

## **Religious Organization (Shyukyo Hojin) Constitution**

This constitution is provisional. It will be applied after the application has been accepted

### **Islamic Culture Center, Osaka**

#### **Chapter 1: General Rules**

##### **Article 1 (Name)**

This mosque shall be a religious corporation for acquiring judicial status under religious corporation law, and is called the "Islamic Culture Center, Osaka."

##### **Article 2 (Location of Office)**

This religious corporation has established an office in 4-6-13, Toyokawa, Ibaraki-shi, Osaka.

##### **Article 3 (Purpose)**

This religious corporation shall undertake business and projects required for the purpose of spreading the teachings of Islam by declaring Allah to be the only one God, performing ritual activities, and carrying out the cultural training of believers.

##### **Article 4 (Method of Public Notice)**

The public notice of this corporation shall be listed on the billboard of the office for 15 days.

#### **Chapter 2: Organization of Officers and Others**

##### **Section 1: Representative Director and Directors**

##### **Article 5 (Number)**

This corporation has three directors, and one person from among these shall be the representative director.

##### **Article 6 (Qualification and Election)**

1. The representative director shall be chosen by mutual voting of the directors.
2. Directors shall be selected at an advisory committee meeting from among the believers.
3. The total number of a director's relatives or persons having a special relation with the said director shall not exceed one third of the quorum of directors.

##### **Article 7 (Director's Remuneration)**

A director shall not be able to receive remuneration based only on his/her position as a director; however, there is an exception when the director receives remuneration in the role of an employee.

##### **Article 8 (Term of Office)**

1. The term of office for the representative director shall be the same term as for a director.
2. The term of office for a director shall be two years; with the provision that he/she shall not be barred from reappointment.
3. The term of office of an alternative representative director or director shall be the remaining term of

his/her predecessor respectively.

4. After the resignation or expiration of the term of a representative director or director, he/she shall perform the job until a successor or his/her proxy person takes office.

**Article 9 (Board of Directors and its Official Authority)**

The representative director shall act as the president of administration of this Corporation.

**Article 10 (Board of Directors and its Official Authority)**

1. Directors shall organize a board of directors' meeting and determine the administration of this Corporation as listed below.

- (1) Preparation of budget
- (2) Approval of settlement of accounts (general inventory, balance sheet, and statement of cash flow)
- (3) Disposal of annual surplus money
- (4) Setup or change of permanent property
- (5) Acquisition, disposal, or mortgage offering, etc. of real estate and important movable property
- (6) New building, renovation, extension, reconstruction, removal, a significant change, change of use, etc. of the main buildings in the precincts of the mosque
- (7) A significant change or change of use, etc. inside the precincts of the mosque ground
- (8) Bearing responsibility for lease, debt or other new duties or renouncing rights.
- (9) Establishment or abolition of included relationship
- (10) Change of rules, or establishment and change/removal of detailed rules
- (11) Merger or dissolution, and disposal of residual property
- (12) The items set out in this Constitution beside the items listed above.
- (13) Other important office work of this Corporation

2. Proceedings of the board of directors' meeting shall be decided by a majority of directors except when otherwise stated in this Constitution.

3. The voting rights of directors in the board of directors' meeting shall be equal respectively.

4. The representative director shall convene a board of directors' meeting; provided however, that when the representative director is absent, or when the representative director neglects to convene in the case of clause 5 below, the person who is selected by mutual election of directors shall be able to convene a meeting.

5. When the representative director is requested by the majority of the quorum of directors with presented agendas to convene a board of directors' meeting, he/she shall promptly convene one.

6. When the representative director convenes the meeting, he/she shall inform all the directors of its place/time and the agendas to be discussed.

7. The chairperson presiding over the board of directors' meeting shall be the representative director;

however, in case of clause 4 above, the person who is elected by mutual selection of the directors present shall preside.

8. The minutes of proceedings in a board of directors' meeting shall be recorded.

## **Section 2: Proxy**

### **Article 11 (When a Proxy Should be Assigned)**

1. When the situation corresponds to either of the following clauses, a proxy shall be assigned.

(1) When the representative director or a director is absent in case of death, resignation, dismissal, the expiration of his/her term, and when a successor cannot be promptly chosen.

(2) When the representative director or a director cannot perform the job due to illness, travel, or others reasons for more than 3 months.

