

Current language in Section 8 of the Articles of Continuance:

There is one class of members in the Association. Membership in the Association shall be available only to persons interested in furthering the Association's purposes, who have applied for and been accepted into membership in the Association by resolution of the Board or in such other manner as may be determined by the Board, and who are:

- a. Active in the automotive aftermarket industry;
- b. If a corporation, incorporated federally or provincially (or territorially) in Canada; and
- c. Carrying on operations in Canada.

Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Association.

Recommended change:

Section 8 of the Articles of Continuance is hereby deleted and replaced with the following:

The Corporation is authorized to establish one class of members. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.

Rationale:

AIA Canada's legal counsel recommends using the proposed language rather than including identical membership criteria in the new By-Laws. This approach gives the organization greater flexibility to update membership descriptions in the future without having to amend the Articles.

Under the Canada Not-for-profit Corporations Act (the "Act"), the Articles must set out the classes of members, but they do not need to include the specific membership criteria. The Act allows those criteria to be set out in the By-Laws instead.

Keeping the criteria in the By-Laws will avoid the need to file Articles of Amendment for future changes, which would otherwise require a \$200 government filing fee and additional legal drafting costs. This approach reduces administrative burden while remaining fully compliant with the Act.