
 Industry Canada    Industrie Canada	<b>POLICY STATEMENT</b> <b>POLITIQUE INTERNE</b>  10.1
<b>Corporations Canada</b>	<b>Date</b> March 31, 2008
<b>Reference or division - Référence ou division</b> External Distribution - Diffusion externe	<b>Cancels - Annule</b> May 30, 2002
<b>Signature and title - Signature et titre</b> 	<b>Page</b> 1    of - de    11

**CANADA BUSINESS CORPORATIONS ACT  
 STEPS TO FOLLOW TO  
 DISSOLVE A CORPORATION**

**This policy is intended only as a guide;  
 it does not replace or take precedence over the CBCA.**

**Introduction**

The purpose of this policy is to help you obtain approval for the dissolution of your corporation under the *Canada Business Corporations Act* (CBCA).

The Director appointed under the CBCA (the “Director”) believes that by communicating the main principles and guidelines to persons intending to dissolve a corporation, there will be fewer rejected requests as well as lower costs and administrative inconveniences. In the end, however, the final interpretation of the CBCA and its related provisions is the responsibility of the courts. Accordingly, you may want to consult with legal counsel or other professional advisors prior to making an application for dissolution.

This policy deals with the steps to follow for a voluntary dissolution of a corporation (i.e. a dissolution initiated by the corporation). The procedure varies slightly depending on the situation. Voluntary dissolution can happen in the following situations:

- (a) before commencing business;
- (b) where there is no property;
- (c) where property and liabilities have been disposed of; or
- (d) after proposing liquidation and dissolution of the corporation by the directors or shareholders.

**What is dissolution?**

**Definition**

It is the legal termination of a corporation. In other words, dissolution is the act of ending the existence of a corporation. To dissolve a corporation, the applicant must respect the CBCA formalities that will lead to the issuance of a certificate of dissolution. The corporation is dissolved as of the effective date of the certificate of dissolution.

## **Bankrupt or Insolvent Corporation**

The fact that a corporation is bankrupt or insolvent does not end its existence. A corporation that is insolvent or bankrupt under the *Bankruptcy and Insolvency Act* cannot voluntarily dissolve<sup>1</sup>. A corporation is insolvent under the *Bankruptcy and Insolvency Act* if:

1. it is unable to meet its obligations as they generally become due;
2. it has ceased paying current obligations in the ordinary course of business as they generally become due; or
3. the aggregate of the corporation's property is not, at a fair valuation, sufficient; or if disposed of at a fairly conducted sale under legal process, it would not be sufficient to enable payment of all obligations, due and accruing due.

If you file Articles of Dissolution with Corporations Canada for a corporation that is bankrupt or insolvent, the application will be rejected. For any questions regarding a bankrupt or insolvent corporation, please contact the Office of the Superintendent of Bankruptcy Canada at [www.bsf-osb.ic.gc.ca](http://www.bsf-osb.ic.gc.ca).

## **Role of Corporations Canada**

On receipt of your application, Corporations Canada will verify that your documents comply with the CBCA, are in proper form and are complete. If so, Corporations Canada will issue a Certificate of Dissolution, a Certificate of Intent to Dissolve or a Certificate of Revocation of Intent to Dissolve, depending on the application, showing the date of receipt of your application as the effective date. If you prefer, you may request an effective date later than the date of receipt of your application by Corporations Canada. This request must be made when filing your application.

## **What happens when an application is deficient or incomplete?**

If the application is incomplete, a notice is sent to the applicant indicating that the application is incomplete. For example, an application is incomplete if it is not signed. In such cases, the date of receipt of the application by Corporations Canada cannot be used as the effective date of the certificate.

When an application is deficient, the effective date of the certificate will be by default the date the application is resubmitted with the deficiency corrected. However, the effective date can be the date of receipt of the original application if the applicant expressly requests this date when the application is resubmitted.

