

## DISSOLUTIONS

### INDEX

	<b>Page</b>
Explanation .....	2
• Involuntary Dissolutions .....	2
• Voluntary Dissolutions (by Request) .....	4
• Dissolved Company's Records .....	5
Procedure/Checklist .....	9
• Advising Inactive Companies Of Dissolution Options .....	9
• Discontinuing Dissolution Proceedings (After Receiving Letter From Registrar).....	10
• Involuntary Dissolutions .....	11
• Voluntary Dissolutions (by Request) .....	13
Letter to Company (Advising on Dissolution Procedure and Seeking Instructions) .....	20
Letter to Company (Confirming that no further Annual Reports will be Filed) .....	24
Letter to Company (Enclosing Letter Advising of Pending Dissolution from Registrar) .....	26
Transmittal Letter (Forwarding Overdue Documents for Signature) .....	28
Ordinary Resolution (of Dissolving Company) .....	30
Shareholders Resolution (of Dissolving Company) .....	32
Directors Resolution (of Dissolving Company) .....	34
Ordinary Resolution (of Dissolving Company – Wholly-Owned Subsidiary) .....	36
Directors Resolution (of Dissolving Wholly-Owned Subsidiary) .....	38
Directors Resolution (of Parent Company) .....	40
Assignment and Assumption Agreement .....	42
Affidavit of Director .....	46
Directors Resolution (of Dissolving Company with no Issued Shares) .....	48
Dissolution Request (Form 17) .....	50
Notice of Location of Dissolved Company's Records (Form 26) <i>{Repealed}</i> .....	52
Dissolved Company's Records Change (Form 27) .....	54
Asking for a Clearance Certificate (Form TX19).....	58
Transmittal Letter (Forwarding Dissolution Documents for Signature) .....	60
Report Letter (Involuntary Dissolution) .....	62
Report Letter (Voluntary Dissolution) .....	66

## EXPLANATION

The dissolution of a company occurs when the Registrar terminates its existence. There are effectively four ways in which a company can be wound up and dissolved:

- **Involuntary Dissolution** – the Registrar may dissolve a company if it fails to file *Annual Reports* for two consecutive years or generally fails to comply with any one of the provisions of section 422 of the Act (see below).
- **Voluntary Dissolution (by request) without Liquidation** – under Part 10, s. 314 to 318 of the Act, a company may apply to the Registrar to be dissolved when it:
  - has not issued any shares and its directors have resolved to dissolve it;
  - or:**
  - is authorized to do so by *Ordinary Resolution*; and
  - has no assets (including the situation that occurs when the company had assets which have been distributed among the shareholders of the company, such as by transfer to the parent company if the dissolving company is a wholly-owned subsidiary of that company); and
  - has no liabilities or has made adequate provision for the payment of its liabilities (such as by assumption of the dissolving company's liabilities by the parent company).
- **Voluntary Liquidation** – under Part 10, s. 319 to 323 of the Act, a company may appoint a liquidator to dispose of all of its assets and to pay, or make provision for, the payment of its liabilities.
- **Court Order Liquidation** – under Part 10, s. 324 to 326, on application by the company itself, a shareholder, director or other interested person, including a creditor of a company, the court may order the liquidation and dissolution of the company when:
  - an event occurs in which a provision of the *Memorandum* or *Articles* of the company states will trigger the liquidation and dissolution of the company; or
  - the court otherwise considers it just and equitable to do so.

Liquidation is generally a complex process, and is not covered in this Guide.

**Note:** This chapter deals with British Columbia companies only. For the cancellation of registration procedure for **extra-provincial** companies, see the **Extra-Provincial Companies** chapter.

### INVOLUNTARY DISSOLUTION

If a company has ceased to carry on business and has no assets or liabilities, the directors may choose to simply stop filing *Annual Reports* with the knowledge that, after two years and approximately two months from the date of the last *Annual Report*, the Registrar will dissolve the company.

Instructions from the client not to file any further *Annual Reports* should be confirmed in writing. At this time, the client should be advised of the firm's policy with respect to annual Records Office maintenance fees. Many law firms continue to bill the client for as long as the firm has the responsibility of maintaining the records. The client is usually given the choice of

either:

- maintaining the company's registered and records offices at the law firm; or
- changing the registered and records office to the client's residential or business address.

If the client chooses to change the location of the registered and records offices, a **Directors Resolution** must authorize the change and an **Address Change** (Form 2) must be e-filed (see the **Registered and Records Offices** chapter).

In due course, if **Annual Reports** have not been filed for two consecutive years, the Registrar will forward a letter to the company notifying it of its default and of the intention of the Registrar to dissolve the company. There are several other reasons enumerated below for the Registrar to notify a company of the intention of the Registrar to dissolve the company. In these cases, the elapsed time between the notice of default and the letter from Registrar advising of the pending dissolution is generally considerably less than two years. The letter from the Registrar will be sent to the Registered Office of the company.

The following are grounds under section 422 of the Act for the Registrar to dissolve a company:

- the company fails, in each of two consecutive years, to file with the Registrar an **Annual Report** required to be filed by the Act or the former *Companies Act*;
- the company has, for a period of at least two years, failed to file with the Registrar a record required to be filed by the Act or a former *Companies Act*, other than an **Annual Report**;
- the company fails to comply with an order of the Registrar, including an order to change its name or assumed name;
- the company fails, without reasonable cause, to correct and return a record containing an error to the Registrar within 21 days from the date of the request made by the Registrar under section 420;
- the company, or an agent for the company, tenders a cheque in payment of a fee required pursuant to section 431 of the Act, which cheque fails to clear the savings institution on which it is drawn;
- in the case of a **pre-existing** company, the company fails to comply with either:
  - section 370 – the requirement for a pre-existing company to file a post-restoration application within 12 months of the date of its restoration; or
  - section 436 – the requirement for a pre-existing company to file the transition application within two years of the Act coming into force.

Once the letter from the Registrar advising of the pending dissolution is received at the Registered Office of the company, the company has two choices:

- to discontinue the dissolution proceeding by remedying the default (usually, by filing all outstanding **Annual Reports**) – see steps 5 to 15 in the **Procedure/Checklist**; or
- to do nothing and allow the Registrar to dissolve the company (see steps 16 to 22 of the **Procedure/Checklist**)

If the default is not remedied within one month of the date of the Registrar's letter, or the Registrar does not receive a response from the company:

- that satisfies the Registrar that reasonable steps are being taken to remedy the default;  
or

- that is otherwise satisfactory of the Registrar;

the Registrar may publish a notice on the government's website that the company will be dissolved and, at the expiration of one month after the publication of the Notice, unless good cause to the contrary is shown to the Registrar or a copy of an entered court order to the contrary is filed with the Registrar, the Registrar may dissolve the company (s. 422(4)(b)). The Registrar will not send a formal or official notice of such dissolution to the company.

After dissolution, the person who had custody of the records at the time of the dissolution (s. 351(2)), must keep and produce for inspection the records the company is required to retain and produce under section 42 of the Act (which are defined by section 351(1) as the "**dissolved company's records**") for a period of two years (Regulation 25). Many firms now routinely electronically scan the contents of the dissolved company's records book and dispose of the originals (see page 8). The section 42 documents are all the documents that a company is required to keep at its records office. In other words, the **Records Book** of the company must be kept and made available for inspection for two years after dissolution. See **Retention of Dissolved Company's Records** on page 5.

The Registrar will accept a **Directors Change** (Form 10) prior to the date of dissolution showing that there are no directors of the company despite the fact that such filing places the company in contravention of section 120 of the Act.

### VOLUNTARY DISSOLUTION (BY REQUEST)

A company may apply for voluntary dissolution (dissolution by request, without liquidation – referred to in this chapter as "voluntary dissolution") (s. 314(1)) when:

- the shareholders of the company have authorized the company's dissolution by **Ordinary Resolution**;
- the company has no assets (such as when the assets of the dissolving company have been distributed among its shareholders or transferred to the parent company if the dissolving company is a wholly-owned subsidiary of that company); and
- all the debts and liabilities of the company are known and have been paid or the company has made adequate provision for the payment of each of its liabilities, such as entering into an agreement with the shareholder(s) to assume the liabilities.

A company that has no assets or liabilities may also apply for voluntary dissolution when the company has no issued shares if authorized to do so by a **directors' resolution** (s. 314(2)).

The company must be in good standing with the Registrar at the time the **Dissolution Request** (Form 17) is filed.

If the above conditions are **not** met, the voluntary dissolution provisions cannot be used.

When the above conditions **have been met**, before applying for a **Certificate of Dissolution**, the company must (s. 316):

- obtain and deposit in its records office an affidavit sworn by a director of the company (see **Affidavit of Director**) stating that:
  - the dissolution has been duly authorized by an **Ordinary Resolution**; and
  - that the company has no assets or liabilities or has made adequate provision for the payment of each of its liabilities;

- file an **Dissolution Request** (Form 17) with the Registrar containing a statement that the **Affidavit of Director** has been obtained and deposited in the company's records office.

The Registrar has the power to dissolve the company on the date and time the **Request** (Form 17) is filed or as specified in the Application, unless the Application is withdrawn (s. 318).

#### Notes:

- The dissolution of the company may not absolve the directors and officers (and, if they have received assets of the company, the shareholders), from liability for any debts or liabilities of the Company that have been incurred before the dissolution (s. 347). In particular, it is the policy of many law firms to advise clients that they should obtain a **Clearance Certificate** from Canada Revenue Agency before commencing the dissolution of the company.
- If a company is at any time found to be insolvent in a proceeding under the *Bankruptcy and Insolvency Act (Canada)*, any proceeding to dissolve the company taken under the Act, must be discontinued.
- If there is a change in location of the dissolved company's records within two years of the dissolution (for example, if the law firm is shown as the location of the dissolved company's records, and subsequently moves), a **Dissolved Company's Records Change** (Form 27) must be filed (see page 5) However, there is no provision for changing the name of the person having custody of the dissolved company's records after dissolution without a court order.
- Section 346(1)(a) of the Act provides that a legal proceeding commenced by or against the company before its dissolution may be continued as if the company had not been dissolved; and section 346(1)(b) provides that a legal proceeding may be brought against the company within two years of the dissolution as if the company had not been dissolved.

### DISSOLVED COMPANY'S RECORDS

#### Statutory Requirements

Section 351(2) provides that, if a liquidator was not appointed for the company, the following person must retain the dissolved company's records for the prescribed period of two years (Regulation 25) or until the expiration of any shorter period that may be ordered by the court:

- the person who was shown in the application for dissolution as having custody of those records; or
- if there was no application for dissolution (i.e. in the case of involuntary dissolution), the person who had custody of the records at the time of dissolution (usually the law firm).

#### Transfer of Registered and Records Offices by Agent (Form 3 and Form 5)

If it becomes necessary to change the Registered and/or Records Offices of a company after dissolution, the location may be changed by the agent under sections 39 and 41 of the Act (see also the **Registered and Records Offices** chapter).

- **Form 3 –Registered Office Transfer:** s. 39 of the Act permits a law firm that has been authorized by the company to maintain its registered office (the “agent”) to apply to the Registrar to transfer the location of the **registered** office of the company to the British Columbia residence of a director or officer of the company . To apply for such a transfer, written notice must be served on the company 21 days before the date of the application advising it of the proposed change of address. The company then has 21 days to file a **Form 2 – Change of Address**. After the expiration of the 21 day period, if a **Form 2** has not been filed, a **Form 3** may be filed by the agent, along with an Affidavit that specifies that the requirements outlined in S. 39(4) of the Act have been met.
- **Form 4 Registered Office Elimination** – s. 40 of the Act permits the agent to apply to the Supreme Court to eliminate the **Registered Office** of the company if the directors or officers of the company cannot be located. The court application must be accompanied by an affidavit of the applicant agent as to the steps taken to locate the directors and officers of the company. The court will order the manner in which records may be served on the company. The Form 4 must be paper filed with a copy of the **court order**.
- **Form 5 –Records Transfer:** s. 41 of the Act permits the agent to apply to the Registrar to transfer the location of the **records** office of the company to the British Columbia residence of a director or officer of the company . The procedure for transferring the records office is much the same as for the transfer of registered office, but requires a **court order**.