### **Article 12 (Qualification and Election)**

1. The representative director's proxy shall be selected in a board of directors' meeting among directors when the situation corresponds to clause 1 of Article 11 above, and when it corresponds to clause 2 of the same article, the representative director shall be selected from among the directors.

2. The proxy of directors other than the representative director shall be selected at a general assembly from among the believers.

3. Clause 3 of Article 6 and Article 7 shall be applied to proxies. In this case, "director" in the regulations shall be replaced with "director or his/her proxy".

### **Article 13 (Official Authority)**

1. A proxy shall perform the job instead of the representative director or director except for the matters set out in the following clauses.

(1) The matters specified in Article 27 (it is limited to matters concerning important property.)

(2) The matters specified in Article 39 (except for minor matters)

(3) The matters specified in Article 40

2. Naturally a proxy person shall relinquish the position when the reason for replacement ends.

## **Section 3: Temporary Representative Director and Temporary Director**

### **Article 14 (Selection)**

1. A representative director or his/her proxy shall not have the right of representation in a matter with which the Corporation has a conflict of interest. In this case, a temporary representative director shall be selected from among believers in a board of directors' meeting.

2. A director or his/her proxy shall not have a voting right about a matter with which the said director or a proxy person has a special interest. In this case, temporary directors or proxies equal to the number of directors or proxies who do not have voting rights, shall be selected from among believers in a board of directors' meeting.

### **Article 15 (Official Authority)**

A temporary representative director or a temporary director shall perform the job about the matter specified in the Article 14 above, instead of the said representative director, director, or proxy.

#### **Section 4: Believers and Advisory Committee Meeting**

##### **Article 16 (Definition of Believer)**

The believer shall be a person who believes in the teachings of this Corporation, who participates in ritual events, and who is registered in the believers' list.

##### **Article 17 (Advisory Committee Meeting)**

1. This Corporation shall select seven advisory committee members.
2. An advisory committee member shall be selected in a board of directors' meeting from among those who have earned trust among the believers and the representative director shall appoint him/her.
3. The advisory committee member's term of office shall be two years; with the provision that he/she shall not be barred from reappointment.
4. The rules of clause 3 of Article 6, Article 7 and clauses 3 and 4 of Article 8 shall be applied to advisory committee members correspondingly. In this case, "director" or "representative director and directors" shall be replaced with "advisory committee member" respectively.
5. Advisory committee members shall deal with the matters set out in this Constitution, and also shall help the representative director to strive for the achievement of the purpose of this Corporation, and maintain and prosper this Corporation.
6. Advisory committee members shall organize an advisory committee meeting and decide about the matters listed in the following clauses.
  - (1) Preparation of budget
  - (2) Approval of settlement of accounts (general inventory, balance sheet, and statement of cash flow)
  - (3) Disposal of annual surplus money
  - (4) Setup or change of permanent property
  - (5) Disposal, or mortgage offering, etc. of real estate and treasures listed in the property list
  - (6) Lease or guarantee, or other burdens of important duty, and abandonment of right
  - (7) Change of rules, merger or dissolution
  - (8) Administration of business and projects
  - (9) Other matters set out in this constitution
  - (10) Matters concerning the achievement of purpose of this Corporation and its maintenance and prosperity
7. The representative director shall convene an advisory committee meeting; provided however, that when the representative director is absent, or when the representative director neglects to convene in the case of clause 8 below, the person who is elected by mutual election among directors other than the representative director shall be able to convene the advisory committee meeting.

8. The representative director shall call an advisory committee meeting promptly, when he/she is requested by the majority of the quorum of advisory committee members to convene an advisory committee meeting with a suggested agenda to be discussed.

9. The chairperson to preside over an advisory committee meeting shall be appointed by mutual election of advisory committee members.

10. The agenda of an advisory committee meeting shall be decided by a majority of the quorum of advisory committee members except when stated otherwise in the constitution.

11. The minutes for the proceedings of an advisory committee meeting shall be recorded.

## **Section 5: Dismissal of Directors and Advisory Committee Members**

### **Article 18 (Dismissal of the Representative Director)**

When the condition of the representative director corresponds to one of the following clauses, based on the resolutions for dismissal of the representative director with the respective majority votes of quorums for a board of directors' meeting and an advisory committee meeting, the board of directors' meeting shall be able to dismiss the said representative director (including his/her status of director).

(1) When it is acknowledged that physical or mental failure affects the performance of his/her duties and he/she is unable to bear the responsibility.

