

# INFO: ADMINISTRATIVE DISSOLUTION PROGRAM OF NOT-FOR-PROFIT CORPORATIONS

## CONTEXT

Since July 2023, [Corporations Canada](#) (CC) has begun administrative dissolutions of not-for-profit (NFP) corporations governed under the *Canada Not-for-profit Corporations Act* that have not filed their annual return for 3 years.

## PROCESS

CC sends a Notice of Intent to Dissolve to NFPs in default of filing their annual returns, and NFPs have 120 days from the date of the notice to file the required returns. CC will issue a Certificate of Dissolution to NFPs that do not respond by the deadline stated in the Notice of Intent to Dissolve.

## CONSEQUENCES FOR HARBOUR AUTHORITIES

A dissolution can **have serious legal repercussions for NFPs, as this means the HA no longer legally exists as they have no legal status.**

Specifically, this translates to:

- **Head Lease becomes null and void**
- **Subleases and licences become null and void**
- **The harbour will become a SCH managed harbour, as the HA no longer has authority to manage the harbour**
- **HA can no longer collect berthage or moorage fees from users, or subleases or licence fees.**
- **HA can no longer make any decisions and adopt or change rules and/or policies**
- **HA can no longer sign any legal documents**
- **HA is no longer insured (TPLI, ADD/BI, D&O)**
- **Contribution agreements between HA and SCH/DFO become invalid or can't be signed or paid**
- **SCH can decide to refrain from investing in infrastructure projects, as there is no longer an HA to run the harbour**

## NEXT STEPS—AFTER RECEIVING A NOTICE OF INTENT OF DISSOLUTION

If an HA receives a Notice of Intent to Dissolve, they will have 120 days from the date the letter or email was sent to respond and submit accurate documents to Corporations Canada. Between day 90 and 120, an extension can be requested to submit your documents. If this request is approved, it will give the HA an additional 90 day. To request this extension, send a message to:

[ic.corporationscanada.ic@ised-isde.gc.ca](mailto:ic.corporationscanada.ic@ised-isde.gc.ca) and provide a brief [explanation why the extension is needed.](#)

The HA is encouraged to create an online account with Corporations Canada to submit and receive information on their file. It is much quicker to deal with Corporations Canada online than by mail. Also, submitting documents online with Corporations Canada is \$12, compared to \$40 by mail.

### NOTES:

- If an HA is dissolved, they can still be reactivated at a \$200 cost. Many additional documents will also be required. However, it is better to be proactive and complete the required documentation before this happens.
- If an HA is registered and active under a provincial legislation, then they are not dissolved, and their lease remains active (amendment to P. 1 of the lease must be made).

## CORPORATIONS CANADA CONTACT INFORMATION

If needed, you could always contact Corporations Canada at:

- **Telephone (toll-free in Canada):** 1-866-333-5556
- **Telephone (National Capital Region and outside Canada):** 1-613-941-9042
- **By email:** [ic.corporationscanada.ic@ised-isde.gc.ca](mailto:ic.corporationscanada.ic@ised-isde.gc.ca)