USBC state or local association]** of the UNITED STATES BOWLING CONGRESS, as the Surviving Corporation, hereby delivers the following Articles of Merger to the State of Hawaii:

(A) The Plan of Merger approved by the merging parties follows:

NOW THEREFORE, the parties by approving the Plan of Merger agree that:

1. The Merging Corporations desire to merge into the USBC to constitute a single membership organization to promote the interests of the sport and activity of bowling. The Surviving Corporation is organized and operated as a nonprofit corporation and shall conduct its activities in accordance with the requirements for tax exemption pursuant to Section 501(c)(3) of the Internal Revenue Code.

2. The merger will be conducted according to the requirements of the Hawaii state statute. After proper notice is provided to the Board Members of the Merging Corporations, pursuant to the applicable statutory requirements, each merging Corporation shall convene a Board meeting with a quorum of Directors present. A resolution to approve the Plan of Merger will be presented to the Board of Directors of each Merging Corporation. The Board of Directors for each Merging Corporation must approve the Plan of Merger by a majority of the Directors.

3. Upon approval of the Plan of Merger by a majority of the Directors of the Merging Corporations, the Plan of Merger shall be submitted to the voting members of those Merging Corporations having voting members at a time to be determined by their respective Boards. The eligible voting members of those Merging Corporations must approve the Plan of Merger by **[Insert the applicable state statutory requirement reflected in your Merger Manual: (1) a two-thirds of the votes cast or a majority of the voting power, whichever is less; (2) two-thirds of the votes cast; (3) two-thirds majority of all voting members; (4) a majority of the votes cast; or (5) a majority of all voting members]** .

4. Upon approval of the Plan of Merger according to the statutory requirements and as soon as reasonably and practicably possible thereafter, the Merging Corporations will merge into the USBC as of a date certain to be determined by the Merging Corporations (“Effective Date”).

5. The Surviving Corporation once incorporated shall possess all of the rights, privileges, and immunities of a public and private nature of the Merging Corporations. All property, real, personal, and intangible, and all debts and obligations due on whatever account, and every other interest, of or belonging to or due to the Merging Corporations shall

be taken and deemed to be transferred and assigned to or vested in the Surviving Corporation without further action or deed required.

6. The Surviving Corporation shall be responsible and liable for all liabilities and obligations of the Merging Corporations. Any claim existing or action or proceeding pending by or against any of the Merging Corporations may be prosecuted to judgment as if the merger had not taken place, or the Surviving Corporation may be substituted in the place of such Merging Corporation as a successor in interest. Neither the rights nor any liens upon the property of any Merging Corporation shall be impaired by reason of the merger.

7. The Articles of Incorporation of the **[insert name of new USBC state or local association]** shall not be amended as a result of the merger.

8. The individual memberships of each Merging Corporation shall automatically be converted into individual memberships in the USBC subject to the requirements and conditions of the Bylaws and policies and procedures of the Surviving Corporation.

9. A Board of Directors of the USBC (“Board”) shall manage the affairs of the Surviving Corporation consistent with applicable law and the Bylaws and Articles of Incorporation of the Surviving Corporation. The Surviving Corporation shall have committees as the Board may deem, in its discretion, necessary, desirable or appropriate. The Board shall be responsible for the establishment of the policies and procedures, for approval of annual budgets, and for all other steps deemed necessary, desirable, or appropriate for the Surviving Corporation and to effect the purposes of the Plan of Merger.

10. Prior to filing the Articles of Merger with the state of the Surviving Corporation and the states of the Merging Corporations, any Merging Corporation may abandon the proposed merger upon a majority vote of its Board of Directors to abandon the merger, and, if the Plan of Merger has been approved by the voting members where applicable, a vote of the voting member delegates of the Merging Corporation conducted according to the applicable state statutory requirements.

11. The Plan of Merger may be executed in counterparts.

(B) [If you are a YABA state or local association and do not have voting members] Member approval by the merging corporations was not required and the attached Plan of Merger was approved by a majority vote of the Boards of Directors of each merging corporation at a duly noticed meeting on _____, 200__.

[Or if you are a state or local ABC or WIBC association and member approval is required by the voting members]. The eligible voting members of the merging organization approved the Plan of Merger by **[Insert the applicable state statutory requirement reflected in your Merger Manual at Step 2 A ii: (1) a two-thirds of the votes cast or a majority of the voting power, whichever is less; (2) two-thirds of the votes cast; (3) two-thirds majority of all voting members; (4) a majority of the votes cast; or (5) a majority of all voting members]** at a duly noticed meeting on _____, 200__.

ASSET AND LIABILITY TRANSFER AGREEMENT

[TO BE COMPLETED BY UNINCORPORATED BOWLING ASSOCIATIONS]

NOTE: Association assets only may be transferred to the state or local USBC and/or another organization classified as federally tax exempt under Section 501(c)(3) of the Internal Revenue Code

THIS ASSET TRANSFER AGREEMENT is made effective this ____ day of _____, 200_, (“effective date”) between the **[insert name of unincorporated bowling association]** (“Organization”) and the **[insert name of new state or local USBC corporation]** (“USBC”).