(2) When he/she explicitly violates the duties of the job.

(3) When he/she acts inappropriately as representative director.

### **Article 19 (Dismissal of Director)**

When the condition of a director other than representative director corresponds to one of the clauses of Article 18, based on the resolutions for dismissal of a director with respective two-thirds of the quorums for a board of directors' meeting and an advisory committee meeting, the representative director shall be able to dismiss the said director. In this case, "representative director" shall be replaced with "director" in clause 3 of the said article.

### **Article 20 (Dismissal of a proxy)**

The dismissal of a proxy for the representative director or a director shall follow the regulations set out in Articles 18 and 19.

### **Article 21 (Dismissal of an Advisory committee member)**

When the condition of an advisory committee member corresponds to one of the clauses of Article 18, based on the resolutions for the dismissal of the representative director with respective two-thirds of the quorums for a board of directors' meeting and an advisory committee meeting, the representative director shall be able to dismiss the said advisory committee member. In this case, "representative director" shall be replaced with "advisory committee member" in clause 3 of the said article.

## **Section 6: Auditor**

### **Article 22 (Auditor)**

1. One auditor shall be set in this Corporation

2. An auditor shall be assigned at an advisory committee meeting from among the believers excluding

directors and advisory committee members.

3. The auditor's term of office shall be four years. However, he/she shall not be barred from reappointment.
4. Also after resignation or expiration of the term, the auditor shall perform the job until a successor takes office.
5. The auditor shall not be from those who are directors, advisory committee members or their relatives, or anybody who has a special relation or is an employee of this Corporation.
6. An auditor shall perform the job set out in this constitution, and shall also inspect the status of the properties of this Corporation, and the performance of businesses and projects, and shall report to aboard of directors' meeting and an advisory committee meeting if necessary.
7. In the case that an auditor may need to report in accordance with the preceding clause, he/she shall be able to convene a board of directors' meeting and a advisory committee meeting irrespective of the regulation in clause 4 of Article 10 and, and clause 7 of Article 17.
8. The regulation set out in Article 7 shall be applied correspondingly to the auditor.
9. When the auditor corresponds to one of the clauses of Article 18, a resolution by two-thirds of the quorum of an advisory committee meeting shall be able to dismiss the said auditor. In this case, "representative director" shall be replaced with "auditor" in clause 3 of Article 18.

### **Chapter 3: Finance**

#### **Article 23 (Classification of Property)**

1. The property of this Corporation shall be permanent property and ordinary property.
2. The permanent property shall be set among the properties listed below.
  - (1) Real estate and negotiable securities
  - (2) Contributed property specified as permanent property
  - (3) Property which is decided to be included in permanent property
3. Ordinary property shall be properties other than permanent property and income which were acquired in the past and are accrued generally from property.

#### **Article 24 (Setup and Change of Permanent Property)**

The setup or change of permanent property shall require the resolution of more than two-thirds of the quorum of a board of directors' meeting and an advisory committee meeting.

#### **Article 25 (Management of Permanent Property)**

The permanent property shall be kept in a bank or converted to positive negotiable securities, and shall be managed by the representative director.

#### **Article 26 (Disposal of Property etc.)**

Any action listed below shall require the resolution of more than two-thirds of the quorum of a board of directors' meeting and an advisory committee meeting, and notice must be given to believers and interest groups about the effect of this action at lease one month before it takes effect; however, when an action

listed in clauses 3-5 is urgent or a minor one, and the action listed in clause 5 lasts only for a certain period, public notice need not be given.

(1) Dispose of real estate or treasures listed in the property inventory.

(2) Borrowing (except for the temporary lease withdrawn with the income within the fiscal year concerned), or offering of a guarantee.

(3) New construction, reconstruction, extension, transfer, removal or a significant change to main in-precinct buildings.

(4) Carrying out of a significant change to the in-precincts ground.

(5) Changing of use of main in-precinct buildings, or the use of the in-precincts ground, or the offering of those for purposes other than the main purpose of this Corporation.

### **Article 27 (Preparation of the General Inventory)**

The general inventory shall be prepared within three months of the end of the preceding year after the end of annual fiscal year and received by the auditor's audit and then it shall require the resolution of an advisory committee meeting and a board of directors' meeting respectively.

### **Article 28 (Payment of cost)**

The cost of this Corporation shall be paid by ordinary property.