## **Steps to follow to dissolve a corporation**

### **Types of Dissolution**

Procedures for dissolving a corporation vary slightly depending on the corporation's situation. Please identify which situation applies to your corporation and follow the applicable procedures. The dissolution process is also set out in Annex 1.

- A. Corporation has not issued shares<sup>2</sup>;

---

<sup>1</sup> See subsection 208(1) of the CBCA

<sup>2</sup> See subsection 210(1) of CBCA.

- B. Corporation has issued shares but has no property and no liabilities<sup>3</sup> or has distributed all of its properties and discharged all of its liabilities<sup>4</sup>;
- C. Corporation still has property and/or liabilities which need to be liquidated or discharged<sup>5</sup>.

### **A. Corporation has not issued shares**

#### **Criteria**

- No shares have been issued;
- Dissolution is being sought before commencing business; and
- The corporation does not have any property or liabilities.

#### **Procedures**

1. A resolution signed by all directors is required to authorize the dissolution.
2. Submit online or by other means Form 17: Articles of Dissolution to Corporations Canada. Do not send a copy of the resolution of the directors with the Articles. There are no filing fees.
3. Once the application has been approved, Corporations Canada will issue the Certificate of Dissolution and will publish your corporation's name on its website in the section "Corporations Canada's Monthly Transactions".

### **B. Corporation has issued shares but has no property and no liabilities or has distributed all of its properties and discharged all of its liabilities**

#### **Criteria**

- The corporation has issued shares; and
- The corporation either never had any property or liabilities or the disposal of property and the discharge of liabilities has been completed.

#### **Procedures**

1. A special resolution (i.e. two-thirds vote) of the shareholders is required to approve the dissolution. Note if more than one class of shares has been issued, the holders of each such class are entitled to vote separately as a class, whether or not they are otherwise entitled to vote.
2. Submit online or by other means Form 17: Articles of Dissolution to Corporations Canada. Do not send a copy of the resolution of the shareholders with the Articles. There are no filing fees.
3. Once the Articles have been approved, Corporations Canada will issue the Certificate of Dissolution, and will publish your corporation's name on its website in the section

---

<sup>3</sup> See subsection 210(2) of CBCA

<sup>4</sup> See subsection 210(3) of CBCA.

<sup>5</sup> See section 211 of CBCA.

“Corporations Canada’s Monthly Transactions”.

**C. Corporation still has property and/or liabilities which need to be liquidated or discharged**

**Criteria**

- The corporation has issued shares;
- The corporation has conducted business; and
- The corporation still has property and/or liabilities.

**Procedures**

1. The directors or any shareholder of a corporation may propose its voluntary liquidation and dissolution. A special resolution (i.e. two-thirds vote) must be voted. If more than one class of shares have been issued, the holders of each such class are entitled to vote separately as a class, whether or not they are otherwise entitled to vote.
2. Submit online or by other means Form 19: Statement of Intent to Dissolve to Corporations Canada to obtain a Certificate of Intent to Dissolve. Do not send a copy of resolution of the shareholders to Corporations Canada. There are no filing fees.
3. Once, the application has been approved, Corporations Canada will issue a Certificate of Intent to Dissolve and will publish your corporation's name on its website in the section “Corporations Canada’s Monthly Transactions”.
4. Once the Certificate of Intent to Dissolve has been issued, the corporation must cease all activities, except those required for liquidation. It should be noted that the corporation continues to be in existence until the corporation applies for and Corporations Canada issues a Certificate of Dissolution.
5. After issuance of the Certificate of Intent to Dissolve, the corporation must:<sup>6</sup>
  - (a) notify creditors of its intent to dissolve;
  - (b) give notice of the intent to dissolve in each province in Canada where the corporation was carrying on business at the time it sent the Statement of Intent to Dissolve to Corporations Canada;
  - (c) do all the acts required for the dissolution; for example, proceed to collect the corporation’s property, to dispose of the property that is not to be distributed in kind to shareholders and to discharge all the corporation’s obligations; and
  - (d) distribute the corporation’s remaining property, either in money or in kind, among the shareholders according to their respective rights.
6. Once the liquidation is complete (i.e. step 4) and if the Certificate of Intent to Dissolve has not been revoked (see section Revocation of the Certificate of Intent to Dissolve below), you can apply for a Certificate of Dissolution by submitting online or by other means Form 17: Articles of Dissolution to Corporations Canada. Do not send proof of fulfilling the liquidation steps (i.e. resolution, notice sent to creditors, etc.) with your application. There are no filing fees.
7. Once the Articles have been approved, Corporations Canada will issue the Certificate of Dissolution and will publish your corporation's name on its website in the section “Corporations Canada’s Monthly Transactions”.