### Dissolved Company's Records Change (Form 27)

Section 351(3) provides that a **Dissolved Company's Records Change – Form 27** (see page 54) must be filed if:

- the **location** of the dissolved company's records changes; the form must set out the new location of those records (generally the case when the person who retains the dissolved company's records moves);
- the **identity** of the person having custody of the dissolved company's records changes as a result of a court order, **Form 27** must be accompanied by a copy of the entered order (s. 361(2)(c));
- the **period** within which the dissolved company's records must be retained is reduced by court order, **Form 27** must also be accompanied by a copy of the entered order (s. 361(2)(d)).

The procedure to obtain the court order for a change in the **identity** of the person having custody of the dissolved company's records or the shortening of the period within which the dissolved company's records must be retained is beyond the scope of this Guide.

The **location** of the company's records cannot be changed unless the person or firm on record as having custody of the records has moved. For example, if your law firm has custody (or is deemed to have custody if the company is involuntarily dissolved), and the client requests the records or wishes the records moved to another law firm (for restoration, for example), it is not possible to file a **Form 27** to change the location of the records without also changing the name of the person having custody, which requires a court order. However, as mentioned above, if your law firm moves, you can, and in fact are required to, file a **Form 27** for each company

that your firm holds the records for which has been dissolved within two years of the move.

There is no provision in the Act, and the Registrar will not accept, any filings for a company that has been dissolved for more than two years, except for restoration applications.

If the company is to be restored, the address of the Registered and Records Offices may be changed on the *Full or Limited Restoration* Application (see the **Restoration chapter**).

### **Canada Revenue Agency Recommendations**

Canada Revenue Agency recommends the following with respect to the retention of corporate records:

- all business records and supporting documents that are required to determine the company's tax obligations and entitlements must be kept for six years from the end of the last tax year to which they apply. If a return is filed late, the records must be kept for six years from the late filing date;
- records and supporting documents concerning long-term acquisitions and disposal of property, the share registry, and other historical information that would have an impact upon sale or liquidation or wind-up of the business must be kept indefinitely;
- if there is an objection or appeal, the records must be kept until the process is finished and the time for filing any further appeals has expired.

Canada Revenue Agency may specifically require the company to keep records for an additional period of time. If this is the case, the company will receive details by registered letter or by a demand served personally by Canada Revenue Agency officials.

In addition, a company must file all income tax returns until it is dissolved, even if it is inactive and there are no taxes payable.

### **Restoration**

Unless the records have been scanned electronically, there is some doubt as to whether it is safe to destroy the records of companies that are dissolved after the Act came into effect at any time after dissolution, as there is no time limit on restoration for such companies (s. 356(4)(b)). The records of companies that were dissolved before the Act came into effect cannot be destroyed for at least ten years since such companies may be restored within ten years of their dissolution (s. 356(4)(a)). Even if the directors and shareholders of the company would apparently have no reason to apply for restoration, a creditor or other interested person may apply for restoration.

### **Pre-Dissolution**

If the address of the Registered and Records Offices has **not** been changed by filing a *Form 2* (that is the law firm is still acting as the company's agent for maintaining its Registered and Records Offices), and there is reason to believe that the directors of the company will allow the company to be dissolved, either voluntarily or involuntarily:

- before dissolution, it is advisable to arrange for the directors of the company to sign the necessary *Directors Resolution* to transfer the Registered and Records Offices to the company's place of business or the prescribed address of a director or officer if the directors are willing (and available) to sign the documents (see the **Registered and Records Offices** chapter); or

- if the directors are unwilling (or unavailable) to sign the *Directors Resolution*, the law firm's policy regarding the records of dissolved companies should be followed. Some law firms have a policy of obtaining a *directors resolution* when the law firm is appointed as records office agent authorizing the firm to file a change of address upon notice by the law firm to the company that it no longer wishes to act for the company.

### **Post-Dissolution**

If the Registered and Records Offices are not changed to another location before dissolution, it has been the policy of many law firms to remove the contents of the *Records Book* and place them in the company's corporate records file before closing the file. The file was then kept in closed file storage for a period of 10 years. Because of the more stringent requirements under the Act for the maintenance of corporate records after dissolution, most law firms require that the company change its Registered and Records Offices before dissolution to another location upon:

- notification by the company that it wishes to allow the company to be dissolved; or
- upon notification to the company by the law firm that it no longer wishes to act (such as when the law firm's accounts are not paid).

If the client does not respond to the request to change offices, upon dissolution, many firms routinely scan the contents of such company's records books into electronic format and forward the original documents to the client by mail, or destroy the originals, rather than incurring the expense of storage. .

For an explanation of the provisions for changing the location of the dissolved company's records after dissolution, see the Statutory Requirements on page 6.

### **PROCEDURE/CHECKLIST**

Please note that the procedures for dissolving a company set out below are not set in stone. The following factors may influence the sequence of any of the steps involving the dissolution of the company:

- the company's decision to proceed with voluntary dissolution;
- the company's decision to allow it to be dissolved by failing to file *Annual Reports*, a transition application or because of some other default;
- the inability of the law firm to contact the client, or the failure of the client to respond to correspondence from the law firm or to pay the law firm's accounts;
- advice from the company's accountants;
- the decision of the company to retain the law firm to act as the agent for maintaining its Registered and Records Offices after dissolution (typically when there are no directors or officers remaining resident in BC);
- the decision of the company to retain the law firm to act as the agent for maintaining its Registered and Records Offices until shortly before dissolution, changing the location of the Registered and Records Offices to another location before the company is dissolved (typically when the company applies for voluntary dissolution); or
- the decision of the company to change the Registered and Records Offices to another location soon after the company becomes inactive (before dissolution) (typically when the company first advises the law firm not to file any further annual reports).

Depending on the above-noted variables, the steps and procedures outlined below may have to be adapted to the circumstances, and combined with steps and procedures found in other chapters of the *Guide* (e.g. the **Registered and Records Offices** and the **Annual Maintenance** chapters).

<b>ADVISING INACTIVE COMPANIES OF DISSOLUTION OPTIONS</b>
---------------------------------------------------------------

1. Often the first indication that a company has ceased to carry on business occurs when the company does not return annual maintenance documents, or the documents are returned with instructions not to file any further *Annual Reports*
2. It is usual for either the supervising solicitor or support staff to follow up at this point with a telephone call to the client to confirm that the company is inactive and that the company's accountants have been consulted. If the client advises that the company has ceased to carry on business and that the company's accountants have advised it to windup the company, the supervising solicitor may instruct support staff to prepare a *Letter to Company (Advising on Dissolution Procedure and Seeking Instructions)* (page 20)

3. The client may subsequently advise that the company wishes to be dissolved for failure to file *Annual Reports*. In this case, proceed to the section titled “**INVOLUNTARY DISSOLUTION**” (page 11)
4. If the client advises that the company wishes to be wound up and dissolved by filing an *Dissolution Request* (Form 17), proceed to the section titled “**VOLUNTARY DISSOLUTION**” (page 13)

<p><b>DISCONTINUING DISSOLUTION PROCEEDINGS (AFTER RECEIVING NOTICE FROM REGISTRAR)</b></p>
-------------------------------------------------------------------------------------------------

5. Upon receipt of a notice from the Registrar notifying the company of a default and the intention of the Registrar to dissolve the company:
  - if the law firm has previous written instructions from the client advising the law firm to allow the company to be dissolved, proceed to the section titled “**INVOLUNTARY DISSOLUTION**” (page 11)
  - if written instructions from the client have **not** been received, inform the supervising solicitor and, if instructed, contact the client by telephone, fax or e-mail to advise him or her of the notice from the Registrar and request instructions. Forward a copy of the notice to the Company by email, fax or regular mail or
  - if you are unable to contact the client by email or telephone, forward a copy of the notice from the Registrar to the client, with the *Letter to Client (Enclosing Letter Advising of Pending Dissolution from Registrar)* (page 26).
6. Sometimes clients do not return annual maintenance documents for one reason or another but do not, in fact, wish the company to be dissolved
7. If the client instructs you to bring the company into good standing and file the overdue documents, or if you are in doubt as to the client’s intentions and cannot reach the client by telephone or email to obtain instructions (most firms would check to see if the client has paid the law firm’s accounts before applying for an extension), make an application through B.C. Online requesting that BC Registry Services delay the dissolution (see the **Electronic Filing** chapter – **Delay of Dissolution**). The extension is valid for six months and a maximum of two extensions are allowed per company. There is no fee for this service. However, CRA may apply for a delay of dissolution of up to two years
8. Diarize the file for 10 days (or at least one week before the expiration of the date in the notice from the Registrar) and follow up to ensure that the outstanding documents have been filed before the expiration date
9. Prepare the documents requested in the letter from the Registrar (step 5) and review the *Records Book* to determine whether other documents are outstanding such as:
  - (a) *Annual Resolutions* (refer to the **Annual Maintenance** chapter), if the company is active, or a *Shareholders Resolution* resolving to waive the holding of the outstanding annual general meetings and fix reference dates

for the years in which the annual general meetings were not held, if the company is inactive

- (b) any **Director Change** and **Address Change** or other filings necessary to bring the company into good standing
10. Prepare **Transmittal Letter (Forwarding Overdue Documents for Signature)** (page 28)

**Upon receipt of the signed documents:**

- 11. **Date** each document when it is received by the law firm
- 12. File the appropriate documents (e.g. **Annual Reports** and any other documents required such as **Directors** or **Address Notices**) with the Registrar (see **Appendix B – Electronic Filings** for filing procedure)
- 13. Place copies of the filed documents and the originals of the signed resolutions and any **Consents to Act as Directors** in the company's **Records Book**
- 14. Write a **Report Letter** to the client
- 15. Update your database if you have one. If not, update your manual system to show that the **Annual Reports** have been filed

<b>INVOLUNTARY DISSOLUTION</b>
--------------------------------

16. Upon receipt of the notice from the Registrar notifying the company of the default and the intention of the Registrar to dissolve the company:
- (a) telephone, fax or e-mail the contact person for the company to inform him or her of the letter from the Registrar and to request instructions or confirm that the company should be dissolved, unless you have previous written instructions from the client advising you to allow the company to be dissolved and
  - (b) if the company is to be dissolved, write a letter to the client advising him or her of the letter from the Registrar (**Letter to Company Confirming that no Further Annual Reports will be Filed**) (page 24)
17. Determine that you have the following information:
- (a) the name of the person who will have future custody of the dissolved company's records and
  - (b) the future location and address of the company's Registered and Records Offices (whether the offices will be changed to another location or remain with the law firm)

18. Prepare:
- (a) <sup>(1)</sup>*Directors Resolution (Change of Registered and Records Offices from your Law Firm to Another Location – not a Law Firm)* <sup>(2)</sup>
  - (b) <sup>(1)</sup>*Address Change* (Form 2) <sup>(2)</sup>
  - (c) *Transmittal Letter (Forwarding Resolution for Execution when the Registered and Records Offices are changed from your Law Firm to Another Location – not a Law Firm* with the necessary changes (see the **Registered and Records Offices** chapter)

**Notes:**

The advantage of filing a *Form 2* at this time is that both the Registered and Records Offices can be changed to another location at minimal cost (see page 5 and the **Registered Office** chapter for an explanation of the procedure for the law firm as agent to change the Registered and/or Records Offices to a director's address after dissolution).

An *Address Change (Form 2)* changing the Registered and Records Offices can only be filed **before** the company is dissolved. If the company does not return the *Directors Resolution* and *Form 2*, check the *Records Office Agreement* and *Directors' Resolutions* to determine whether the law firm has the power to file a *Form 2* without the directors' current authorization.

