



# Insolvency Institute of Canada L'Institut d'insolvabilité du Canada

## MEMBERSHIP GUIDELINES

The IIC is a non-profit organization dedicated to the promotion of excellence and thought leadership in commercial insolvency and restructuring policy and practice in Canada.

Our membership is comprised of members who are committed to furthering the objectives of the IIC. The membership policy currently provides for 135 insolvency practitioner members. The membership policy currently provides guidelines that, as a pre-requisite for membership, the applicant must have been practicing for at least 10 years, with such time period running from either the call to the bar or from obtaining the C.A., trustee or other appropriate designation.

### Membership Process

1. The membership policy provides for a limit of 135 Insolvency Practitioner Members (i.e.: lawyers, trustees/financial advisors) excluding Financial Institution Members, Academic/Governmental Members, Regulatory/Compensation Members, Fellow and Emeritus Members.
2. Formal applications will be required. An applicant will have to be sponsored or nominated by two existing members. The sponsoring members shall not have any direct business affiliation or family relationship to the applicant. The sponsoring members shall not be current members of the IIC Board of Directors.
3. The Board will provide, on an annual basis, directions to the National Membership Committee (NMC). The directions may vary, but it is expected that direction will be given to the NMC in the following areas:
  - a. Involvement in CCAA cases is not the only measure of a candidate's work history. Work on receiverships or cases under the BIA is relevant. Since we are focussed on commercial insolvencies, experience with personal bankruptcies and small business insolvencies is not considered to be relevant.
  - b. Canada is a mid-market economy and, as such, mid-market cases are relevant.
  - c. It will be important that the applicant have a significant role in cases and not merely supporting roles.
  - d. While in general, work in the insolvency field should make up a substantial portion of the applicant's practice, it is recognized that this test should not be strictly applied in regions where this may not be possible. In such circumstances, other contributions to the profession will be considered.

- e. The review process will consider the full level of an applicant's involvement in and contributions to the insolvency community and the efforts taken to contribute to writing, speaking engagements, teaching, contributions to task forces, insolvency organizations, etc.
  - f. Character and reputation for ethical and professional behaviour are critical considerations.
  - g. There are no guaranteed spots for any firm. Similarly, there are no restrictions on the number of applicants or members from any one firm.
  - h. There are no specific number of spots for any given city or region.
  - i. Age and the number of prior applications are not relevant.
4. The NMC, in turn, will ensure that the direction from the Board is passed down to the Regional Membership Committees (RMC).
5. RMC's will be established in a process determined by the Board for the following regions:
  - (i) British Columbia, Yukon and Northwest Territories
  - (ii) Prairies (Alberta, Saskatchewan and Manitoba)
  - (iii) Ontario
  - (iv) Quebec
  - (v) Atlantic Canada (Nova Scotia, New Brunswick, Newfoundland and PEI)
6. The RMC's will evaluate applications received from applicants in their region. Applicants will be evaluated on the basis of the Membership Admission Standards set forth in Appendix "A". The RMC have the responsibility of ensuring that they receive sufficient input from the members in their region so as to be able to fully and fairly assess the merits of the applications. If possible, substantially all members in the region should be canvassed.
7. After evaluating the applications received from applicants in their region, the RMC's will take a vote among themselves. Applicants who receive an affirmative vote from 75% of the voting members of the applicable RMC will be included in the membership report prepared for the NMC. The RMC's will provide a ranking, in priority, using their discretion of those applicants in their region who achieved the 75% voting threshold.
8. The NMC will consider the reports of the RMC's and will then submit its report to the Board, in which it will recommend which applicants should be invited to join the IIC.

9. The Board will consider the report of the NMC and make the determination as to which applicants should be invited to join the IIC.
10. The applications of applicants included in a Regional Committee report who are not invited to join the IIC will be kept on file. It is expected that not all applicants in Regional Committee reports will be admitted. Applicants may advise the IIC that their application should stand for another year but not indefinitely or the applicant may update the application to add information which may provide additional support for admission, A waiting list will not be maintained. New applicants will stand on an equal footing with existing applicants.

## SCHEDULE "A"

### MEMBERSHIP ADMISSION STANDARDS

The IIC is a professional, educational and honorary association of commercial insolvency and bankruptcy professionals, including lawyers, law professors, trustee/financial advisors and officers of lending institutions and others who are dedicated to the improvement of the insolvency process and the enhancement of the professional quality of and public respect for the commercial insolvency and bankruptcy practice.

The Institute honours those professionals whose sustained performances in the practice of their profession exemplify the highest standards of professionalism among insolvency specialists by granting them membership. Membership shall be restricted by invitation to honour those individuals who have proven to their peers, through long, continuous performance in their insolvency speciality that they possess: (i) the highest professional qualifications and ethical standards; (ii) that high level of character, integrity, professional expertise and leadership which demonstrates the likelihood that they will continue to contribute to the enhancement of insolvency scholarship, continuing education and the insolvency process; (iii) a commitment to fostering and furthering the objectives of the IIC; (iv) sustained, exceptionally high quality professional services to clients, bar and public; (v) significant evidence of scholarship, teaching, lecturing, and/or distinguished published writings on bankruptcy practice, procedure, philosophy, improvements and reforms which demonstrates a consistent contribution to the enhancement of bankruptcy and insolvency literature, education, insolvency practice and the insolvency process.

A nominee whose credentials demonstrate a sufficient number of the above criteria so as to identify the nominee as distinguished, pre-eminent insolvency professional, shall be eligible to be honoured by admission to membership.

## **SCHEDULE "B"**

### **CLASSES OF MEMBERSHIP**

The classes of membership shall be Insolvency Practitioner Members, Emeritus Members, Fellows, Academic/Governmental Members, Financial Institution Members and Regulatory/Compensation Members. Only those persons who have met and continue to meet the standards and qualification requirements for their class of membership and such other requirements which from time to time may be established by the Board of Directors, are eligible to be Members. The Members are those individuals who have been elected and inducted into membership.

#### **(a) Insolvency Practitioner Members**

- (i) Any lawyer who is a member in good standing of the law society of any province or territory in Canada for at least 10 years, whose principal activity has been primarily in the area of commercial insolvency law, and who meets the Membership Admission Standards; or
- (ii) Any accountant, trustee or financial advisor who has practiced principally in the area of commercial insolvency, and who either (a) has held the designation of a licensed trustee in bankruptcy or other appropriate designation for at least 10 years or (b) has been involved in the insolvency field for at least 10 years; and who meets the Membership Admission Standards;

shall be eligible for election as a member.

#### **(b) Members Emeritus**

Members Emeritus shall be members of the Institute who are designated as such by the Board of Directors as a result of any of the following:

- (a) a career change which does not involve the member continuing to be sufficiently active in the insolvency and restructuring area;
- (b) a significant reduction in the member's participation in insolvency and restructuring matters;
- (c) an inability to participate actively in Institute activities in addition to attending annual conferences sponsored by the Institute.
- (d) the member attaining the age of 60 years.

Members Emeritus shall have all the rights and privileges of members of the Institute subject to the following provisions:

- (a) a Member Emeritus may attend Institute conferences and other events subject to the requirement to pay the normal registration and other fees payable by members in respect thereof but shall not be subject to the requirement of attending at least one annual conference every three (3) years;
- (b) annual and other fees payable by a Member Emeritus shall be 50% of the fees payable by a full member;
- (c) a Member Emeritus shall have the voting privileges of a member.