

INSTRUCTIONS FOR:

Incorporating a Society under the Societies Act of the Northwest Territories

It is important to note that incorporation under the *Societies Act* does not provide relief from obtaining any necessary licenses, permits, or certificates, or from otherwise complying with the laws in force in the Northwest Territories.

➤ The application to incorporate as a Society must be submitted together with the fee of \$50.00.

These instructions provide:

- ➤ the **procedure** for submitting an application to incorporate
- ➤ the **required provisions** which a Society incorporating under the *Societies Act* of the NWT must include in its constitution and bylaws

There are several advantages to incorporating a Society. An incorporated Society exists as a legal entity apart from its members. As a corporation the Society is entitled to acquire property, borrow money and otherwise deal with its property as an individual would deal with their property. Generally, the individual members of the incorporated Society are not liable for the debts or obligations of the Society.

Along with these advantages come certain obligations. The operations of an incorporated Society must be more structured than those of unincorporated organizations. Both the bylaws of the Society and the *Societies Act* must be adhered to. The *Societies Act* provides that any Society which contravenes the Act is guilty of an offence and liable to a fine of \$100.00. The Act also provides that the property of a Society cannot be distributed to its members during the legal existence of the Society.

Each year, **even if no changes have occurred**, and regardless of whether or not the society has had any income, an incorporated society is required to hold an annual general meeting, and submit the following documents in duplicate to the Registrar of Societies **within 14 days after its annual general meeting**:

- ☑ A **financial statement** endorsed by the society's auditor (or the original signatures of two directors if there is no auditor) containing the assets and liabilities of the society in the form of a balance sheet, together with an income statement of the receipts and disbursements of the society's fiscal year; and
- ☑ A **notice of directors**, originally signed by one director, including the time period and the names, addresses, and occupations of the directors of the Society.

The society must also maintain an address **within the Northwest Territories** to which all communications and legal notices may be sent. If any change in this address occurs, a Notice of Change of Address form must be filed with the Registrar.

Procedure:

Five or more persons may apply to incorporate a Society under the *Societies Act* of the NWT for any benevolent, philanthropic, charitable, religious, provident, scientific, artistic, literary, social, educational, sporting or other useful purpose other than the carrying on of a trade or business.

- ☑ An application to incorporate must be submitted to the Registrar, together with the fee of \$50.00.
- ☐ The application must include the constitution and the bylaws of the Society; the notice of Society address, which must be located **within the Northwest Territories**; and the names, complete addresses and original signatures of **at least five applicants** along with the names, complete addresses and original signatures of witnesses for each applicant.
- ☑ The **required provisions** section on page three of these instructions should be referred to, in order to ensure that the constitution and the bylaws comply with the *Societies Act*.

If the application complies with the *Societies Act*, the Registrar will issue a certificate of incorporation, and publish notice in the Northwest Territories Gazette.

➤ For convenience, the Registries office provides a bylaws template which addresses all requirements of the *Societies Act*. The bylaws template can be used in its entirety, or may serve as a guide.

For any forms submitted to the Corporate Registry, the following rules apply:

- ✓ Forms may be filled out by typing or printing neatly.
- ☑ The original signed forms must be forwarded by hand or mail to Corporate Registries; faxes, email, or other electronic delivery will not be accepted.

Prior to applying, the applicants may request that the Registry conduct an informal cursory review of proposed application; following which, fee payment and formal submission is required. Informal cursory reviews are conducted only as time permits; as such, it is suggested that the proposed application be submitted with this in mind, especially during high-volume processing times.

Where can we be contacted?

Corporate Registries

Government of the Northwest Territories, Dept. of Justice 1st Floor Stuart M. Hodgson Building 5009 49th Street, PO Box 1320 Yellowknife NT X1A 2L9 Canada

Phone: 1(867) 767-9304 Fax: 1(867) 873-0243

Toll Free: 1(877) 743-3302 Email: corporateregistries@gov.nt.ca

Hours of Operation: 9:30 AM to 4:00 PM Monday to Friday

Website: https://www.justice.gov.nt.ca/en/non-profit-societies/

Required Provisions:

Constitution:

The constitution of a Society consists only of the Society's name, its objectives/objects, and the primary/main municipality where the Society operates. Under the *Societies Act* of the NWT, the constitution is separate and distinct from the Society's bylaws, and must include <u>all</u> of the following provisions, in accordance with Section 23 of the Act:

- ☑ The name of the Society, which should be as short and meaningful as possible. The name must not be similar to that of any other society incorporated under the Act. Once a name is chosen, the exact name must be used in all legal documents.
- ☐ The clear objectives (objects) of the Society, which should outline the main purposes of the Society; for example: what values or activities does the society promote or provide? The objects **must not** suggest that the society is carrying on a trade or business.
- ☑ The primary/main municipality (town or city) **within the Northwest Territories** where the Society operates. While a specific community must be listed, this does not restrict the operations of the society to that community.

Bylaws:

The bylaws of a Society are the rules which govern its operations. Under the *Societies Act* of the NWT, bylaws are separate and distinct from the Society's constitution, and must include <u>all</u> of the following provisions, in accordance with Section 5 of the Act:

- ☑ the terms of admission of members, and their rights and obligations;
- ☑ the withdrawal of members and the manner, if any, in which a member may be expelled;
- ☑ the appointment and removal of directors and other officers; their duties, their powers, and remuneration:
- ☑ the exercise of borrowing powers of the Society;
- ✓ whether or not an audit of accounts is required;
- ☑ the preparation and custody of minutes of meetings of the Society, and of the directors and other books and records of the society;
- ☑ the time and place, if any, at which the books and records of the society may be inspected by its members:
- the date on which the fiscal year of the society shall come to an end (note: the annual general meeting must be held at least 31 days after the chosen fiscal year end); and,
- ☑ the timing/scheduling of general and special meetings of the society, the method by which such meetings are called, the quorum at any such meeting, and the voting rights of members at such meetings (note: a"quorum" is the number of persons required to be present before a meeting can proceed. It should be low enough to be practical and attainable. It may be set as a percentage of the total number of members in order to ensure that it is always possible for the society to properly function, no matter how low or high the membership may be.)