19. When the applicable documents referred to in step 18 have been signed by the client and returned to your offices:
- (a) date each document when it is received by the law firm
  - (b) file the *Address Change* electronically (see **Appendix B – Electronic Filing**) if the company has not yet been dissolved
20. Change the address of the company's records office in your file and/or database
21. Determine the date on which the company was dissolved by viewing the **Document Ledger Entries** in the corporate screen of BC Online to (see **Appendix B – Electronic Filings**).
22. When the company has been dissolved the next step in the procedure depends on the location of the records office. Choose between the two columns below:

<sup>(1)</sup> Only prepare if the client has given you instructions to change the registered and records offices to another location – see the **Registered and Records Offices** chapter

<sup>(2)</sup> See the **Registered and Records Offices** chapter

<p>The address of the location of the records is changed to another address</p>	<p>The address of the location of the records remains with the law firm</p>
<p>Make three copies of the Form 2 and place copies in:</p> <ul style="list-style-type: none"> <li>• the company’s <i>Records Book</i> under the tab “<b>Forms Filed</b>”;</li> <li>• the company’s corporate file; and</li> <li>• the binder that your firm keeps to record companies that have moved or been dissolved (see the <b>Registered and Records Office</b> chapter).</li> </ul>	
<p>Prepare <i>Statement of Account</i></p>	
<p>Prepare <i>Report Letter (Involuntary Dissolution)</i> (page 62)</p>	
<p>Arrange to forward the <i>Records Book</i> and the seal to the company by courier or arrange for the client to pick it up</p>	<p>Depending on your firm's policy, scan the contents of the <i>Records Book</i> and mail originals to the client or destroy. Alternatively, diarize the file for two years after the dissolution to send the contents of the <i>Records Book</i> to storage at that time</p>
<p>When all outstanding accounts have been paid, close the file and mark the company “defunct” in your database (if any)</p>	<p>Remove the company from your annual maintenance checklists.</p> <p>Make a notation in your checklists or database (if any) that the company has been dissolved but that records cannot be sent to storage for a period of two years.</p> <p>In addition, if your law firm moves within 2 years of dissolution, a <i>Dissolved Company’s Records Change</i> (Form 27) will have to be filed.</p>

**VOLUNTARY DISSOLUTION (BY REQUEST)**

23. Receive instructions from the client or the company’s accountant. Determine:
- (a) the date of the resolution to approve the dissolution
  - (b) the date that the dissolution is to be effective
  - (c) that the company is not insolvent (i.e. the Affidavit under section 316(2) can be sworn)
  - (d) whether a *Clearance Certificate* is required from Canada Revenue Agency before dissolution (note that it may be necessary to obtain a Clearance Certificate before assets are distributed. If there are no assets and no

liabilities, a certificate is probably not required. It may take up to two months to obtain the Clearance Certificate)

- (e) whether there are specific instructions regarding disposition of assets and/or assumption of liabilities (or alternatively, that there are no assets or liabilities). The disposition of assets could result in provincial taxes, property transfer taxes, and/or GST. If transferred to a subsidiary, no provincial tax will be payable if the dissolving company has been a subsidiary for at least 8 months
- (f) if the company is an unlimited liability company, that there are no liabilities (note shareholders may be jointly and severally liable for the debts and liabilities of the company)
- (g) that the company is in good standing or will be in good standing with the Registrar at the time the *Dissolution Request* (Form 17) will be filed. If not, take the necessary steps to bring the company into good standing (e.g. file overdue *Annual Reports* – see Step 9)
- (h) whether the Registered and Records Offices will:
  - (i) be moved to another location and if so, the address of such future location or
  - (ii) remain with the law firm
- (i) whether the dissolving company is a shareholder in any other company or companies. If so, the shares will have to be transferred to a new shareholder before dissolution
- (j) whether the dissolving company has any business name registrations, and if so, whether the business names should be re-registered in the name of the person or company to whom the assets will be assigned. If any of the business names are registered outside of British Columbia, the agent in that jurisdiction should be contacted and advised of the pending dissolution and asked to advise what documents will be needed to cancel and/or update the registration

24. Review the following:

- (a) resolutions and other documents (such as resignations) and confirm that any required filings regarding changes in directors have been made with the Registrar. If not, ensure the required filings are made
- (b) any outstanding documents or instructions that deal with matters that may need to be completed before dissolution, such as the declaration of dividends or redemption of shares
- (c) previous resolutions for restrictions or conditions that could affect the proposed dissolution such as price adjustment clauses in non-arms length transfers
- (d) the Articles and any Shareholders Agreement or similar agreements for provisions containing conditions or restrictions that could affect the dissolution

25. Advise the responsible lawyer if there are any inconsistencies or errors between the instructions received and any previous instructions or resolutions or provisions in the Articles or Shareholders' Agreement
26. Check to see if the company is registered extraprovincially in any other jurisdictions. If so, write to the agents in each jurisdiction advising of the pending dissolution and request that steps be taken to cancel the registration of the company in those jurisdictions save and except an extraprovincial registration in Alberta or Saskatchewan as the BC Registrar will automatically inform the Alberta Corporate Registry and/or Saskatchewan Corporate Registry of the dissolution (see TILMA – **Extraprovincial Companies** chapter)
27. If the Registered and Records Offices will be moved to another location, prepare:
- (a) <sup>(1)</sup>*Directors Resolution (Change of Registered and Records Offices from your Law Firm to Another Location – not a Law Firm)* <sup>(2)</sup>
  - (b) <sup>(1)</sup>*Address Change (Form 2)* <sup>(2)</sup>
28. Determine which of the following four main situations apply to the dissolution of the company:
- (a) **Case A:** the company is inactive and has no assets and no liabilities (or has made provision for its liabilities)
  - (b) **Case B:** the company is inactive, has assets, and no liabilities (or has made provision for its liabilities) and is **not** a wholly-owned subsidiary of another company
- Note: A “wholly-owned subsidiary” means that another company is the **sole** shareholder of the dissolving company. The shareholder company is referred to in this section as the “parent company”
- (c) **Case C:** the company has assets and/or liabilities and is a wholly-owned subsidiary of another company
  - (d) **Case D:** the company has no issued shares
- If one of the above examples does not quite fit the situation, modify as appropriate. Any necessary changes should not be complex. If the situation does not fit at all (i.e. the company has liabilities for which no adequate provision has been made), consult the supervising solicitor, since a liquidation or bankruptcy may be required, the procedures for which are not covered in this Guide.
29. If Case A applies and the company is inactive and has no assets and no liabilities (or has made provision for its liabilities), prepare:
- (a) *Ordinary Resolution (of Dissolving Company)* (page 30)
  - (b) *Directors Resolution (of Dissolving Company)* (page 34)
  - (c) *Affidavit of Director* (page 46)

---

<sup>(1)</sup> Only prepare if the client has given you instructions to change the registered and records offices to another location – see the **Registered and Records Offices** chapter

<sup>(2)</sup> See the **Registered and Records Offices** chapter

(d) ***Dissolution Request*** (Form 17) (page 50)

Note: Before preparing the application, determine:

- the name of the person (or firm) who should be shown as having custody of the company's corporate records in the application and
- the delivery and mailing address of the of the location of the dissolved company's records<sup>(1)</sup>

Proceed to step 33

30. If **Case B** applies and the company has assets, and no liabilities (or has made provision for its liabilities), prepare:

- (a) ***Shareholders Resolution (of Dissolving Company)*** (page 32)
- (b) ***Directors Resolution (of Dissolving Company)*** (page 34)
- (c) ***Affidavit of Director*** (page 46)
- (d) ***Dissolution Request*** (Form 17) (page 50)

Note: Before preparing the application, determine:

- the name of the person (or firm) who should be shown as having custody of the company's corporate records in the application and
- the delivery and mailing address of the of the location of the dissolved company's record<sup>(1)</sup>

Proceed to step 33

31. If **Case C** applies and the company has assets and/or liabilities and is a wholly-owned subsidiary of another company, prepare:

- (a) ***Ordinary Resolution (of Dissolving Company – Wholly-Owned Subsidiary)*** (page 36)
- (b) ***Directors Resolution (of Dissolving Wholly-Owned Subsidiary)*** (page 38)
- (c) ***Directors' Resolution (of Parent Company)*** (page 40)
- (d) ***Assignment and Assumption Agreement*** (page 42)
- (e) ***Affidavit of Director*** (page 46)
- (f) ***Dissolution Request*** (Form 17) (page 50)

Note: Before preparing the application, determine:

- the name of the person (or firm) who should be shown as having custody of the company's corporate records in the application and
- the delivery and mailing address of the of the location of the dissolved company's record<sup>(1)</sup>

<sup>(1)</sup> If the Registered and Records Offices have been changed (see step 27 above), show the new addresses on the ***Dissolution Request*** )

Proceed to step 33

32. If **Case D** applies and the company has no issued shares, prepare:

- (a) *Directors Resolution (of Dissolving Company with no issued shares)* (page 48)
- (b) *Dissolution Request* (Form 17) (page 50)
- (c) *Affidavit of Director* (page 46)

N.B. Before preparing the application, determine:

- the name of the person (or firm) who should be shown as having custody of the Company's corporate records in the application and
- the delivery and mailing address of the of the location of the dissolved company's record<sup>(1)</sup>

Proceed to step 33

33. Prepare *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60)

**When the documents have been signed:**

34. Date and time stamp each **Affidavit** when it is received by the law firm (s. 44(3)).

35. Make a copy of the *Application for (Voluntary) Dissolution* (Form 17)

36. File the *Address Change* (Form 2) electronically (see **Appendix B – Electronic Filing**) if the Registered and Records Offices of the company will be changed and the company has not yet been dissolved. **Note that the Form 2 must be filed at least one day prior to the date that the Form 17 must be filed.**

37. File the *Dissolution Request* (Form 17) electronically (see **Appendix B – Electronic Filing**)

Note: Section 318 provides that, if there is a specified date and time for the dissolution in the *Application for (Voluntary) Dissolution*, the Application may be withdrawn by filing a *Notice of Withdrawal* (Form 19) before the specified date and time (see the **Miscellaneous** chapter).

38. Receive the *Certificate of Dissolution* from the Registrar

N.B. Pursuant to Section 345 of the Act, the *Certificate of Dissolution* will be mailed to both:

- the person (or corporation) who will have the custody of the “dissolved company's records” and whose name is shown in Box **E** of Form 17 and who, is required to retain the records of the company (Section 351) and
- the Applicant (who submitted Form 17) on behalf of the Company

---

<sup>(1)</sup> If the Registered and Records Offices have been changed (see step 27 above), show the new addresses on the *Dissolution Request*.

39. File the documents in support of the application for dissolution in the company's *Records Book* as follows:

Tab in Records Book	Documents
Charter Documents	Certificate of Dissolution
Forms Filed	Dissolution Request (Form 17) Address Change (Form 2), if applicable
Shareholders' Minutes/Resolutions	Special Resolution or Ordinary Resolutions
Directors' Minutes/Resolutions	Directors' Resolution Assignment and Assumption Agreement Affidavit of Director

40. If your firm does not hold the *Records Book* for the **parent** company in the case of the dissolution of a wholly-owned subsidiary, forward the *Directors Resolution (of the Parent Company)* to the solicitor for the parent company
41. The next steps in the procedure depend on the location of the records office. Choose between the two columns below

An Address Change (Form 2) has been filed or the address of the location of the records in Form 17 is changed to another address	An Address Change was not filed and the address of the location of the records in Form 17 remains with the law firm
Make three copies of the Form 17 and place copies in <ul style="list-style-type: none"> <li>the company's <i>Records Book</i> under the tab "Forms Filed";</li> <li>the company's corporate file; and</li> <li>the binder that your firm keeps to record companies that have moved or been dissolved (see the <b>Registered and Records Offices</b> chapter)</li> </ul>	Place a copy of the Form 17 in the company's <i>Records Book</i> under the tab "Forms Filed"
Prepare <i>Statement of Account</i>	
Prepare <i>Report Letter (Voluntary Dissolution)</i> (page 66)	
Arrange to forward the <i>Records Book</i> and the seal to the Company by courier or arrange for the client to pick it up	Depending on your firm's policy, scan the contents of the Records Book into electronic format and mail the original to the client or destroy. Alternatively, diarize the file for two years after the dissolution to send the <i>Records Book</i> to storage at that time

<p><b>An Address Change (Form 2) has been filed or the address of the location of the records in Form 17 is changed to another address</b></p>	<p><b>An Address Change was not filed and the address of the location of the records in Form 17 remains with the law firm</b></p>
<p>When all outstanding accounts have been paid, close the file and mark the company “defunct” in your database (if any)</p>	<p>Remove the company from your annual maintenance checklists</p> <p>Make a notation in your checklists or database (if any) that the company has been dissolved and that the contents of the Records Book have been scanned (if applicable)</p> <p>If your law firm moves within two years of the dissolution, it will be necessary to file a <i>Dissolved Company’s Records Change (Form 27)</i></p>

**LETTER TO COMPANY**  
**(Advising on Dissolution Procedures and Seeking Instructions)**

**General Notes**

This letter should be written when:

- the law firm first becomes aware that the company has ceased to carry on business; and/or
- the supervising solicitor or corporate services department is instructed by the company not to prepare or file any further *Annual Reports*.