---

<sup>6</sup> See subsection 211 (7) of the CBCA.

## **Revocation of the Certificate of Intent to Dissolve**

A corporation that has obtained a Certificate of Intent to Dissolve but no longer wants to dissolve, can stop the process of liquidation and dissolution by applying for a Certificate of Revocation of Intent to Dissolve before the Certificate of Dissolution is issued. Once a Certificate of Dissolution is issued, the corporation is dissolved and the Certificate of Intent to Dissolve cannot be revoked. After the issuance of the Certificate of Revocation of Intent to Dissolve, the corporation can resume its business as if the Certificate of Intent to Dissolve had never been issued.

### **Procedures**

1. The application for the revocation of a Certificate of Intent to Dissolve can only be made after the issuance of the Certificate of Intent to Dissolve and before the issuance of a Certificate of Dissolution. The revocation must be approved by special resolution (i.e. two-thirds vote) of the shareholders and, if applicable, by special resolution of the holders of each class of shares, whether or not they are entitled to vote.
2. Submit online or by other means Form 19: Statement of Revocation of Intent to Dissolve to Corporations Canada. Please note that it is not required to submit the resolution of the shareholders. There is a \$50 fee for the Certificate of Revocation of Intent to Dissolve.

## **Completing Form 17: Articles of Dissolution**

When filing through Corporations Canada's Online Filing Centre, choose the transaction "Articles of Dissolution".

### **Item 1 – Name of Corporation**

When filing online, you will need to identify your corporation by entering either the corporation number or the corporate name. Information on the corporation will automatically appear.

Otherwise, indicate the full legal name of the corporation. If the name has a French form and an English form or a combined English and French form, please indicate them.

### **Item 2 – Corporation Number**

Indicate the corporation number. You will find the corporation number on your certificate of incorporation, amalgamation or continuance.

### **Item 3 – Is the corporation bankrupt or insolvent?**

- Choose "No" if the corporation is not bankrupt or insolvent.  
or
- Choose "Yes" if the corporation is bankrupt or insolvent under the *Bankruptcy and Insolvency Act*.

Please note that if your corporation is bankrupt or insolvent, Corporations Canada will reject your application for dissolution.

Note: You must complete either Item 4 **or** Item 5 according to the corporation's situation, but not both.

- When a corporation has previously filed a Statement of Intent to Dissolve, please complete Item 4;
- When a corporation has not previously filed a Statement of Intent to Dissolve, please complete Item 5.

#### **Item 4 – Filing a Statement of Intent to Dissolve**

- Has the corporation previously filed a Statement of Intent to Dissolve under subsection 211(4) of the Act:
  - Choose “Yes” only if Corporations Canada has issued a Certificate of Intent to Dissolve and it has not been revoked. If the answer is “No”, please proceed to Item 5 without answering Item 4.
- If yes, has the corporation provided for the payment of its obligations and distributed its remaining property under subsection 211(7) of the Act.
  - Choose “Yes” or “No” according to the situation of the corporation. Note that in order to receive a Certificate of Dissolution, the corporation must have discharged its liabilities and distributed its property.

