

ISIJ General Operating By-Law No. 1 (GOBL)

Frequently Asked Questions (FAQ'S)

1. Why Incorporate?

Incorporating gives an organization legal status. As a legal entity, an incorporated association is recognized by the legal system as having rights and responsibilities. An incorporated organization can enter into contracts, buy land, borrow money, and have bank accounts, etc., in its own name. Other advantages to incorporating may include:

- The liability of the members is limited (for example, members are not personally liable for debts of the corporation);
- Continuity of the organization is assured while the membership changes;
- A corporation can own property in its name regardless of membership change;
- The ability to bring a legal action in its own name (an unincorporated body cannot); and
- The chances of receiving government grants may increase because of the stability the organization appears to have.

2. How do we incorporate and does this retain our charitable status?

The ISIJ will be incorporated federally under the Canada Not-for-profit Corporations Act by filing the Articles of Incorporation and all of the required documents. Once the registration is completed our Lawyers will submit to CRA an application for transfer of our Charter.

3. What is the *Canada Not-for-profit Corporations Act (CNCA)*?

The *Canada Not-for-profit Corporations Act (CNC Act)* is the law that governs the internal affairs of federal not-for-profit corporations. When it came into force on October 17, 2011, it replaced the *Canada Corporations Act (CCA Part II)* that previously governed federal not-for-profit corporations. A substantial portion of the GOBL consists of sections that are mandatory as per CNC Act.

4. What happens to the current constitution?

The General Operating By-Laws will replace the current constitution once the general membership has approved the amending resolution. Because of the limitations placed by the CNC Act not all provisions of the existing Constitution have been adapted into the GOBL. However, there will be subsequent By-Laws enacted by the Corporation which will regulate its affairs.

5. What happens to the Executive Committee and its composition?

The current EC is made up of 6 officers, 3 elected members, and the ex-officio members comprising of the chairs of the Senior, the JIY and the Affiliate Centers. Once incorporated there will be a Board of Directors consisting of Ten Directors (with a provision for a maximum of 15 for future addition) all elected by the general membership. Under the CNC Act only those elected by the general membership are allowed to serve on the board. The ex-officio members (who are not elected by the full ISIJ membership) will be invited to serve as guests with no voting powers. There will also be 6 "Officer- Directors" on the Board who will be elected for their respective positions (same as current officers). The remaining will be "At large Directors."

6. What are other major changes?

- ◆ The term of service of the Board and Committees changes from a 2 year term to 3 years.
- ◆ The current operating Boards will be renamed as "Committees." Why? So as not to confuse the term "Board" which refers to the Board of Directors as per the advice from our lawyers.
- ◆ The Chairlady as a member of the Board will now be elected by the full membership as per CNC Act.
- ◆ The "appointment" of the Ladies Committee will now replace the Ladies Committee elections. What does "appointment" mean? Because the GOBL only has one class of membership, all other groups such as the Ladies Committee, the Seniors and the Youths will be appointed outside of the GOBL. So once the ladies have elected their leaders the Board will then appoint them to their respective roles.

- ◆ The elections of the Board members will now be held at the AGM as per the Act.
- ◆ A Director must be a member in good standing of the Corporation for continuous period of five years immediately preceding his/her election.
- ◆ The Board will have the right to refuse the renewal of membership under certain conditions subject to a defined process set out in the By-Laws.
- ◆ One of the At-Large Directors elected by the full ISIJ membership shall be the Chair of an Affiliate Center where members registered to attend the center has a minimum of 200 members of ISIJ in good standing

7. Why the Ombudsman Committee?

The ombudsman committee will have dual role of addressing membership complaints as well as resolving disputes between members including the leadership. Rather than vesting all the powers and burden on one individual, a committee of three is more desirable in the view if the Constitution Review Committee (CRC).

8. Why the Governance Committee?

A resolution was passed by the General at the Annual General Meeting in 2010 for the creation of a Governance Committee. The role and function of the Governance committee shall be to support the Board by ensuring that they are aware of their legal, ethical, and functional responsibilities and that the appropriate governance and risk management processes are put in place to assist the Board in carrying out its duties.

9. What happens to the BAP (Burial Assistance Plan) after incorporation. Do members still have a right to the burial?

Under the current constitution, participation in the Burial Assistance Plan is mandatory and the membership fee structure is inclusive of that. The BAP program itself is a separate program and will continue to run as usual after incorporation. A member is fully vested in the BAP as long as the past due arrears are paid up in full by a new or a renewing member as per the schedule. The BAP program may be re-evaluated at a later date to ensure its benefit value to all members

10. How is this incorporation going to protect our Assets?

Incorporation of the ISIJ has been long overdue for reasons given under item #1 as well as for risk management reasons. This is the first step in our journey ahead for consolidating and protecting the interests of the Jamaat. There will be future efforts to restructure the Jamaat and/or incorporate one or more entities to protect our assets including any future commercial projects.

11. How do I make my opinions known?

You may send your questions, concerns or suggestions to the CRC mailbox at CRC@jaffari.org

12. What are the next steps?

The Executive Committee will call a Special General Meeting of the members with a resolution to adopt the new By-law. Once adopted by the Membership, EC will instruct the Lawyers to prepare all the necessary documents required for Incorporation and file an application to register the ISIJ of Toronto as a Not for Profit Corporate entity under the Canadian Federal Charter.