The supervising solicitor may wish to telephone the contact person for the company to discuss the matter and obtain instructions, or the solicitor may simply instruct the corporate services department to prepare a letter to the company confirming or seeking instructions and advising on alternative methods of dissolution.

This letter sets out several choices and the wording for those choices should be carefully reviewed by the supervising solicitors to adapt it to the particular circumstances of the company in question and the policy of your law firm regarding the maintenance of an inactive company's records. In due course an *Address Change* (Form 2) should be filed, if applicable.

**Preparation**

- ① If you wish to advise the client at this time that you will continue to bill for acting as agents for maintaining the Registered and Records Offices as long as the law firm is acting as the agent for maintaining the company's records, insert:

*“If our office remains the registered and records offices for the Company, we must continue to bill you for the annual maintenance fees of **#{amount}** per year as long as we are required to maintain the Company's records for inspection.”*

**Processing**

When the letter has been approved and signed, make a copy of the letter for the file.

*Continued...*

File No. \_\_\_\_\_

*{date}*

*{name and address of company}*

Dear \_\_\_\_\_:

**Re: *{Name of Company}* (the “Company”)**

We confirm your advice that the Company has ceased to carry on business and that you wish the Company to be dissolved.

As long as we act as your agents for maintaining the Company's Registered and Records Offices, we must accept the responsibilities attendant thereon, such as accepting service on behalf of the Company, forwarding documents to you and providing office space for the examination of your corporate records, as well as providing the space to store the Company's files, Records Book and seal, if the Company has one.

In addition, please note that:

- (a) pursuant to section 351 (2) of the *Business Corporations Act* (the “Act”), the person or firm who had custody of a company's records (the “Dissolved Company's Records”) at the time of the dissolution is required to keep and produce the Dissolved Company's Records for inspection for a period of two years after dissolution;
- (b) Canada Revenue Agency requires that the records of the Company be kept indefinitely; and
- (c) there is no time limit on applications to restore a Company (including applications by creditors or the Canada Revenue Agency).

Since the name of the person having custody of the records cannot be changed after dissolution without a court order, we would ask that you accept responsibility for the corporate records of the Company and instruct us to change the location of the Company's corporate records to another address in British Columbia at this time, such as your residential or business address. ①For your information, the following are the three most common ways of providing for the dissolution of the Company:

1. **Failure to File (Involuntary Dissolution)**

If the Company fails to file any further Annual Reports with the Registrar, pursuant to section 422 of the Act, after two consecutive years of failure to file, the Registrar of Companies has the power to dissolve the Company.

*Continued...*

**Letter to Company  
(Advising on Dissolution Procedures  
and Seeking Instructions)**

**Page 2**

Any property owned by the Company at the time of its dissolution will become the property of the Crown. For that reason, failing to file Annual Reports as a method to have the company dissolved is only recommended if the Company has no assets.

If this is the course of action you decide to take, please provide us with your written instructions:

- to allow the Company to be dissolved for failure to file Annual Reports; and
- not to undertake any further corporate work for the Company.

We also wish to remind you that the Company must file all income tax returns until it is dissolved even if it is inactive and there are no taxes payable.

**2. Voluntary Dissolution (without Liquidation)**

Under section 314 of the Act, the shareholders of the Company may pass an Ordinary Resolution authorizing the Company to apply to the Registrar to be dissolved. An affidavit must be sworn by a director of the Company stating that its assets have been disposed of and that the Company has no liabilities or has made adequate provision for the payment of its liabilities. A Dissolution Request would then be filed with the Registrar, and immediately thereafter, the Company would be dissolved. Please note that, before commencing an application for dissolution under section 316 of the Act, the Company must be in good standing with the Registrar.

**3. Voluntary Liquidation**

Under section 319 of the Act, the shareholders of the Company may, by Special Resolution, authorize the liquidation of the Company. The directors of the Company would then resolve to appoint a liquidator for the purpose of winding-up the Company's affairs, distributing its assets and providing for the payment of its debts. A Statement of Intent to Liquidate would be filed with the Registrar and, when all requirements under the Act have been complied with, the liquidator would file a Dissolution Request with the Registrar. The Company must also be in good standing before commencing an application to dissolve under section 319 of the Act.

*Continued...*

**Letter to Company  
(Advising on Dissolution Procedures  
and Seeking Instructions)  
Page 3**

We would caution you that, when a company is dissolved, the liabilities of the directors, and in some cases, the shareholders, continue. The liabilities of the directors and officers for any outstanding income tax or any other statutory remittance due to government agencies will continue despite the dissolution of the Company.

Please call us if you have any questions. We look forward to receiving your further instructions regarding the above.

Yours truly,

*{NAME OF LAW FIRM}*

cc: *{Accountants}*

**LETTER TO COMPANY**  
**(Confirming that no Further Annual Reports will be Filed)**

**General Notes**

This letter should be written when the law firm receives instructions from the client that the company is to be dissolved for failure to file further *Annual Reports*. It can be written either after you have received instructions as a result of:

- the *Letter to Company (Advising on Dissolution Procedure and Seeking Instructions)* (page 20); or
- the *Letter to Company (Enclosing Letter Advising of Pending Dissolution from Registrar)* (page 26) and you have received verbal instructions from the client to allow the company to be involuntarily dissolved.

If it is your firm's policy to do so, this is the time to make arrangements to change the Registered and Records Offices of the company to the residence or place of business of one of the directors (see step 18(b), notes and 19(b) of the **Procedure/Checklist** and the **Registered and Records** chapter).

When all documents have been prepared, checked and approved by the supervising solicitor, arrangements should be made to have them signed. Since it is generally impractical to have all of the parties attend at the law firm's office to sign the documents, in most cases the documents are forwarded to the company for signature and return.

**Preparation**

- ① Insert the particulars of the instructions (e.g. date of letter, telephone call or reference to the letter from the Registrar).
- ② Insert this paragraph (and reference to enclosures) if your law firm's policy is to forward the *Records Book* to the client when a company is inactive and the company has not yet been dissolved or if you have made previous arrangements with the client to change the Registered and Records Offices.
- ③ Insert the address of the director's residence or place of business (see Step 18(b) of the **Procedure/Checklist**).
- ④ Delete the reference to the Statement of Account and its payment if you will not be enclosing an invoice at this time.

**Processing**

When the letter has been approved and signed, make a copy of the letter and enclosures for the file.

Diarize the file for two weeks and follow up by email, fax or telephone.

File No. \_\_\_\_\_

*{date}*

*{name and address of company}*

Dear \_\_\_\_\_:

**Re: *{name of the company}* (the “Company”)**

We confirm your ①instructions to file no further Annual Reports for this Company and further confirm that in due course the Registrar will dissolve the Company.

②Accordingly it is our policy to transfer the Registered and Records Offices to your address to relinquish our responsibilities as the agent for maintaining the Company Registered and Records Offices.

We have prepared and enclose the following:

1. ②Directors Resolution authorizing the change in the mailing and delivery addresses of the Company’s Registered and Records Offices to *{mailing and delivery address of proposed new offices}* ③;
2. ② Address Change (Form 2); and
3. ④Our statement of account for services to date.

Please have the above documents signed where indicated and return them to us, together with your cheque in payment of our account, as soon as possible. We will then file the required Address Change with the Registrar and forward the company’s Records Book and seal to you.

We would caution you that, when a company is dissolved, the liability of its directors, officers and shareholders continues indefinitely, and any interest in land owned by a company escheats to, and becomes the property of, the Crown.

Yours truly,

***[NAME OF LAW FIRM]***

**LETTER TO COMPANY**  
**(Enclosing Letter Advising of Pending Dissolution from Registrar)**

**General Notes**

Generally, the law firm would notify the client by telephone, fax or email when a notice advising the Company of pending dissolution is received from the Registrar. This letter should be written when:

- the law firm (as the Registered Office for the company), receives a notice from the Registrar notifying the company of its default and of the powers of the Registrar to dissolve the company if no action is taken within 30 days of the date of the letter; and
- the law firm is unable to contact the client; or
- as confirmation when the law firm has received verbal instructions but has not received written instructions from the client to allow the company to be dissolved.

**Preparation**

- ① Forward by registered mail if you are unable to contact the client and it is your firm policy to do so.
- ② Insert the date of the notice.
- ③ Describe the nature of the failure, e.g. “Annual Reports for two years”.
- ④ If the client has previously instructed the firm to allow the company to be dissolved, you may substitute the following for the next two paragraphs:

*“We confirm your previous instructions that we are to allow the Company to be dissolved. If these instructions have changed and the Company is to be brought up to date, please advise us immediately. We will then apply to the Registrar for a delay of dissolution and will send you the required Annual Reports for execution and return to us for filing with the Registrar to stop the dissolution process.”*

- ⑤ You may substitute:

*“As a courtesy to you, we have applied to the Registrar for a delay of dissolution, to allow you time to return the necessary documents to us OR to provide us with your instructions”*

- ⑥ Insert a date that is prior to one month from the date of the Registrar’s notice.

**Processing**

When the letter has been approved and signed, make a copy of the letter and the notice from the Registrar. Enclose a copy of the Registrar’s notice and keep the original in the file.

Diarize the file for two weeks and follow up by email, fax or telephone.

**①BY REGISTERED MAIL**

File No. \_\_\_\_\_

*{date}**{name and address of company}*

Dear \_\_\_\_\_:

**Re: *{Name of the Company}* (the “Company”)**

As the registered office for the Company, we have received a notice dated ② from the Registrar of Companies notifying the Company that the Registrar will take steps to dissolve the Company after one month from the date of the notice for failure to file ③. We enclose a copy of the notice for your reference.

④

⑤ Please advise us immediately if you wish us to apply for an extension of time to delay the dissolution proceedings and provide us with instructions as soon as possible if you wish us to prepare Annual Reports and related annual maintenance resolutions to bring the company into good standing with the Registrar.

When a company has been dissolved in this manner it can only be restored to the register of companies by application for restoration. The application for restoration is costly and all outstanding Annual Reports will have to be filed before restoration will be granted. We would caution you that, when a company is dissolved, the liability of its directors, officers and shareholders continues indefinitely, and any interest in land owned by a company escheats to, and becomes the property of, the Crown.

We urge you to give this matter your immediate attention.

If we have not heard from you with respect to this matter before ⑥, we will assume that you are not interested in keeping the Company in existence.

Yours truly,

***[NAME OF LAW FIRM]***

---

---

**TRANSMITTAL LETTER**  
**(Forwarding Overdue Documents for Signature)**

**General**

If the company does not wish to be dissolved and provides the law firm with instructions to remedy the failure described in the letter from the Registrar, you should prepare the overdue documents.

When all documents have been prepared, checked and approved by the supervising solicitor, arrangements should be made to have them signed. Unless the company has only one or two directors and shareholders, it is generally impractical to have all of the parties attend at the law firm's office to sign the documents, so in most cases the documents are forwarded to the company for signature and return.

**Preparation**

- ① If **no** extension of time has been applied for, delete this sentence.
- ② Describe the nature of the documents to be filed (e.g. Annual Reports for the years from *{year}* to *{year}*).
- ③ Insert the expiry date of the extension granted by the Registrar.
- ④ Insert the years of the enclosed *Annual Reports* and *Resolutions*.
- ⑤ Insert the description of any other documents that are being enclosed.

**Processing**

When the letter has been approved and signed, make a copy of the letter and enclosures for the file.

Diarize the file for a date which is two to three weeks before the effective date of the dissolution or extension granted by the Registrar and follow-up by letter, email or telephone if you have not received the signed documents.

File No. \_\_\_\_\_

*{date}*

*{name and address of the company}*

Dear \_\_\_\_\_:

Re: *{Name of the Company}* (the “Company”)

①As instructed by you, we have obtained an extension of time for filing the ② until ③to bring the Company into good standing with the Registrar.

We have prepared and enclose the following documents for signature where indicated:

1. Annual Reports for the years ④;
2. Shareholders Resolutions waiving the holding of Annual General Meetings for the years④;
3. ⑤

Please return these documents to us as soon as possible in order that we may file the Annual Reports② to bring the Company into good standing.