WHEREAS, the Organization, in connection with the creation of the USBC, has agreed to transfer its assets and liabilities to USBC (the “Transfer”); and

WHEREAS, USBC, as the newly created single membership organization in Wisconsin for the sport of bowling, desires to receive such a transfer from the Organization; and

WHEREAS, USBC and Organization desire to memorialize and set forth the terms and conditions of the transfer to USBC;

NOW, THEREFORE, in consideration of their mutual agreement and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, USBC and the Organization agree as follows:

1. Transfer of Tangible and Intangible Assets. On the effective date of this Agreement, the Organization hereby irrevocably transfers, assigns, conveys, and delivers to USBC all right, title, and interest to all of its tangible and intangible assets owned by the Organization. Intangible property may include, but is not limited to, the following: (1) trademark and service mark rights and associated goodwill, (2) copyrights, (3) domain names and web addresses, (4) software licenses, development agreements, or databases (5) association or chapter memberships, and (6) membership mailing lists. The Organization represents and warrants that it has good and clear title to all tangible and intangible assets being transferred under this Agreement and has neither assigned nor licensed any asset or any interest in any asset to any other party, unless otherwise indicated in this Agreement.

2. Assumption of Liabilities. The parties acknowledge that on the effective date, USBC shall become responsible for, and will thereafter pay, perform, and discharge when due, any and all liabilities and obligations of the Organization, all of which liabilities and obligations are hereby transferred to and accepted by USBC. The liabilities include, but are not limited to, all existing contracts to which the Organization is a party, as well as any other financial obligations, expenses, or responsibilities attributable in whole or in part to the Organization. The Organization and USBC agree to execute any other documents that may be necessary to carry out the assignment of any such contracts or obligations to USBC.

[If applicable]

3. **Pension and Benefits Liabilities.** *On the effective date of this Agreement all employees, if any, of the Organization shall become employees of USBC, other than those Organization employees whose employment is terminated prior to such date. The Organization will pay accumulated retirement plan liabilities that have accrued as of the effective date for all present and former Organization employees, if any, and will provide a statement from its independent auditors certifying that such payments have been made. Upon the effective date, all outstanding obligations of the Organization to its employees, including but not limited to payment for any accrued but unused vacation leave, special medical leave, or other accrued but unpaid benefits, shall be transferred to and become the obligations of USBC.*

4. **Representations and Warranties.** The Organization and USBC hereby represent and warrant to one another as of the date of this Agreement, that each has, in all material respects, full power and authority to own each of its assets and conduct its activities as presently conducted, and to execute, deliver and perform its obligations under this Agreement; that the execution, delivery and performance of this Agreement and the consummation of the transactions provided for in this Agreement have been duly authorized by all necessary action on the part of each party; that the execution and delivery of this Agreement by each party and the performance by each party of the transactions contemplated by this Agreement will not conflict with, violate or result in any breach of any of the terms and provisions of, or constitute a default under any contract, agreement, mortgage, deed of trust, or other instrument to which it is a party or by which it or any of its assets are bound which have a material adverse effect on its ability to exercise its rights or perform its obligations hereunder; that as of the effective date hereof, there are no proceedings or investigations pending or, to the best knowledge of each party, threatened against it before any governmental authority (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, (iii) seeking any determination or ruling that, in the reasonable judgment of the party, would materially and adversely affect the exercise by it of its rights or performance by it of any of its obligations under this Agreement or (iv) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of this Agreement.

5. **Waiver of Claims.** The Organization and USBC each waive any claims or liabilities that either the Organization or USBC, or its employees, members, volunteers, directors, officers, agents or representatives of any party to this Agreement have, in any manner, breached their fiduciary duties to any other party in this Agreement.

6. **Miscellaneous.** This Agreement contains the entire agreement between the parties and supersedes all prior and contemporaneous agreements, arrangements, negotiations and understandings between the parties, relating to the subject matter of this transaction. No supplement, modification or amendment of any term, provision or condition of this Agreement shall be binding or enforceable unless executed in writing by both parties. Neither party shall voluntarily or by operation of law assign or otherwise transfer the obligations incurred on its part pursuant to the terms of this Agreement without the prior written consent of the other party. Should any part, term or provision of

EXHIBIT 6 – Asset and Liability Transfer Agreement

this Agreement or any document required to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions shall remain in full force and effect and shall in no way be invalidated, impaired or affected. This Agreement shall be governed by and construed and enforced in accordance with and subject to the laws of the State of Hawaii without giving effect to the conflict of laws principles.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date set forth above.

Name of new state or local USBC corporation

By: _____

Name: _____

Date: _____

Organization

By: _____

Name: _____

Date: _____