

High-Level Summary of Changes in the Proposed 2026 Governance Framework & Bylaws

1. Introduction of a Governance Framework

(NEW SECTION)

What's changing:

The new bylaws introduce a formal *Governance Framework* that clarifies the hierarchy of governing documents:

- Articles of Incorporation
- Bylaws
- Policies & Procedures

Why it matters:

This aligns Karate NL with modern nonprofit governance standards and removes ambiguity about which document prevails in a conflict.

2. Addition of Definitions (NEW SECTION)

What's changing:

A new Definitions section clarifies terms such as *Board*, *Officer*, *Director*, *Member Clubs*, *Ordinary Resolution*, *Special Resolution*, and *Written Notice*.

Why it matters:

This reduces interpretation disputes and brings the bylaws in line with the Corporations Act.

3. Annual General Meeting Timing Updated

Old rule: AGM must be held within 30 days of the Provincial Championships.

New rule: AGM must be held within **six months of fiscal year end** and no more than 15 months after the previous AGM.

Why it matters:

This removes dependency on tournament scheduling and aligns with provincial nonprofit law.

4. Membership Year Shifted

Old rule: Registration deadlines tied to January 1.

New rule: Membership year is **September 1 – August 31**, with registration due by **October 31**.

Why it matters:

This aligns membership with the karate season and insurance policy annual renewal and improves financial planning.

5. Delegate-Based Voting System (MAJOR CHANGE)

Old rule:

- Every individual member in good standing could vote directly or by proxy.
- Under-18 votes were automatically proxied to club instructors.

New rule:

- **Voting is now by Member Club**, not by individual members.
- Clubs receive **1–4 votes** based on membership size.
- Each club must designate **one delegate** (plus an alternate).
- No delegate may represent more than one club.

Why it matters:

This modernizes voting, prevents proxy stacking, and ensures fair representation based on club size.

Discussions with Sport NL and their insurance provider in early 2026 required KNL to revise its voting structure to reduce the risk of any individual member or group of members exerting undue influence.

6. New Qualification Rules for Directors

New requirements include:

- Must be 19+
- Must not be bankrupt

- Must not violate Articles restrictions on related persons
- **No more than three Board members may come from the same club**

Why it matters:

This prevents concentration of power and aligns with best practices for conflict-of-interest management.

7. Finance & Management Section (NEW, SUBSTANTIAL)

The new bylaws add an entire section covering:

- Fiscal year
- Audits or reviews
- Public access to financial statements
- Signing authority
- Contracts
- Borrowing
- Disbursement of funds
- Contingency reserve
- Intellectual property

Why it matters:

This dramatically improves financial transparency and accountability — a major governance upgrade.

8. New Conflict of Interest Section

What's changing:

A dedicated section outlines disclosure, recusal, and enforcement.

Why it matters:

This is essential for modern governance and reduces risk to the organization.

9. Committees Modernized

Key changes:

- Committees may be standing or ad-hoc.
- Clear limits on committee authority (cannot amend bylaws, approve financial statements, etc.).

- President becomes **ex-officio non-voting** on committees (previously voting).

Why it matters:

This clarifies committee powers and gives the Board the authority to change the committee structure as the organization evolves.

10. Electronic Meetings Explicitly Allowed

What's changing:

The new bylaws explicitly allow teleconference or electronic meetings for both members and the Board.

Why it matters:

This reflects modern practice and ensures legal compliance.

11. Suspension & Expulsion Updated

New grounds added:

- Breach of governing documents of Karate NL or Karate Canada.

Why it matters:

This ensures alignment with national standards and safe sport requirements.

12. Minor Modernizations Throughout

Examples include:

- Updated notice requirements (website posting + email).
- Clarified quorum rules.
- Improved language consistency.
- Removal of outdated references (e.g., facsimile).