Should you have any questions or concerns with respect to the above, please do not hesitate to contact us.

Yours truly,

*{NAME OF LAW FIRM}*

---

---

## ORDINARY RESOLUTION (of Dissolving Company)

### General Notes

This *Ordinary Resolution* is only used in **Case A** (see step 29 of the **Procedure/Checklist**) when the Company:

- has ceased to carry on business; and
- has **no** assets and **no** liabilities (or adequate provision has been made for the payment of each of its liabilities).

### Preparation

- ① Check the *Articles* and any *Shareholders Agreement* to determine whether a special or exceptional resolution is required. If so, substitute “*Special*” or “*Exceptional*” for “*Ordinary*”
- ② Insert the name of the law firm.
- ③ Insert the effective date of the resolution.
- ④ Check the *Central Securities Register* and insert the names of all the **voting** shareholders (and prepare a *Separate Class Resolution* of any non-voting shareholders, if required by the *Articles* or any *Shareholders Agreement* – see the **Authorized Share Structure** chapter).

### Processing

Once this document is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**SHAREHOLDER(S) RESOLUTION**  
**OF**  
**{NAME OF COMPANY}**  
**(The “Company”)**

**WHEREAS:**

- A. The Company is inactive and has no assets or liabilities; and
- B. It is expedient for the Company to be dissolved.

**RESOLVED AS AN ORDINARY<sup>①</sup> RESOLUTION THAT:**

1. The dissolution of the Company be authorized pursuant to section 314(1)(a) of the *Business Corporations Act*.
2. For the purpose of bringing such dissolution into effect, the Company instruct its agents to electronically file a Dissolution Request in the approved form with the Registrar of Companies.
3. Any director or officer of the Company is authorized and directed to execute (whether under the corporate seal of the Company or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such dissolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.
4. The Company hereby appoints <sup>②</sup>*{Name of Law Firm}* to act as its agent for filing the Dissolution Request as set out in paragraph 2 above.

Dated effective: *{Date}*<sup>③</sup>

\_\_\_\_\_  
<sup>④</sup>*{NAME OF SHAREHOLDER}*

\_\_\_\_\_  
<sup>③</sup>*{NAME OF SHAREHOLDER}*

## SHAREHOLDERS RESOLUTION (of Dissolving Company)

### General Notes

This *Resolution* contains both a *Special Resolution* to distribute the remaining assets of the company (s. 301(1)) and an *Ordinary Resolution* to dissolve the Company (s. 314(1)). It is only used in **Case B** (see step 30 of the **Procedure/Checklist**) when:

- the Company has **no** liabilities (or adequate provision for the payment of its the liabilities has been made);
- the Company has assets; and
- the company is **not** a wholly-owned subsidiary of another company.

### **Notes:**

If the company is a wholly-owned subsidiary of another company prepare the *Ordinary Resolution (of Dissolving Company – Wholly-owned Subsidiary)* (page 36).

If the company has no assets or liabilities, prepare the *Ordinary Resolution (of Dissolving Company)* (page 30).

If the company has liabilities and no adequate provision has been made for their payment, the company cannot voluntarily dissolve.

### Preparation

- ① Check the *Articles* and any *Shareholders Agreement* to determine whether a special or exceptional resolution is required. If so, substitute “*Special*” or “*Exceptional*” for “*Ordinary*”. In this case, you may title the first resolution “*Special*” or “*Exceptional*” and remove the heading titled “RESOLVED...” before the third resolution since all the resolutions will be “*Special*” or “*Exceptional*”, as the case may be.
- ② Insert the name of the law firm.
- ③ Insert the effective date of the resolution.
- ④ Check the *Central Securities Register* and insert the names of all the voting shareholders (and prepare a *Separate Class Resolution* of any non-voting shareholders, if required by the *Articles* or any *Shareholders Agreement* – see the **Authorized Share Structure** chapter).

### Processing

Once this document is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**SHAREHOLDER(S) RESOLUTION**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**RESOLVED AS SPECIAL RESOLUTIONS THAT:**

1. The directors of the Company be authorized to cause the Company to discharge or satisfy all its debts, obligations or liabilities.
2. Pursuant to subsection 301(1) of the *Business Corporations Act* (the “Act”), following the discharge or satisfaction by the Company of all its debts and liabilities, the remaining property and assets of the Company be distributed in specie among the shareholders of the Company according to their rights and interests in the Company as a disposition of the whole of the undertaking of the Company.

**RESOLVED AS AN ① ORDINARY RESOLUTION THAT:**

3. After the distribution of the property and assets of the Company to its shareholders:
  - (a) the dissolution of the Company be authorized under subsection 314(1)(a) of the Act;
  - (b) the directors may, in their discretion, cause the Company to request a Clearance Certificate from Canada Revenue Agency, Taxation;
  - (c) for the purpose of bringing such dissolution into effect, the Company instruct its agents to electronically file a Dissolution Request in the approved form with the Registrar of Companies;
  - (d) the Company hereby appoints *{Name of Law Firm}* ② to act as its agent for filing the Dissolution Request as set out in paragraph 3 (c) above; and
  - (e) any director or officer of the Company be authorized and directed to execute (whether under the corporate seal of the Company or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such dissolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

Dated effective: *{Date}* ③

\_\_\_\_\_  
④ *{NAME OF SHAREHOLDER}*

\_\_\_\_\_  
④ *{NAME OF SHAREHOLDER}*

## **DIRECTORS RESOLUTION (of Dissolving Company)**

### **General Notes**

This directors resolution is used in:

- **Case A** (see step 29): when the Company is inactive and has no assets and no liabilities and an *Ordinary Resolution (of Dissolving Company)* (page 30) was prepared; or
- **Case B** (see step 30): when the company:
  - has assets, and no liabilities (or has made provision for its liabilities); and
  - a *Shareholders Resolution (of Dissolving Company)* (page 32) was prepared.

### **Preparation**

- ① **Case A** – Insert this paragraph and insert the date of the *Ordinary Resolution* (see above).
- ② **Case B** – Insert this paragraph in and insert the date of the *Shareholders Resolution* (see above).
- ③ **Case B** – Insert this paragraph (and delete for Case A).
- ④ Insert the name of the law firm.
- ⑤ Insert the effective date of the resolution which should be the same or after the date in ②.
- ⑥ Check the *Register of Directors* of the company and insert the names of all directors.

### **Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is sent to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**DIRECTORS RESOLUTIONS**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**WHEREAS:**

- A. It is expedient for the Company to dissolve pursuant to section 314 of the *Business Corporations Act* (the “Act”);
- B. ①By an ordinary resolution dated *{date}*①, the shareholders of the Company resolved to dissolve the Company; and
- C. ②By shareholders resolutions dated *{date}*②, the shareholders of the Company resolved to dissolve the Company and authorized the directors of the Company to distribute its assets pro rata among the company’s shareholders.

**RESOLVED THAT:**

1. ③The Company distribute its assets pro rata among its shareholders.
2. The dissolution of the Company be authorized pursuant to subsection 314(1) of the Act.
3. For the purpose of bringing such dissolution into effect, the Company instruct its agents to electronically file a Dissolution Request in the approved form with the Registrar of Companies.
4. Any director or officer of the Company, signing alone, be authorized to execute and deliver all such documents and instruments, and to do such further acts, as may be necessary to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.
5. The Company hereby appoints *{Name of Law Firm}*④ to act as its agent for filing the Dissolution Request as set out in paragraph 3 above.

Dated effective: *{Date}*⑤

\_\_\_\_\_  
⑥*{NAME OF DIRECTOR}*

\_\_\_\_\_  
⑥*{NAME OF DIRECTOR}*

**ORDINARY RESOLUTION**  
**(of Dissolving Company – Wholly-Owned Subsidiary)**

**General Notes**

This *Ordinary Resolution* is only used in **Case C** (see step 31 of the **Procedure/ Checklist**) when a company:

- has **no** assets and **no** liabilities (or adequate provision for the payment of its the liabilities have been made); or
- **has assets** and **no** liabilities (or adequate provision for the payment of its the liabilities have been made); and
- has only **one** shareholder (the company is a wholly-owned subsidiary of another company, “parent company”) and **has assets** and **liabilities** that are being assigned to and assumed, respectively, by the parent company.

**Note:** Section 301(6) of the Act exempts a wholly-owned subsidiary or sole individual shareholder from the requirement that the disposition of all or substantially all of the company’s assets be authorized by a special resolution. Accordingly, this resolution could also be used, with appropriate alteration, in a situation where there is only one individual shareholder.

**Preparation**

- ① Delete this paragraph if the assets have already been distributed.
- ② Insert the effective date of the resolution.
- ③ Check the *Central Securities Register* and insert the name of the sole shareholder (the parent company) or if the resolution is used when there is only one individual shareholder, insert the name of that shareholder.

**Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**SHAREHOLDERS RESOLUTION**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**WHEREAS**

- A. The Company is inactive and has no debts or liabilities to any creditors that cannot be satisfied;
- B. It is expedient that the Company wind-up and dissolve pursuant to under Division 2 of Part 10 of the *Business Corporations Act* (the “Act”); and
- C. It is deemed appropriate that the directors commence dissolution of the Company and wind-up its business and affairs.

**RESOLVED THAT:**

- 1. The directors of the Company cause all debts and liabilities of the Company to be satisfied.
- 2. The directors may, in their discretion, cause the Company to request a Clearance Certificate from Canada Revenue Agency, Taxation.
- 3. ①As incidental to the foregoing, the property and assets of the Company be transferred and assigned to its sole shareholder, ***{NAME OF THE SOLE SHAREHOLDER}***, (the “Sole Shareholder”).
- 4. After the distribution of the property of the Company, the Company dissolve and, for the purpose of bringing such dissolution into effect, the Company:
  - (a) authorize the dissolution of the Company pursuant to section 314(1)(a) of the Act; and
  - (b) instruct its agents to electronically file a Dissolution Request in the approved form with the Registrar of Companies.
- 5. Any one director or officer of the Company is authorized to execute under the seal of the Company or otherwise, and to deliver all further documents and to take all further action as may be required to give effect to these resolutions, including without limitation, entering into a form of Assignment and Assumption Agreement with the Sole Shareholder in the form approved by the directors of the Company, for the Sole Shareholder to assume any remaining debts and liabilities of the Company, and to assign to the Sole Shareholder any remaining property and assets of the Company after satisfaction of the Company’s debts and liabilities
- 6. The Company hereby appoints ***{Name of Law Firm}***② to act as its agent for filing the Dissolution Request as set out in paragraph 4 (b) above.

Dated effective: ***{Date}***③

**④{NAME OF SOLE SHAREHOLDER  
(PARENT COMPANY)}**

Per: \_\_\_\_\_  
Its Authorized signatory

**DIRECTORS RESOLUTION**  
**(of Dissolving Wholly-Owned Subsidiary Company)**

**General Notes**

This directors resolution is used in **Case C** (see step 31 of the **Procedure/Checklist**) when:

- the dissolving company is a **wholly-owned subsidiary** of another company. A “wholly-owned subsidiary” in this context means that another company is the **sole** shareholder of the dissolving company. The shareholder company is referred to in this section as the “parent company”;
- the company has liabilities which are to be assumed by the parent company;
- the company has assets which are to be transferred and assigned to the parent company;
- there will be an agreement between the dissolving company and the parent company; and
- the directors of the parent company pass a resolution resolving to dissolve the subsidiary company (*Directors Resolution (of Parent Company)* – page 40).

Note: This resolution could also be used, with appropriate alteration to the resolution and to the *Assignment and Assumption Agreement*, in a situation where there is only one individual shareholder.

**Preparation**

- ① Insert the date of the *Ordinary Resolution (of Dissolving Resolution – Wholly-owned Subsidiary)* (page 36).
- ② Check the *Central Securities Register* of the company and insert the name of the dissolving company’s only shareholder.
- ③ Insert the effective date of the dissolution.
- ④ Check the *Register of Directors* of the company and insert the names of all directors.

**Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is sent to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**DIRECTORS RESOLUTIONS**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**WHEREAS:**

- A. It is expedient that the Company wind-up and dissolve pursuant to section 314 of the *Business Corporations Act* (the “Act”); and
- B. By ordinary resolution dated *{date}*<sup>①</sup> (the “Ordinary Resolution”), *{NAME OF SOLE SHAREHOLDER/PARENT COMPANY}*<sup>②</sup>, being the sole shareholder of the Company (the “Sole Shareholder”) resolved to dissolve the Company and authorized the directors of the Company to provide for the satisfaction of all of the Company’s debts and liabilities and subsequently transfer and assign its remaining property and assets to the Sole Shareholder.

**RESOLVED THAT:**

1. Pursuant to the provisions of the Ordinary Resolution, the directors take all steps necessary to:
  - (a) wind-up and dissolve the Company pursuant to section 314 of the Act;
  - (b) satisfy all the Company’s debts and liabilities;
  - (c) following that satisfaction, transfer and assign all the Company’s remaining property and assets to the Sole Shareholder;
  - (d) enter into an Assignment and Assumption Agreement with the Sole Shareholder substantially on the terms and conditions set out in the form of Agreement presented to the directors of the Company, in which the Sole Shareholder agrees to assume the debts and liabilities of the Company and the Company agrees to transfer all its remaining property and assets to the Sole Shareholder.
2. Any director or officer of the Company, signing alone, be authorized to execute and deliver all such documents and instruments, whether under the corporate seal or otherwise, with such conditions, deletions, alterations or amendments thereto as he or she may deem advisable, and to do such further acts, as may be necessary to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.

Dated effective: *{Date}*<sup>③</sup>

---

④*{NAME OF DIRECTOR}*

---

④*{NAME OF DIRECTOR}*

## **DIRECTORS' RESOLUTION (of Parent Company)**

### **General Notes**

This directors resolution is used for the parent company in **Case C** (see step 31 of the **Procedure/Checklist**) when:

- the **parent company** is the only shareholder of the dissolving company (i.e. the dissolving company is a wholly-owned subsidiary of the parent company);
- the dissolving company has assets, debts and liabilities;
- there is an agreement between the dissolving company and the parent company regarding the assignment of assets and assumption of liabilities of the dissolving company by the parent company (see *Assignment and Assumption Agreement* – page 42);

This Resolution enables the **parent company** to:

- assume the debts and liabilities of the dissolving company; and
- execute the agreement between the dissolving company and the parent company.

### **Preparation**

- ① Insert the name of the dissolving company.
- ② Insert the effective date of the dissolution.
- ③ If the parent company has no seal, delete to the end of the paragraph.
- ④ Insert the effective date of the Resolution (it should be the same as the *Ordinary Resolution (of Dissolving Company)* (page 36) and the *Directors Resolution (of Dissolving – Wholly-Owned Subsidiary)* (page 38)
- ⑤ Check the *Register of Directors* of the parent company and insert the names of all directors.

### **Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is sent to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**DIRECTORS RESOLUTIONS**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**WHEREAS:**

- A. The Company is the sole shareholder of *{NAME OF DISSOLVING COMPANY}*① (the “Subsidiary”); and
- B. The directors deem it to be in the best interests of the Company to wind-up and dissolve the Subsidiary commencing *{date}*②, including, without limitation, passing an ordinary resolution of the Subsidiary in writing to dissolve the Subsidiary and, prior to that request, for the Subsidiary to satisfy all its debts and liabilities and to assign and transfer all its remaining assets to the Company (the “Resolution”).

**RESOLVED THAT:**

1. The Company pass the Resolution and that it be consented to in writing by the president or secretary of the Company signing the same on behalf of the Company ③ and the seal of the Company be affixed thereto in his/her presence if need be.
2. The Company assume the debts and liabilities of the Subsidiary.
3. With respect to the dissolution of the Subsidiary, the Company agree to enter into an Assignment and Assumption Agreement with the Subsidiary substantially on the terms and conditions set out the form of agreement presented to the directors, that such Agreement be approved and that any one director or officer of the Company be authorized and directed to execute the Agreement with such variations as such director or officer shall deem necessary or advisable, and to deliver the Agreement.

Dated effective: *{Date}*④.

\_\_\_\_\_  
⑤ *{NAME OF DIRECTOR}*

\_\_\_\_\_  
⑤ *{NAME OF DIRECTOR}*

---

---

## ASSIGNMENT AND ASSUMPTION AGREEMENT

### General Notes

This Agreement is used when:

- a company (the “parent company”) owns all of the shares of its wholly-owned subsidiary which intends to dissolve (the “dissolving company”);
- the dissolving company has liabilities which are being assumed by the parent company;
- the assets of the dissolving company are being transferred to the parent company.

### Preparation

- ① Insert the effective date of the Agreement that is the same day or after the ***Ordinary Resolution (of Dissolving Company – Wholly-Owned Subsidiary)*** (page 36)
- ② Insert the jurisdiction of the parent company
- ③ Insert the date of the ***Ordinary Resolution (of Dissolving Company – Wholly-Owned Subsidiary)*** (page 36)
- ④ Insert the date from item ② the ***Directors Resolution (of Parent Company)*** (page 40)

*Continued...*

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS AGREEMENT made effective the ① \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

**BETWEEN:**

**{NAME OF DISSOLVING COMPANY}**

**{Incorporation No. \_\_\_\_\_}**

**{Address of Dissolving Company}**

a company incorporated under the laws of the Province of  
British Columbia;

(the “Company”)

**AND:**

**{NAME OF PARENT COMPANY}**

**{Incorporation No. \_\_\_\_\_}**

**{Address of Parent Company}**

a company incorporated under the laws of ②;

(the “Parent Company”)

**WHEREAS:**

- A. The Company is a wholly-owned subsidiary of the Parent Company.
- B. By Ordinary Resolution of the Company passed on *{date}*③, it was resolved that the Company:
- (a) make provision for the payment of its debts and liabilities;
  - (b) assign and transfer to the Parent Company all of its property and assets; and
  - (c) apply to dissolve the Company under Section 316 of the *Business Corporations Act*.
- C. In order to complete the dissolution of the Company, it is expedient that the Company assign and transfer to the Parent Company all its remaining assets and that the Parent Company assume any liabilities of the Company.

**NOW THEREFORE**, in consideration of the mutual covenants and promises set forth herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

**1. ASSIGNMENT OF PROPERTY**

The Company hereby grants, assigns, transfers, conveys and sets over to the Parent Company, its successors and assigns, as of *{date}*④ (the “Effective Date”), all right, title and interest, whether legal or beneficial, absolute or contingent, of the Company in and to:

- (a) all property of the Company, movable or immovable, real or personal, of every kind and wheresoever situate, and whether freehold or leasehold, and any leases, options to purchase, and any and all other interests in and to real property, or licenses, franchises and similar rights owned or held by the Company;

**ASSIGNMENT AND ASSUMPTION AGREEMENT****Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**Assignment and Assumption Agreement****Page 2**

- (b) all debts, accounts, choses-in-action, claims, demands and money now due or owing or accruing due or which may hereafter become due or owing to the Company including, without limiting the foregoing, money that may become payable under any policy of insurance in respect of any loss by fire or other cause that has or may be incurred by the Company;
- (c) all contracts, securities, bills, notes, lien notes, judgments, chattel mortgages, mortgages and all other rights, benefits and privileges now or hereafter taken, vested in or held by the Company in respect of, or as security for, the debts, accounts, choses-in-action, claims, demands and money hereby assigned, transferred and conveyed or any part thereof and the full benefit and advantage thereof;
- (d) all warranties, licences, permits and rights of the Company; and
- (e) all rights of action, claims or demands which the Company now has or may at any time hereafter have against any person, firm or corporation.

**2. ASSUMPTION OF LIABILITIES**

From and after the Effective Date, the Parent Company will assume, pay, discharge, perform and be responsible for all obligations, liabilities and claims of any nature, accruing, arising out of, or relating to the Company and its business, whether actual or contingent, matured or unmatured, liquidated or unliquidated, or known or unknown.

**3. FURTHER ASSURANCES**

Each of the parties hereby agrees to execute and deliver all such further documents and perform all such other acts as may be necessary or desirable to give effect to the terms of this Agreement.

**4. ENUREMENT**

This Agreement shall enure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns.

**IN WITNESS WHEREOF** the parties have signed this Agreement as of the day and year first above written.

***{NAME OF DISSOLVING COMPANY}***

Per: \_\_\_\_\_  
Its authorized signatory

***{NAME OF PARENT COMPANY}***

Per: \_\_\_\_\_  
Its authorized signatory

## AFFIDAVIT OF DIRECTOR

### General Notes

This Affidavit is required by section 316 of the Act when a company is being voluntarily dissolved and must be sworn by **one** of the directors of the company. It is used in all **Cases A, B, C and D** (see steps 29, 30, 31, and 32 of the **Procedure/Checklist**).

### Preparation

- ① Check with the supervising solicitor to determine which one of the directors is available to swear the affidavit and insert his or her full name, occupation and address (check the *Register of Directors*).
- ② If there is only one shareholder, delete the remainder of the paragraph and insert the words:
 

*“...assigning and transferring all of its property and assets to its sole shareholder”.*
- ③ If the dissolving company had debts and liabilities but has made provision for the satisfaction of the debts and liabilities, either by entering into an agreement with the parent company to assume the liabilities or otherwise, replace this paragraph with:
 

*“3. The Company has made adequate provision for the payment of each of its liabilities.”*
- ④ Insert the date of the appropriate *Ordinary Resolution* or *Shareholders Resolution*.
- ⑤ If the Affidavit is sworn before a Notary Public, delete the words “A Commissioner ...” and replace with:
 

*“A Notary Public in and for the Province of {Name of Province}”.*

### Processing

Once this document is prepared, checked and approved by the supervising solicitor, it may be forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60), but it is often more convenient to arrange for the director to see the supervising solicitor, since the Affidavit must be sworn before a lawyer or notary public.

If the Affidavit is sworn outside British Columbia, request that the client ensure that the seal of the notary is affixed to the Affidavit.

When the Affidavit is sworn, the name of the Commissioner (and contact information) must be legibly printed in the jurat. <sup>(1)</sup>

---

<sup>(1)</sup> The jurat is the certification on the affidavit declaring when, where, and before whom it was sworn.

RE: {NAME OF DISSOLVING COMPANY}
(the "Company")

AFFIDAVIT OF DIRECTOR

I, {NAME OF DIRECTOR} 1, {occupation and prescribed address of Director}
MAKE OATH AND SAY THAT:

- 1. I am a director of the Company and have personal knowledge of the matters herein declared by me.
2. The Company has disposed of all its assets by 2 distributing all of its property and assets rateably among its shareholders according to their rights and interests in the Company.
3. 3 The Company has no debts or liabilities.
4. The Company does not now carry on an active business and does not now own any assets.
5. The Company's dissolution has been authorized by Ordinary Resolution dated {date} 4.

SWORN BEFORE ME at {City},
Province of British Columbia, this \_\_\_\_\_
day of \_\_\_\_\_, 200\_\_
A Commissioner for taking Affidavits
in British Columbia 5

{NAME OF DIRECTOR} 1

**DIRECTORS RESOLUTION**  
**(of Dissolving Company with no Issued Shares)**

**General Notes**

This directors resolution is used in **Case D** (see step 32 of the **Procedure/Checklist**) to dissolve a company when:

- the dissolving company has **not** issued any shares (s. 314(2)); and
- the company does not carry on any business and has no assets or liabilities.
- This may happen when a company is incorporated but never used – perhaps the client changed his or her mind or the company was incorporated for a deal that never took place.

**Preparation**

- ① Insert the name of the law firm.
- ② Insert the effective date of the Resolution.
- ③ Check the *Register of Directors* of the company and insert the names of all directors.

**Processing**

Once this document is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

**DIRECTORS RESOLUTIONS**  
**OF**  
**{NAME OF COMPANY}**  
**(the “Company”)**

**WHEREAS** the Company has not issued any shares.

**RESOLVED THAT:**

1. The dissolution of the Company be authorized pursuant to subsection 314(2) of the *Business Corporations Act*.
2. For the purpose of bringing such dissolution into effect, the Company authorize its agents to electronically file a Dissolution Request in the approved form with the Registrar of Companies.
3. Any director or officer of the Company, signing alone, be authorized to execute and deliver all such documents and instruments, and to do such further acts, as may be necessary to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.
4. The Company hereby appoints ①{*Name of Law Firm*} to act as its agent for filing the Dissolution Request as set out in paragraph 2 above.

