

## **CCWN Updated Version - Amendments to CCWN Special Provisions**

**Recommendation:** **Motion by Jean Brohman** that the CCWN Board of Directors approve the February 4<sup>th</sup> 2025 updated version of proposed Amendments to CCWN Special Provisions in Articles, pursuant to having received legal counsel.

**Recommendation:** **Motion by Jean Brohman** that the CCWN Board of Directors approve the filing of the February 4<sup>th</sup> 2025 updated version of proposed Amendments to CCWN Special Provisions to the CRA, pursuant to having received legal counsel.

- (a) 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.
- (b) The Board of Directors of the Corporation shall be made up of a minimum of six (6) and a maximum twelve (12) Directors.
- (c) All funds and other property held by the corporation immediately before the articles become effective or that are received subsequently by the corporation pursuant to any will, deed or other instrument made before the articles become effective, together with any income or other accretions to the funds or other property, will be applied only to the purposes of the corporation as they were immediately before the articles become effective
- (d) Commercial purposes, if any, included in the articles are intended only to advance or support one or more of the non-profit purposes of the corporation. No part of a corporation's profits or of its property or accretions to the value of the property may be distributed, directly or indirectly, to a member, a director or an officer of the corporation except in furtherance of its activities.
- (e) The corporation shall be subject to the Charities Accounting Act.
- (e) No director shall receive remuneration for services provided in the capacity as a director, although they may be paid reasonable expenses incurred by them in the performance of their duties. Unless otherwise prohibited by the corporation, a director may be compensated for services other than as a director pursuant to the regulation made under the Charities Accounting Act, or with court approval or an order made under section 13 of the Charities Accounting Act.
- (g) To invest the funds of the corporation pursuant to the Trustee Act.
- (h) Upon the dissolution of the corporation and after satisfying the interests of its creditors in all its debts, obligations and liabilities, its remaining property shall be distributed to a Canadian body corporate that is a registered charity under the Income Tax Act (Canada) with similar purposes to its own.

**Proposed Edits from Lawyer January 2025**

- Commercial purposes, if any, included in the articles are intended only to advance or support one or more of the non-profit purposes of the corporation. No part of a corporation's profits or of its property or accretions to the value of the property may be distributed, directly or indirectly, to a member, a director or an officer of the corporation except in furtherance of its activities.
- The corporation shall be subject to the Charities Accounting Act.
- No director shall receive remuneration for services provided in the capacity as a director, although they may be paid reasonable expenses incurred by them in the performance of their duties. Unless otherwise prohibited by the corporation, a director may be compensated for services other than as a director pursuant to the regulation made under the Charities Accounting Act, or with court approval or an order made under section 13 of the Charities Accounting Act.
- To invest the funds of the corporation pursuant to the Trustee Act.
- Upon the dissolution of the corporation and after satisfying the interests of its creditors in all its debts, obligations and liabilities, its remaining property shall be distributed to a Canadian body corporation that is a registered charity under the Income Tax Act (Canada) with similar purposes to its own.
- 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.
- The Board of Directors of the Corporation shall be made up of a minimum of six (6) and a maximum twelve (12) Directors.
- All funds and other property held by the corporation immediately before the articles become effective or that are received subsequently by the corporation pursuant to any will, deed or other instrument made before the articles become effective, together with any income or other accretions to the funds or other property, will be applied only to the purposes of the corporation as they were immediately before the articles become effective.

**LEGEND**

Yellow is transferred what we recommended, with the nod from LCW;

Green w purple means recommended insertion from LCW but not yet approved by our Board;

## Board APPROVED - Amendments to CCWN Description of Special Provisions in Articles: (sept 25, 2024)

- Commercial purposes, if any, included in the articles are intended only to advance or support one or more of the non-profit purposes of the corporation. No part of a corporation's profits or of its property or accretions to the value of the property may be distributed, directly or indirectly, to a member, a director or an officer of the corporation except in furtherance of its activities.
- The corporation shall be subject to the Charities Accounting Act.
- No director shall receive remuneration for services provided in the capacity as a director, although they may be paid reasonable expenses incurred by them in the performance of their duties. Unless otherwise prohibited by the corporation, a director may be compensated for services other than as a director pursuant to the regulation made under the Charities Accounting Act, or with court approval or an order made under section 13 of the Charities Accounting Act.
- To invest the funds of the corporation pursuant to the Trustee Act.
- Upon the dissolution of the corporation and after satisfying the interests of its creditors in all its debts, obligations and liabilities, its remaining property shall be distributed to a Canadian body corporation that is a registered charity under the Income Tax Act (Canada) with similar purposes to its own.
- 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.

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### Notes:

- ✓ The added statement regarding investing funds is language recommended in the ONCA handbook, and is also lifted from updated Articles of another Niagara Food Bank.
- ✓ One bullet from the original Special Provisions has been omitted on the amendments as they are in our Bylaws and not required to be in our Articles per ONCA.
  - The borrowing power of the corporation pursuant to any bylaw passed and confirmed in accordance with section 59 of the Corporations Act shall be limited to borrowing money for current operating expenses, provided that the borrowing power of the corporation shall not be so limited if it borrows on the security of real or personal property

**Recommendation:** **Motion by Jean Brohman** that the CCWN Board of Directors approve the proposed Amendments to CCWN Description of Special Provisions as presented, pending review of legal counsel, and subsequently approved by the CRA and the CCWN Membership.

## Original – CCWN Description of Special Provisions in Articles:

- The corporation shall be carried on without the purpose of gain for its members and any profits or other accretions to the corporation shall be used in promoting its objects;
- The corporation shall be subject to the Charities Accounting Act and the Charitable Gifts Act;
- The directors shall serve as such without remuneration, and no director shall directly or indirectly receive any profit from their position as such; provided that directors may be paid reasonable expenses incurred by them in the performance of their duties;
- The borrowing power of the corporation pursuant to any bylaw passed and confirmed in accordance with section 59 of the Corporations Act shall be limited to borrowing money for current operating expenses, provided that the borrowing power of the corporation shall not be so limited if it borrows on the security of real or personal property;
- Upon dissolution of the corporation and after the payment of all debts and liabilities, its remaining property shall be distributed or disposed of to charitable organizations which carry on their work solely in Ontario;
- If it is made to appear to the satisfaction of the Minister, upon report of the Public Trustee, that the corporation has failed to comply with any of the provisions of the Charities Accounting Act or the Charitable Gifts Act, the Minister may authorize an inquiry for the purpose of determining whether or not there is sufficient cause for the Lieutenant Governor, to make an order under sub-section 317(1) of the corporations Act to cancel the Letters Patent of the corporation and declare it to be dissolved.