

Update

Welcome News for Non-profits

BILL C-62 REPLACES THE CANADA CORPORATIONS ACT with the Canada Not-For-Profit Corporations Act. Existing federal non-share capital corporations must apply for continuance under the new legislation within three years or face dissolution. The new Act makes not-for-profit corporations and their directors more accountable, provides them with more protection from liability, strengthens members' rights and protections and allows more flexibility in corporate actions. It also streamlines the not-for-profit incorporation process.

These are welcome changes to a law that has not been substantially updated since 1917. We look forward to similar legislation for Ontario not-for-profit corporations. Clients active with federal not-for-profit organizations should contact Roger Nainby at rnainby@houserhenry.com for details on how the new Act will affect them or their organizations.