Dated effective: {*Date*}②

\_\_\_\_\_  
③{*NAME OF DIRECTOR*}

\_\_\_\_\_  
③{*NAME OF DIRECTOR*}

## DISSOLUTION REQUEST (Form 17)

### General Notes

This Application must be filed pursuant to section 316 of the Act if a company wishes to apply for **voluntarily** dissolution.

#### Notes:

- The Company must be in good standing before filing this Application.
- If the Company is extraprovincially registered in any other jurisdiction the extraprovincial registration in the other jurisdiction must be cancelled.

### Preparation

The instructions printed in the form are complete, however the additional explanations set out below are included for those items that may be confusing.

- ITEM C** Choose the effective date of the dissolution, either:
- immediately upon filing the application;
  - at 12:01 a.m. on a future effective date not more than 10 days after the date of filing; or
  - at a specific time on a future effective date not more than 10 days after the date of filing.

- ITEM D** Insert the name of the person or firm submitting the application (usually a director or officer of the company (the person who swore the Affidavit (see 46), but it could be the law firm).

- ITEM E** Insert the **mailing** address of the applicant.

- ITEM F** Insert the full name of the person or corporation who will have custody of the company's records. Do not show the dissolved company as the person or corporation who will have custody of the company's records.

- ITEM G** Insert the delivery address and the mailing address for the person or corporation shown in Item F.

**Notes:** The applicant must be an authorized signatory of the company. If the law firm submits the application, the company should authorize the law firm to submit the application.

The name and address of the person having custody of the dissolved company's records could be the law firm, but in most cases the law firm will probably want a director or officer of the company to take responsibility for the company's records. The name of the person having custody of the company's records cannot be changed after dissolution without a court order.

### Processing – see page 52



BC Company  
**DISSOLUTION REQUEST**  
 BUSINESS CORPORATIONS ACT, section 316

Telephone: 1 877 526-1526  
 www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt  
 Victoria BC V8W 9V3

Courier Address: 200 - 940 Blanshard Street  
 Victoria BC V8W 3E6

**DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the Business Corporations Act requires the electronic version of this form to be filed on the Internet at [www.corporateonline.gov.bc.ca](http://www.corporateonline.gov.bc.ca)**

**Freedom of Information and Protection of Privacy Act (FOIPPA):** Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the Business Corporations Act for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

**A INCORPORATION NUMBER OF COMPANY TO BE DISSOLVED**

**B NAME OF COMPANY TO BE DISSOLVED**

**C DISSOLUTION EFFECTIVE DATE – Choose one of the following:**

- The dissolution is to take effect at the time that this application is filed with the registrar. YYYY / MM / DD
- The dissolution is to take effect at 12:01a.m. Pacific Time on YYYY / MM / DD being a date that is not more than ten days after the date of the filing of this application.
- The dissolution is to take effect at \_\_\_\_\_ a.m. or \_\_\_\_\_ p.m. Pacific Time on YYYY / MM / DD being a date and time that is not more than ten days after the date of the filing of this application.

**D FULL NAME OF PERSON SUBMITTING THE APPLICATION**  
 LAST NAME FIRST NAME MIDDLE NAME

CORPORATION OR FIRM NAME

**E MAILING ADDRESS OF PERSON SUBMITTING THE APPLICATION**

PROVINCE	POSTAL CODE

**F FULL NAME OF PERSON WHO WILL HAVE CUSTODY OF THE "DISSOLVED COMPANY'S RECORDS"**  
 LAST NAME FIRST NAME MIDDLE NAME

CORPORATION OR FIRM NAME

**G ADDRESSES OF LOCATION OF "DISSOLVED COMPANY'S RECORDS"**  
 DELIVERY ADDRESS OF LOCATION OF "DISSOLVED COMPANY'S RECORDS"

PROVINCE	POSTAL CODE
BC	

MAILING ADDRESS OF LOCATION OF "DISSOLVED COMPANY'S RECORDS"

PROVINCE	POSTAL CODE
BC	

**H CERTIFIED CORRECT – I have read this form and found it to be correct.**

**I also confirm that the affidavit required by section 316(1)(a) of the Business Corporations Act has been obtained and deposited in the company's records office.**

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE COMPANY SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE COMPANY DATE SIGNED  
 YYYYMMDD

X

## DISSOLUTION REQUEST (Form 17)

### Processing

Once the Form 17 *Dissolution Request* is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (Forwarding Dissolution Documents for Signature)* (page 60).

When the client returns the signed Form, electronically file it with the Registrar – see step 37 of the **Procedure/Checklist**.

When the form is filed and you receive the *Certificate of Dissolution*, prepare *Report Letter (Voluntary Dissolution)* (page 66). Note that you can access a duplicate copy of the *Certificate of Dissolution* immediately or at any time within 30 days after filing the *Dissolution Request*, by accessing **Reprint a Previous Filing** on the main screen of Corporate Online.

**NOTICE OF LOCATION OF DISSOLVED COMPANY'S RECORDS  
(Form 26)**

**FORM REPEALED**

## DISSOLVED COMPANY'S RECORDS CHANGE (Form 27)

### General Notes

Section 351(3) provides that this form must be filed when there has been a change in the **location** of the dissolved company's records within two years of the company's dissolution: The location of the dissolved company's records must be the address of the person having custody of the dissolved company's records:

- in the case of a **voluntary** dissolution, the person shown on the *Dissolution Request* (Form 17);
- in the case of an **involuntary** dissolution, the person who had custody of the dissolved company's records at the time of dissolution.

The most common reason for filing this form would be if the law firm moved within two years of the dissolution.

Once a notice has been filed showing the location to be at the client's address, it will be the client's responsibility to attend to the preparation and filing of this form if the location of the dissolved company's records changes.

This form must also be filed if a court orders:

- a change in the identity of the person having custody of the dissolved company's records; or
- a reduction of the period within which the dissolved company's records must be retained.

A copy of the court order must be attached to the Notice. The procedure for applying for a court order to change the identity of the person having custody of the records or to reduce the time that the records must be retained is not covered in this *Guide*.

### Preparation

The instructions printed in the form are complete, however the additional explanations set out below are included for those items that may be confusing.

The notes for the preparation of this form only apply to a change in the location of the dissolved company's records and not to a change in the name of the person having custody of the records, which requires a court order.

**ITEM C**      Check the first box.

*Continued...*



**BC Registry  
Services**

BC Company

**DISSOLVED COMPANY'S RECORDS CHANGE**

*BUSINESS CORPORATIONS ACT, section 351*

Telephone: 1 877 526-1526  
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street  
Victoria BC V8W 3E6

**OFFICE USE ONLY – DO NOT WRITE IN THIS AREA**

**Freedom of Information and Protection of Privacy Act (FOIPPA):** Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

**INSTRUCTIONS:**

**Please type or print clearly in block letters and ensure that the form is signed and dated in ink.**

Section 351 of the *Business Corporations Act* defines "dissolved company's records" to mean the records the dissolved company was required to keep under section 42. If a liquidator was appointed, the definition covers the records the company was required to keep under section 42 and those referred to in section 333(1). The following person must retain and produce the dissolved company records for a period of two years:

- 1) the person who was shown in the application for dissolution as having custody of those records, or
- 2) if there was no application for dissolution, the person who had custody of the records at the time of dissolution, or
- 3) if one or more liquidators were appointed, the liquidator shown in the application for dissolution as having custody of those records.

**Item A and B** Enter the incorporation number and the name of the company at the time it was dissolved. The incorporation number and name would be shown on the company's Certificate of Incorporation, Amalgamation, Continuation or Change of Name.

**Item C** The person who is required to retain and produce the dissolved company's records must promptly file with the registrar any change in the location of the dissolved company's records.

The person must also promptly file any change in the identity of the person having custody of the dissolved company's records, along with the court order approving the change.

The person must also promptly file any change in the prescribed two-year retention period that records are required to be kept, along with a court order approving the reduction in time.

**Item D** The delivery address must be for a location in BC that is accessible to the public between 9 a.m. and 4 p.m. on business days for the delivery of records. The address must not be a post office box.

**Item F** If the person having custody of the records is a corporation or firm, enter the full name of the corporation or firm.

**Item G** Enter the expiration date of any period ordered by the court.

**Item H** This form is to be signed by the person having custody of the dissolved company's records. If that person is a corporation or firm, this form is to be signed by an authorized signing authority for that corporation or firm.

**Filing Fee: \$20.00 plus \$20.00 to file court order (if applicable)**

Submit this form and court order (if applicable) with a cheque or money order made payable to the Minister of Finance, or provide the registry with authorization to debit the fee from your BC OnLine Deposit Account. Please pay in Canadian dollars or in the equivalent amount of US funds.

**A INCORPORATION NUMBER OF DISSOLVED COMPANY**

**B NAME OF DISSOLVED COMPANY**

**C CHANGES TO THE INFORMATION RESPECTING DISSOLVED COMPANY'S RECORDS**

Changes to the following information must be filed with the registrar. Please indicate which information is to be changed.

- 1) A change to the location of the dissolved company's records (complete Items D, E and H).
- 2) A change to the identity of the person having custody of the dissolved company's records (complete Items F and H).
- 3) A reduction in the period that the dissolved company's records must be retained (complete Items G and H).

**DISSOLVED COMPANY'S RECORDS CHANGE**  
**(Form 27)**

**Preparation (Continued)**

Notes: The instructions printed in the form are complete, however the additional explanations set out below are included for those items that may be confusing.

The notes for the preparation of this form only cover the situation when the location of the dissolved company records office is changed without court order.

**ITEMS D AND E**      Insert the delivery address and the mailing address of the new location of the dissolved company's records.

**Processing**

Once this Notice is prepared, checked, approved and signed by the supervising solicitor, it should be paper filed with the Registrar.

**Note:** If the law firm has moved, after filing this form, you should advise the client of the location of the dissolved company's records.

**CHANGE TO THE LOCATION OF THE DISSOLVED COMPANY'S RECORDS**

**D DELIVERY ADDRESS OF THE NEW LOCATION OF DISSOLVED COMPANY'S RECORDS**

PROVINCE	POSTAL CODE
<b>BC</b>	

**E MAILING ADDRESS OF THE NEW LOCATION OF DISSOLVED COMPANY'S RECORDS**

PROVINCE	POSTAL CODE
<b>BC</b>	

**CHANGE TO THE IDENTITY OF THE PERSON HAVING CUSTODY OF THE DISSOLVED COMPANY'S RECORDS**

**F FULL NAME OF PERSON HAVING CUSTODY OF THE DISSOLVED COMPANY'S RECORDS**

LAST NAME	FIRST NAME	MIDDLE NAME

CORPORATION OR FIRM NAME

**REDUCTION IN THE PERIOD THAT THE DISSOLVED COMPANY'S RECORDS MUST BE RETAINED**

**G REDUCTION IN THE PERIOD THAT THE DISSOLVED COMPANY'S RECORDS MUST BE RETAINED**

Expiration Date of new period YYYY / MM / DD

**H CERTIFIED CORRECT – I have read this form and found it to be correct.**

**If applicable, I confirm that the court order approving the change of identity of the person having custody of the dissolved company's records and/or the court order reducing the period within which the dissolved company's records must be retained, is being submitted to the registrar for filing concurrently with this notice.**

NAME OF PERSON HAVING CUSTODY	SIGNATURE OF PERSON HAVING CUSTODY	DATE SIGNED YYYY / MM / DD
	<b>X</b>	

## **ASKING FOR A CLEARANCE CERTIFICATE (Form TX 19)**

### **General Notes**

The distribution of the assets of a company which may occur upon a voluntary dissolution, could result in the dissolved company's tax liabilities becoming liabilities of the shareholders to whom assets were distributed, the directors who authorized the distribution, and in some cases, legal representatives who were involved in the distribution.

Before distributing the property and assets of the dissolving company, and applying for its dissolution, it may be prudent to determine that all Income Tax Returns for the company have been filed, an Assessment Notice received from Canada Revenue Agency and that all outstanding income taxes have been paid. You may then request a *Clearance Certificate* from the Canada Revenue Agency under section 159(2) of the *Income Tax Act* certifying that all taxes, interest and penalties assessed against the company and its assets have been paid in full.

