



New Societies Act Transition and Other Changes



TRANSITION

November 28, 2016 – New BC Societies Act came into force and replaced the old Society Act.

- Societies will have 2 years to Transition
- What is Transition? Province going to electronic online filings
- no Paper filings

May Order a Transition Package

- Cost is \$40 and you will receive:
- Certified copy of Original Constitution, Original Bylaws, all Special Resolutions amending Constitution and Bylaws
- To ensure up to date consolidated set of Bylaws



Transition Application

- Online application form to be provided
- Must file an electronic set of bylaws consolidated to match all filings with the corporate registry
- Required Changes -
 1. Constitution – Must Contain Only Name, Purposes and Member-Funded Clauses
 2. Bylaws – Societies must move provisions not permitted in the Constitution such as “Unalterable Provisions” to Bylaws
 3. No longer allowed “Unalterable Provisions” and must state “This provision was previously unalterable”



PRINCE GEORGE MINOR HOCKEY ASSOCIATION

SECTION 1 - ARTICLES

1. The name of the Society shall be the “Prince George Minor Hockey Association” hereinafter referred to as the “Association”. (alterable)
2. The purposes of the Association are:
 - a) To promote, govern and improve organized hockey;
 - b) To organize and perpetuate the game of hockey in the interest of the development of the body, mind and character of the young people registered to play in this Association;
 - c) To foster among its members, supporters and teams, a general community spirit;
 - d) To maintain and increase the interest in the game of hockey at all levels;
 - e) To have and exercise a general care, supervision and direction over the playing interests of all teams and players registered to play in the Association.
3. This Association shall be affiliated with the Cariboo Amateur Hockey Association, British Columbia Amateur Hockey Association and Hockey Canada and shall observe all laws, rules and regulations by they are governed. (alterable)
4. The operations of the Association shall be chiefly carried on within the boundaries of the Prince George Minor Hockey Association as registered by the British Columbia Amateur Hockey Association and the Cariboo Amateur Hockey Association. (unalterable)
5. Upon winding up or dissolution of the Association, the assets which remain after payment of all debts and liabilities shall be distributed to such charitable organization or organizations having a similar charitable purpose. (unalterable)
6. The above purposes of the Association shall be carried out without purpose of gain for its members and any profits or other accretions to the Association shall be used for promoting its purposes, and all of the above purposes shall be carried on an exclusively charitable basis. (unalterable)
7. No Director or Officer shall be remunerated for being or acting as a Director or Officer, but a Director or Officer may be reimbursed for all expenses necessarily and reasonably incurred by him while engaged in the affairs of the Association. Furthermore, no paid employee shall serve as a Director or Officer of the Association. (unalterable)
8. No member of the Executive Committee shall participate as either head coach or manager of any Representative team in the Association.
9. Written authorization of the Executive Committee is required for the use of the Prince George Minor Hockey Association (‘Association’) name or logo and there to. (unalterable)



TRANSITION

- A minimum Transition Application making only the necessary changes to the Constitution and Bylaws may be done by a Directors' Resolution. Member approval is not required.
- If a Society desires to make further changes to its Bylaws the Transition Application will require a special resolution of its members.
- The threshold for Special Resolutions will change $3/4$ to $2/3$ unless the Bylaws specify otherwise.
- Previously unalterable provisions may be altered by Special Resolution



MEMBER-FUNDED SOCIETIES

What is a Member-Funded Society?

- A Society that gets no significant public funding and operates for the benefit of members.
- Member-Funded Society will be ineligible to receive community gaming grants
- Tick the box on the Transition Form but after Transition will require a court order



MEMBER-FUNDED SOCIETIES

The following can not be Member-Funded Societies:

- Registered Charities (CRA designation)
- Societies that receive the greater of \$20,000 or 10% of gross income over the prior two years from Government Funding (grants, loans, or other funding) or Public Donations
- Earned revenue appears to be ok



MEMBER-FUNDED SOCIETIES

What happens if deemed Member-Funded Society?

- Exempt from public transparency provisions therefore;
 - No public access to financial statements
 - No required disclosure of director/employee remuneration
 - Can distribute assets to members on dissolution

Must place a special statement in Constitution passed by Special Resolution. If later disqualified must remove statement and subject to full requirements



OTHER CHANGES

Special Resolutions Threshold – currently 75% of votes cast at duly called meeting but default position changing to 2/3 - Societies may set a higher threshold generally or for specific special resolutions

Directors Qualifications and Consents (not in force until November, 2018):

- Can't be undischarged bankrupt, declared incapable or have a record of certain criminal offences (basically related to fraud, financial misappropriation)
- Must be 18+ (unless the Bylaws specifically permit 16+)
- Consent to Act as Director must be obtained. ***Recommended that each Society use a Consent Form that contains qualifications of director to be certified by the Director



OTHER CHANGES

Director Remuneration – No remuneration unless permitted in the Bylaws. Reimbursement of Expenses is generally permitted unless specifically denied in Bylaws.

Disclosure of Remuneration in Annual Financial Statements – Must disclose any remuneration paid to a director and remuneration paid to employees or contractors for services over \$75,000 (if more than 10 report top 10). May disclose either position/contract separately or pooled with total number

Senior Managers – new designation that captures individuals appointed by the board with authority to manage the activities and internal affairs of a society, either as a whole or in respect of a principal unit of a society. Can be employee, contractor, volunteer



WHAT SHOULD YOU BE DOING NOW?

- Order Transition Package from Corporate Registry
- Create electronic consolidated Constitution and Bylaw
- Review Constitution and Bylaws with Association's Lawyer to see if any further changes to the Bylaws are required
- Any provision in Bylaws that is inconsistent with the new Societies Act will cease to have effect.
- Use this opportunity to review and clean up your Bylaws