### **Article 29 (Preparation of budget)**

A budget shall be drawn up one month before an annual fiscal year starts. It shall be resolved by an advisory committee meeting, and require two-thirds of the quorum of directors in a board of directors' meeting.

### **Article 30 (Classification of Budget)**

The budget is divided into two parts consisting of a current balance and an extraordinary balance and they shall be subdivided into items to clarify the nature of income and the purpose of expenditure.

### **Article 31 (Reserve Fund)**

1. A reserve fund shall be able to be appropriated to cover expenditures which are overrun budgets or out-of-budget expenditures.

2. When a reserve fund is to be used, it shall require the resolution of a board of directors' meeting.

### **Article 32 (Supplement of Budget)**

When, after the preparation of a budget, the need arises within the fiscal year due to an unavoidable reason, a resolution of an advisory committee meeting and a resolution with more than two-thirds of the quorum of directors in a board of directors' meeting shall be able to supplement the specified budget.

### **Article 33 (Installation of Special Account)**

If necessary, a resolution by an advisory committee meeting and a resolution with more than two-thirds of the quorum of directors shall be able to install a special account.

### **Article 34 (Settlement of Accounts)**

After settlement of account, a statement of cash flow shall be prepared within three months after the end of a fiscal year every year, receive the auditor's audit, and be approved by an advisory committee meeting and receive the approval of more than two-thirds of the quorum of directors in a board of directors' meeting.

#### **Article 35 (Disposal of Annual Surplus Money)**

When a surplus is produced in an annual account, it shall be transferred to the annual revenue of the following year; provided, however, that the whole or part of it can be incorporated into permanent property with a resolution of an advisory committee meeting and a resolution with more than two-thirds of the quorum of directors in a board of directors' meeting.

#### **Article 36 (Fiscal Year)**

The fiscal year of this Corporation shall start on February 1<sup>st</sup>. every year, and shall end on January 31<sup>st</sup>. of the following year.

### **Chapter 5: Projects**

#### **Article 37 (Halal Food Selling Business)**

1. This Corporation undertakes the following businesses.

(1) Halal food selling business

(2) Place-of-business location: Inside the main office.

2. The business of the preceding clause shall be managed by the representative director based on the regulation of "Halal Food Sale Business" provided separately, with resolutions of an advisory committee meeting and a board of directors' meeting.

3. The accounts of the business in clause 1 shall be separated from the general account, and shall be handled in a special account.

4. The profit produced from the business in clause 1 shall be used for this Corporation.

### **Chapter 6: Supplementary Rule**

#### **Article 38 (Change of Constitution)**

1. If any change is made to this constitution, it shall be passed by a resolution of an advisory committee meeting and a resolution of more than two-thirds of a board of directors' meeting, and in addition, it must receive the Osaka governor's attestation.

2. When the change of constitution applies to items in Article 3, this article and the next article, it shall require the consent of two-thirds of the believers in addition to the requirements described in the clause mentioned above.

#### **Article 39 (Merger or Dismissal)**

When this Corporation intends to carry out a merger or a dismissal, it must be passed by the resolutions of an advisory committee meeting, and more than two-thirds of the quorum of directors in a board of directors' meeting, and then the Osaka governor's attestation must be received.



#### **Article 40 (Attribution of Residual Property)**

The residual property accompanying dissolution of this Corporation shall be attributed to the government, municipal government, other religious bodies, or other public corporations which are selected based on a resolution of an advisory committee meeting and a resolution of more than two-thirds of the directors in a board of directors' meeting.

#### **Article 41 (Fixed Documents and Account Book)**

This Corporation shall be equipped with the following documents and accounting book permanently in its office.

- (1) The constitution of this Corporation
- (2) The rules and regulations of Islam
- (3) List of directors' names
- (4) Budget document
- (5) General inventory, balance sheet, and statement of cash flow
- (6) The minutes of the board of directors' meetings and advisory committee meetings
- (7) Office processing record book
- (8) Accounting books and other related books regarding businesses
- (9) Believers list

#### **Article 42 (Detailed Enforcement Regulations)**

The detailed rules about the enforcement of this Constitution shall be specified otherwise with a resolution of an advisory committee meeting and a following resolution in a board of directors' meeting.

#### **Supplementary Provision**

This constitution shall be enforced after this Corporation is approved as a religious corporation preparatory body before receiving the attestation of the Osaka governor.