

FOUNDATION FUND OF THE WORLD FEDERATION OF KSIMC

TERMS OF REFERENCE

PREAMBLE:

The World Federation Foundation Fund (WFFF) is envisaged to be a strategic investment fund in order to create the necessary income stream for The World Federation's long term growth and sustainability. The World Federation continues to be a vigorous and dynamic institution serving our global community in a number of different ways, however with the income stream obtained from the WFFF, The World Federation can meet its long term objectives to self sustainability.

1. Formation of the WFFF Sub-Committee

The Meeting of the Executive Council held on the 8th December 2010 in Birmingham, UK formed a Sub-Committee to be known as The World Federation Foundation Fund Sub-Committee. Furthermore, The Extraordinary Conference of The World Federation held on the 27th May 2011 in Dar es Salaam ratified the formation of this Sub-Committee and in the subsequent First Executive Council Meeting of the 29th May 2011 in Dar es Salaam this WFFF Sub-Committee was asked to formally apprise the next Executive Council of 24th September 2011 with the Terms of Reference of The World Federation Foundation Fund. The WFFF Sub-Committee has no executive powers other than those specifically delegated in these Terms of Reference.

2. Terms of Reference

2.1 Purpose

To raise funding from donations to generate income in order to create the necessary income stream for the long term growth and sustainability of The World Federation. It is clearly understood that the WFFF Investment Capital shall not be used to finance any administrative costs, whatsoever of The World Federation, and thus these funds will be categorized as restricted funds for the strict usage under the guidelines of the WFFF. Any deviation from this will require explicit approval and permission from the Executive Council. Nevertheless, some of the income generated by the WFFF, may, if need be, used for meeting the deficiency of the administrative costs of The World Federation Secretariat subject to the Executive Council approval from time to time.

Any funding sourced must not create a liability for The World Federation, however in the unlikely event that there is such funding or assets available to the WFFF that could create some type of liability, then the Office Bearers will approve these special operations of the WFFF Sub-Committee, under the powers given to the Office Bearers through The World Federation Constitution.

Due to the fact that the sole beneficiary of the income generated from the WFFF is The World Federation, the Executive Council hereby confirms and approves that the donations collected for the WFFF will be exempted from the levy of the seven (7) per cent.

2.2 Objectives

1. To raise funds from the community for the Foundation Fund.
2. To suggest to The World Federation Office Bearers investment decisions for The World Federation Foundation Fund when deemed necessary by the WFFF Sub-Committee.

2.3 The World Federation Foundation Fund Sub-Committee [WFFF Sub-Committee]

- 2.3.1** The WFFF Sub-Committee will comprise of a team of up to nineteen (19) people who need to be registered members of any one of our Khoja Jamaats worldwide. At most two members, will be from each of the specific regions where The World Federation has a presence of our global organisations which regions are defined as North America - NASIMCO, Europe - CoEJ, Africa - AFED, Pakistan – Pakistan Federation, India, Middle East and East Asia/Oceania. The Executive Council will elect the Chair, the Secretary, and the two other Executive members of this WFFF Sub-Committee. The World Federation Hon. Treasurer will be an ex-officio member of this WFFF Sub-Committee, and this five member Executive Team will then appoint fourteen additional members in consultation with the Constituent Members and/or Associate Members to ensure a harmonious worldwide representation within the WFFF Sub-Committee. The five member Executive Team can remove and replace members within this WFFF Sub-Committee due to non-performance or non-attendance of members of this Sub-Committee. It is imperative that Constituent Members and or Associate Members of The World Federation recommend and approve the appointment of the two people representing their respective region on the WFFF Sub-Committee.
- 2.3.2** The Executive Council will elect the first five member Executive Team of the WFFF Sub-Committee to be the Chair, the Secretary, and the two other Executive members of this WFFF Sub-Committee. The World Federation Hon. Treasurer will be an ex-officio member of this WFFF Sub-Committee. This five member team will be elected for a term not exceeding three calendar years, or for a term ending with the next The World Federation Ordinary Conference whichever is earlier. This five member Executive Team will then appoint the fourteen additional members as per clause 2.3 (a) for the same term or less.
- 2.3.3** The WFFF Sub-Committee will meet at least once every three months or as necessary in order to review all matters related to the WFFF. In order to establish quorum for a WFFF Sub-Committee meeting at least seven members or thirty-five per centum of the total number of members of the WFFF Sub-Committee, whichever is higher, will need to be present, so long as two members of the five member Executive Team are present in this meeting.
- 2.3.4** Any decision of the WFFF Sub-Committee will be on a majority basis.
- 2.3.5** The WFFF Sub-Committee is authorised to appoint and hire administrative personnel on an ad honorem or salary / fee basis, to help the Sub-Committee with respect to issues pertaining to the WFFF. However, in the event that the services rendered require an expenditure, than the budget for that specific expenditure will need to be pre approved by the Secretary General of The World Federation for the WFFF Sub- Committee to proceed accordingly.

2.4 Reporting

- 2.4.1** The WFFF Sub-Committee will report on a quarterly basis to the Office Bearers of The World Federation and at every meeting of the Executive Council.
- 2.4.2** The WFFF Sub-Committee will also present written reports of current financial status of the fund where applicable, at every Executive Council Meeting and Conference of The World Federation.

2.5 Funding

The funding limit for investments will be set from time to time by the Executive Council.

2.6 Authority

- 2.6.1** The Office Bearers of The World Federation will have the authority to examine any activity of the WFFF Sub-Committee within its Terms of Reference.
- 2.6.2** The WFFF Sub-Committee shall not delegate its authority to any third party or Sub-Committee without the prior approval of the Executive Council.
- 2.6.3** All fundraising activities and the modus operandi of these activities will be part of the remit of the WFFF Sub-Committee, which will coordinate these activities with the Office Bearers and the Secretariat accordingly. The funds collected for the WFFF will be deposited in a separate bank account of The World Federation. All financial transactions directly or indirectly, will be coordinated through the Hon. Treasurer in his ex-officio capacity of the WFFF Sub-Committee.

2.7 Conflicts of Interest

For purposes of this provision, the term "interest" shall include personal interest, interest as director, officer, member, stockholder, shareholder, partner, manager, trustee or beneficiary of any concern and having an immediate family member who holds such an interest in any concern. The term "concern" shall mean any corporation, association, trust, partnership, limited liability entity, firm, person or other entity other than the organisation.

No transaction conducted by The World Federation shall be voidable by reason of the fact that any WFFF member or Office Bearer has an interest in the concern with which such transaction is entered into, provided:

- [a]** The interest of such WFFF member or Office Bearer is fully disclosed to the WFFF Sub-Committee and the Office Bearers.
- [b]** Such transaction is duly approved with full documentation by the Office Bearers not so interested or connected as being in the best interests of the organization.
- [c]** The WFFF member or Office Bearer concerned identifies the conflict of interest and clearly indicates in writing to the WFFF Sub-Committee and Office Bearers that a potential, actual, direct or indirect conflict of interest exists or may exist.
- [d]** No interested WFFF member or Office Bearer may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting at which such transaction may be authorised.
- [e]** The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

2.8 Review

The Executive Council will have the power to change or amend these Terms of Reference at any time.