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THE NEW SOCIETIES ACT PART 2 - WHAT SHOULD SOCIETIES DO NOW (TO PREPARE FOR TRANSITION)?

In our last newsletter, we provided some key dates and general information about the new *Societies Act*, which comes into force on November 28th, 2016. In future newsletters, we will explain some of the key implications of the new legislation in more detail. In this newsletter, however, we want to focus on what societies need to do over the next nine months to prepare to transition to the new legislation.

Almost without exception, every society will need to update their bylaws to comply with the new legislation. The question is really whether a society wants to deal with this now during 2016 or after the fact in 2017. At a very high level, the two options for societies are as follows:

1. Update the Society's bylaws over the coming months and pass a special resolution adopting the new bylaws in advance of November 28, 2016 (to be effective on transition); or
2. Wait until after transitioning to the new legislation to update bylaws and pass a special resolution adopting the updated bylaws at a later general meeting, likely sometime in 2017.

We strongly recommend the first option as it will ensure the Society's bylaws remain compliant with the governing legislation throughout the process. We recognize, however, that the second option allows a Society to defer the effort and expense of updating bylaws for roughly a year. The problem, of course, is that the Society's bylaws will be non-compliant with the governing legislation during the period between transitioning and adopting amended bylaws.

To assist Societies that choose to be proactive and follow our recommended course of action, we have developed some flat-fee transition packages to guide societies through the process. If you would like more information about these packages, or have any questions about the impact of the new *Societies Act* on your organization, don't hesitate to contact any member of our group.