It is generally recommended that this be handled by the company's accountants and before processing this request, you should contact them. In any event, when dissolving any company voluntarily, check with the supervising solicitor to determine whether a *Clearance Certificate* should be applied for.

Once requested, it can take many months for the *Clearance Certificate* to be processed.

### **Preparation**

Obtain the most current version of the form by an online search of "Canada Revenue Agency Form TX19". The TX19 is comprised of two pages: page 1 sets out detailed instructions on the form's preparation. Page 2 is the actual form to be completed, signed and submitted.

Download the blank form and save it for preparation in the client's folder. Close off the CRA site. Navigate to the version you saved and then open it. Print off page 1 (unless you are familiar with completing the TX19) and complete page 2 using the fillable form. Save and then print off the completed TX19 (page 2) ready for processing.

### **Processing**

Once this form is prepared, checked and approved by the supervising solicitor, it is forwarded to the company for signature – see the *Transmittal Letter (forwarding Dissolution Documents for Signature)* (page 60).

When the signed form is received from the client, make sufficient copies of the form to have:

- one copy for the file; and
- if applicable, one set for the accountant on which you should stamp "copy",

and then mail the form to the Canada Revenue Agency regional tax office address which is set out on the bottom of the TX19's instruction page 1.

Diarize the file for a two month follow-up by letter or telephone if you have not received the *Clearance Certificate*. Again, it can take many months to receive the *Clearance Certificate*.



**TRANSMITTAL LETTER**  
**(Forwarding Dissolution Documents for Signature)**

**General Notes**

When all the dissolution documents have been prepared, checked and approved by the supervising solicitor, arrangements should be made to have them signed. Since it is generally impractical to have all of the parties attend at the law firm's office to sign the documents, in most cases the documents are forwarded to the company for signature and return, although in a closely held company, the clients often attend at the law firm in Cases **A, B** or **C** in order to swear the *Affidavit of Director*.

**Preparation**

- ① Refer to **Cases A, B, C** and **D** in steps 29, 30, 31 and 32 of the **Procedure/Checklist** which sets out the different situations and choose the appropriate documents which have been prepared in each case (or situation in question).
- ② Insert the name of the **parent** company (see *Directors' Resolution (of Parent Company)* – page 40).
- ③ Refer to step 27 of the **Procedure/Checklist** and insert the enclosures listed if the Registered and Records Offices of the company are changed to another location.
- ④ Insert the name of the director from *Affidavit of Director*.

**Processing**

Make sufficient copies of the letter and enclosures to have:

- one set for the file; and
- if applicable, one set for the accountant on which you should stamp “copy”.

Ensure that all enclosures are attached to the letter.

Diarize the file for two to three weeks and follow-up by letter, email or telephone if you have not received the signed documents.

File No. \_\_\_\_\_

*{date}*

*{name and address of the company}*

Dear \_\_\_\_\_:

**Re: *{Name of the Company}* (the “Company”)**

Further to your instructions to dissolve the Company, we enclose for signature the following documents: ①

1. Directors Resolution for signature by the directors of the Company;
2. Ordinary Resolution for signature by the shareholders of the Company;
3. Assignment and Assumption Agreement;
4. Directors Resolution of ② authorizing the dissolution of the Company for signature by the directors of ②;
5. Dissolution Request (Form 17) for execution by a director or officer of the Company; and
6. Affidavit to be sworn by *{Name of Director}*.
7. ③Directors Resolution with respect to the change in the Registered and Records Offices;
8. Form TX19 – Asking for Clearance Certificate; and
9. ③Address Change (Form 2).

Please arrange to have the enclosed documents signed and returned to us as soon as possible. Please note that *{Name of Director}* ④ must swear the Affidavit before a lawyer or notary public. If it would be more convenient for *{Name of Director}* to attend our office for this purpose, please call to set up an appointment to do so.

Upon receipt of the signed documents, we will electronically file the Dissolution Request (Form 17) with the Registrar of Companies in Victoria.

If you have any questions regarding the enclosed, please do not hesitate to contact us.

Yours truly,

***{NAME OF LAW FIRM}***

***cc: Accountants***

## **REPORT LETTER** **(Involuntary Dissolution)**

### **General Notes**

When you have determined that the company has been dissolved by the Registrar (see step 21 of the **Procedure/Checklist**), you should report on the dissolution to the company, and if you have filed a Form 2 changing the location of the Registered and Records Offices from the law firm to another location, you should arrange to deliver or forward the company's **Records Book** (and seal, if there is one), to the new delivery address.

### **Preparation**

- ① Insert the date of dissolution (see step 21 in the **Procedure/Checklist**).
- ② Describe the nature of the failure, e.g. "Annual Reports for two years".
- ③ Delete this paragraph if you are not enclosing the **Records Book** and **seal**.
- ④ Delete any reference to the seal if you are not enclosing it.
- ⑤ Insert the new delivery and mailing address from the Form 2.
- ⑥ If you are not enclosing an account at this time, delete "*and enclose our statement of account*".

*Continued...*

File No. \_\_\_\_\_

*{date}*

*{name and address of the company}*

Dear \_\_\_\_\_:

**Re: *{name of the Company}* (the “Company”)**

We confirm that the company was dissolved on *{date}* ① for failure to file ②.

③ We now enclose the Company’s Records Book ④ and seal. Please acknowledge receipt by signing and returning the enclosed copy of this letter.

We confirm that pursuant to the Address Change (Form 2) filed with the Registrar of Companies, the delivery and the mailing addresses of the Company have been changed to:

*{address}* ⑤

Please note that Section 351 of the *Business Corporations Act* (the “Act”) defines the “dissolved company’s records” to mean the records the company is required to keep in its Records Book under section 42 of the Act. The person having custody of the records at the time of dissolution must retain and produce the dissolved company records for a period of two years.

③ If within two years of the dissolution, the mailing or the delivery address of the location of the dissolved company’s records change, you must file a Dissolved Company’s Records Change (Form 27). You may obtain this form from the Corporate and Personal Registries site at [www.fin.gov.bc.ca](http://www.fin.gov.bc.ca).

Please note that:

- (a) pursuant to section 347 of the Act, when a company is dissolved, the liability of its directors, officers and shareholders continues indefinitely; and
- (b) Canada Revenue Agency (“CRA”) recommends that:
  - all business records and supporting documents that are required to determine the Company’s tax obligations and entitlements must be kept for **six** years from the end of the last tax year to which they apply. If a Return is filed late, the records must be kept for six years from the late filing date;

*Continued*

**REPORT LETTER**  
**(Involuntary Dissolution)**

**Preparation (Continued)**

- ① If you are not enclosing an account at this time, delete “*and enclose our statement of account*”.

**Processing**

Before arranging to deliver the **Records Book**, make the appropriate copy of **Address Change** (Form 2) and place it in your corporate file. Note that if a Form 2 has not been filed, your firm must retain the records for two years from the date of dissolution since after dissolution, the name of the person having custody of the dissolved company’s records can only be changed by court order. However, if your firm changes the location of its offices, a **Form 27** must be filed for each company that your firm holds the records for which has been dissolved within two years of the move.

Make two copies of the letter. Place one on the file and attach the other to the outgoing letter with the following notation:

**Receipt of the Records Book ④ and seal is hereby acknowledged.**

\_\_\_\_\_

{Name}

Date: \_\_\_\_\_

When the letter has been checked and signed by the supervising solicitor, package the **Records Book** and **seal** and arrange to deliver the package to be delivered to, or picked up by the client.

**Report Letter  
(Involuntary Dissolution)**

**Page 2**

- all records and supporting documents concerning long-term acquisitions and disposal of property, the share registry, and other historical information that would have an impact upon sale or liquidation or wind-up of the business must be kept **indefinitely**;
- if there is an objection or appeal, the records must be kept until the process is finished and the time for filing any further appeals has expired.

CRA may specifically require the Company to keep records for an additional period of time. If this is the case, the Company will receive details by registered letter or by a demand served by CRA.

We trust that you will find the above to be in order ① and enclose our statement of account. If you have any questions, please do not hesitate to contact us.

Yours truly,

*{NAME OF LAW FIRM}*

cc: *{Accountants}*

**REPORT LETTER  
(Voluntary Dissolution)**

**General Notes**

When you have received the *Certificate of Dissolution* from the Registrar (see step 38 of the **Procedure/Checklist**), you should report on the dissolution to the company and if appropriate, forward a copy to the company's accountants.

**Preparation**

- ① Insert the date of the dissolution from the *Certificate of Dissolution*.
- ② Delete this paragraph and the list of enclosures if you are forwarding the *Records Book* to the company (see ④ below).
- ③ Insert the name of the parent (sole shareholder) company.
- ④ Include this paragraph only if you are enclosing the *Records Book* and *seal*.
- ⑤ Delete any reference to the seal if you are not enclosing it.
- ⑥ Insert the name of the person or corporation from Form 17.
- ⑦ Copy the addresses from the Form 17.
- ⑧ Delete “*and enclose our statement of account*” if you are not enclosing one.

**Processing**

Before assembling the *Records Book* for delivery, make copies of:

- the Certificate of Dissolution;
- the appropriate Shareholders Resolution;
- Directors Resolution;
- Affidavit of Director;
- Dissolution Request– Form 17.

and place them in your corporate file.

Make two copies of the letter. Place one on the file and attach the other to the outgoing letter with the following notation:

**Receipt of the Records Book ④ and seal is hereby  
acknowledged.**

\_\_\_\_\_  
*{Name}*

Date: \_\_\_\_\_

When the letter has been checked and signed by the supervising solicitor, package the *Records Book* and *seal* and arrange to deliver the package to the client.

File No. \_\_\_\_\_

*{date}*

*{name and address of the company}*

Dear \_\_\_\_\_:

Re: *{name of the Company}* (the “Company”)

We confirm that the Company was dissolved effective *{date}*<sup>①</sup> and we enclose a copy of the Certificate of Dissolution dated *{date}*<sup>①</sup>.

②For your records, we also enclose copies of the following documents, the originals of which have been filed in the Company’s Record Book:

1. Shareholders Resolution;
2. Directors Resolution of the Company;
3. Affidavit of Director;
4. Assignment and Assumption Agreement, and
5. Dissolution Request– Form 17.

We also enclose a copy of the Directors Resolution of *{name of parent company}*<sup>③</sup>.

④We now enclose the Company’s Records Book <sup>⑤</sup>and seal. Please acknowledge receipt by signing and returning the enclosed copy of this letter.

We confirm that pursuant to the Application for (Voluntary) Dissolution:

1. *{NAME}*<sup>⑥</sup> now has the custody of the Company’s records; and
2. the delivery and the mailing addresses of the location of the Company’s records (the “dissolved company’s records) are at *{Address}*<sup>⑦</sup>.

Please note that Section 351 of the *Business Corporations Act* (the “Act”) defines the “dissolved company’s records” to mean the records the company is required to keep in its Records Book under Section 42 of the Act. The person having custody of the records at the time of dissolution must retain and produce the dissolved company records for a period of two years.

④If within two years of the dissolution, the mailing or the delivery address of the location of the dissolved company’s records change, you must file a Dissolved Company’s Records Change (Form 27). You may obtain such form from the Corporate and Personal Registries site at [www.fin.gov.bc.ca](http://www.fin.gov.bc.ca).

Please also note that:

- (a) pursuant to Section 347 of the Act, when a company is dissolved, the liability of its directors, officers and shareholders continues indefinitely.

*Continued*

**Report Letter**  
**(Voluntary Dissolution)**  
**Page 2**

- (b) Canada Revenue Agency (“CRA”) recommends that:
- all business records and supporting documents that are required to determine the Company’s tax obligations and entitlements must be kept for **six** years from the end of the last tax year to which they apply. If a Return is filed late, the records must be kept for six years from the late filing date;
  - all records and supporting documents concerning long-term acquisitions and disposal of property, the share registry, and other historical information that would have an impact upon sale or liquidation or wind-up of the business must be kept **indefinitely**;
  - if there is an objection or appeal, the records must be kept until the process is finished and the time for filing any further appeals has expired.

CRA may specifically require the Company to keep records for an additional period of time. If this is the case, the Company will receive details by registered letter or by a demand served by CRA.

We trust that you will find the above to be in order ③ and enclose our statement of account. If you have any questions, please do not hesitate to contact us.

Yours truly,

***{NAME OF LAW FIRM}***