PZKT Traditional Karate Federation of Poland

member of

90-057 Łódź, 85/87 Sienkiewicza St. phone/fax +48 42/632 85 79, phone +48 42/632 97 59 e-mail: pzkt@karate.pl, www.karate.pl International Traditional
Karate Federation

European Traditional
Karate Federation

Lodz, 25 July 2013

To:

Mrs. Debra Bowen - California Secretary of State

Re:

Suspension of the International Traditional Karate Federation

Cc:

ITKF Board of Directors

ITKF National Federation Members

We are writing this letter to you regarding the suspension of the International Traditional Karate Federation (ITKF) which is registered in California under entity number C1757979.

The Traditional Karate Federation of Poland (PZKT) has been a member of the ITKF since 1990. The PZKT represents approx. 30.000 traditional karate practitioners throughout more than 200 clubs and sections around Poland. To compare in 1990 the PZKT consisted of 3 clubs. PZKT is also one of the most active ITKF Member Federations. Since joining the ITKF in 1990 the PZKT has attended all the ITKF World and the European Championships and all the ITKF Summer Camps in San Diego. Every year the Polish instructors and athletes came to Los Angeles to practice with Hidetaka Nishiyama Sensei at the ITKF Central Dojo.

The PZKT also hosted many ITKF events such as: two times the ITKF World Championship (1998 – Pruszkow, 2012 – Lodz), three times the ITKF European Championship (1992, 1999 – Lodz, 2006 – Rzeszow), since 2001 seven editions of the ITKF World Cup and since 2002 five editions of the ITKF European Cup.

The PZKT is proud that we keep continuous cooperation with many ITKF National Federations and countries in the world in organizing international activities such as seminars, championships or conferences, namely from: Argentina, Armenia, Austria, Brazil, Bulgaria, Canada, Costa Rica, Czech Republic, France, Germany, Greece, Italy, Japan, Lithuania, Macedonia, Malta, Moldova, Portugal, Russia, Serbia, Slovenia, Sri Lanka, Switzerland, Ukraine, United Kingdom, Uruguay, USA and Venezuela. For several times we have also helped the Hosts of the ITKF championships, e.g. in Lithuania during the 2003 European Championship and the 2008 World Championship or during the 2011 European Championship in Israel where we sent additional delegation of seven judges at our expense so that the competition could be organized smoothly in a regular time, because there were not enough judges from other countries. This year we will assist the Czech Traditional Karate Association in organizing the 2013 ITKF European Championship in Prague on 5-8 December.

The PZKT in co-operation with the Foundation for the Traditional Karate Development built in Poland the world's biggest Budo centre "Dojo-Stara Wieś" in Poland for about 25 mln USD. The idea to build such a place in Poland was initiated by Nishiyama Sensei and supported by him for many years. In the centre "Dojo-Stara Wieś" the original Sensei's karate-gi is place in a specially designed glass-case.

It has now been numerous times that we have requested the ITKF Chairman, Mr. Richard Jorgensen to provide us with a status of the ITKF office and its financials. Unfortunately our repeated requests were left unanswered, leaving us with no choice but to seek an independent third-party to investigate the status of the ITKF and provide a legal opinion. We have hired the law firm from Poland – Kancelaria Adwokacka Porczyński Owczarek i Spółka – to perform the above task.

The investigation of this law firm concluded that the ITKF has been suspended as a business entity for the past few years. Attached is a copy of the suspension notice and the legal opinion of the law firm regarding such a suspension.

Our office also contacted the Frenchise Tax Board division of the California Secretary of State Office by the phone and we were informed that the <u>ITKF has been suspended since May 1, 2002.</u> Also we received information that the ITKF applied for tax exempt status a couple of weeks ago.

The definition contained in the letter from the Polish law firm Kancelaria Adwokacka Porczyński Owczarek i Spółka says that "when a corporation is suspended, it has lost all rights and privileges as a corporation and cannot legally operate". In case of the ITKF this didn't happen and it was operating as a legal organization. Moreover, either the ITKF Board of Directors or the ITKF Member Federations have never been informed by the ITKF Office or the ITKF Chairman about this important fact for all these years and they were acting as if nothing wrong had happened, including collecting money, issuing invoices etc. Now when the truth came out, they immediately contacted the Frenchise Tax Board for tax exempt status. This probably would not happen and they would continue illegal actions if we didn't find out the truth.

On 14 June 2013 in Lublin (Poland) our federation hosted the International Conference "Quo Vadis ITKF?". The meeting was attended by several dozen representatives of the ITKF Member Federations who were provided with evidence of the unworthy conduct of the ITKF by both the ITKF Chairman and the ITKF Office in the following aspects:

- 1. Serious violation of the ITKF Constitution.
- 2. Acting against the law no valid ITKF Constitution.
- 3. Non-existing communication between the ITKF Chairman and the ITKF Directors on current important issues.
- 4. Attempt of money extortion from an ITKF Member Federation.
- 5. Illegal money collection.
- 6. Fabrication of documents.
- 7. Ignoring the decisions of the ITKF Board of Directors.

At the end of the conference the attendees signed a petition (see attached) to call the ITKF Extraordinary General Meeting on 17 August 2013 in Stara Wieś (Poland) at the Japanese Martial Arts and Sports Centre "Dojo-Stara Wieś". The purpose of this meeting is to take legal actions and decisions towards the ITKF Office and the ITKF Chairman in light of the arguments presented during the conference.

After the conference on 26 June 2013 we received a letter from the ITKF with information about suspension of the PZKT in the ITKF. This unilateral dictatorial decision of the ITKF Chairman shocked most of the ITKF Member Federations.

With this letter we are requesting your Office to suspend the ITKF application for tax exempt status and stop the legal procedure until the ITKF Extraordinary General Meeting to be held on 17 August 2013 in Poland.

It's time for the ITKF Member Federations to draw consequences towards the ITKF Chairman who consciously led to conceal the information about suspension of the ITKF from the ITKF Board of Directors and the ITKF Member Federations. It's time for the ITKF Member Federations to use their democratic right to decide about the future of their organization and start new era of the ITKF.

Also we will appreciate to receive your official statement to the points below until 10 August 2013 to the following e-mail address: pzkt@karate.pl.

- 1. Is the State of California going to take legal actions to penalize those responsible to continue raising money on behalf of ITKF in the world?
- 2. Is the State of California going to close the ITKF Corporation, taking into consideration the fact that despite the suspension the ITKF continued to collect money from all the affiliated countries and it did not pay the tax debts?
- 3. Has the ITKF Chairman Mr. Richard Jorgensen (Canada), committed a crime under the laws of the State of California and what legal steps shall be taken by the State towards him?

We are looking forward to hearing from you.

Włodzimierz Kwiecińsk

Chairman

Sincerely

Enclosures:

1. Letter from the law firm - Kancelaria Adwokacka Porczyński Owczarek i Spółka.

2. Document from the Registry of the California Secretary of State Debra Bowen on the ITKF suspension.

3. Petition signed by 45 people from 14 countries to call the ITKF Extraordinary General Meeting on 17 August 2013 in Stara Wieś (Poland).