

## **Art School of Peterborough By-Laws**

The Canada Not-for-profit Corporations Act (NFP Act) is now in force. All corporations incorporated under the old legislation must transition to the Canada Not-for-profit Corporations Act by October 17, 2014.

The corporation must replace its letters patent, supplementary letters patent (if any) and by-laws with new charter documents by submitting articles of continuance to obtain a Certificate of Continuance and creating and filing new by-laws. The articles and by-laws must comply with the NFP Act. These charter documents set out the primary rules governing the corporation.

Organizations that do not make the transition by this deadline will be assumed to be inactive and will be dissolved. For registered charities, dissolution could lead to the revocation of their registration as a charity, which would result in the corporation having to pay revocation tax equal to 100% of the value of their remaining assets.

The Canada Not-for-profit (NFP) Corporations Act provides federal not-for-profit corporations with a new set of rules that are modern, flexible and better suited to the needs of today's not-for-profit sector.

With regard to the transition process, the Art School of Peterborough's (ASOP) first step was to review and transition the by-laws accordingly to the NFP Act. Other transitional documents will be submitted prior to October 17, 2014.

Changes to the Art School of Peterborough's by-laws included

- 1) Mandatory updates to reflect the language of the NFP Act.
- 2) Update to number of positions of on the Board of Directors (Item 27) to 12 (twelve) Directors. The increase in the number of Directors will help play a role in creating developing future leadership and succession planning with respect to Board positions and Committee positions.

The Board of Director's reviewed and approved updates to the by-laws on December 16<sup>th</sup>, 2011.

**The Board of Director's recommends the members approve the updates to the Art School of Peterborough By-Laws.**