#### **Item 5 – Request of Dissolution under Section 210 of the CBCA**

- Is the corporation applying for dissolution under section 210 of the Act? To apply under section 210, the corporation cannot have previously filed a Statement of Intent to Dissolve under subsection 211(7) of the Act.
  - Choose “Yes” only if Corporations Canada has not issued a Certificate of Intent to Dissolve. If the answer is “No”, please do not complete Item 5. Complete only Item 4.
- If yes, under what subsection of the Act is the corporation applying for dissolution? Choose the appropriate box:
  - Subsection 210(1) of the CBCA: corporation has not issued shares;
  - Subsection 210(2) of the CBCA: corporation has no property nor liabilities;
  - Subsection 210(3) of the CBCA: corporation has discharged its liabilities and distributed its property.

#### **Item 6 – Contact Details for Person Keeping Documents and Records**

Indicate the name, address and occupation of the person keeping the documents and records of the corporation. Please note that a post office box address is not sufficient. If a corporation is designated to keep the documents and records, please indicate the name of the corporation, the address of its registered office as well as the name and the title of the contact person.

A person who has been granted custody of the documents and records of a dissolved corporation remains liable to produce such documents and records for six years following the date of its dissolution or until the expiration of a shorter period ordered by a court.

If the person keeping the documents and records is replaced by someone else or if the information concerning that person has changed (i.e. address), you must notify Corporations Canada in

writing. The letter should indicate the legal name of the dissolved corporation as well as the name of the person keeping the documents and records, his or her full address (a post office box address alone is not sufficient) and occupation. If the person is a corporation, please indicate the name of the corporation, the address of the registered office as well as the name and the title of the contact person.

### **Signature**

The form must be signed by either a director of the corporation or an authorized officer. Please print the name of the signatory, specify whether he or she is a director or an authorized officer and indicate his or her telephone number.

When filing through Corporations Canada's Online Filing Centre, keep the signed Articles of Dissolution with your corporate records. Since the required information is being submitted through the online filing centre, you do not need to send the signed form to Corporations Canada.

## **Completing Form 19: Statement of Intent to Dissolve or Revocation of the Intent to Dissolve**

When filing through Corporations Canada's Online Filing Centre, choose the transaction "Statement of Intent to Dissolve" or the transaction "Statement of Revocation of Intent to Dissolve" according to the situation of the corporation.

### **Item 1: Name of Corporation**

When filing online, you will need to identify your corporation by entering either the corporation number or the corporate name. Information on the corporation will automatically appear.

Otherwise, indicate the full legal name of the corporation. If the name has a French form and an English Form or a combine English and French form, please indicate them.

### **Item 2: Corporation Number**

Indicate the corporation number. You will find the corporation number on your certificate of incorporation, amalgamation or continuance.

Note: You must complete either Item 3 **or** Item 4 according to the situation of the corporation:

- If the corporation is filing an Intent to Dissolve: Choose only Item 3;
- If the corporation is filing a Revocation of an Intent to Dissolve: Choose only Item 4.

### **Item 3: Intent to Dissolve**

Check the box in item 3 if the corporation intends to liquidate and dissolve.

There are no filing fees.

### **Item 4: Revocation of Intent to Dissolve**

Check the box in item 4 if the corporation has decided not to dissolve after Corporations Canada has issued a Certificate of Intent to Dissolve. A Revocation of Intent to Dissolve can only be

requested before the issuance of a Certificate of Dissolution. After the issuance of the Certificate of Revocation of Intent to Dissolve, the corporation can resume its business as if the Certificate of Intent to Dissolve had never been issued.

The filing fee for a Certificate of Revocation of Intent to Dissolve is \$50.

### **Signature**

The form must be signed by either a director of the corporation or an authorized officer. Please print the name of the signatory, specify whether he or she is a director or an authorized officer and indicate his or her telephone number.

When filing through Corporations Canada's Online Filing Centre, keep the signed Articles of Dissolution with your corporate records. Since the required information is being submitted through the online filing centre, you do not need to send the signed form to Corporations Canada.

## **Filing documents with the Director and paying fees**

### **Online**

You can submit online your Articles of Dissolution or your Statement of Intent to Dissolve or Revocation of Intent to Dissolve through Corporations Canada's Online Filing Centre at [www.corporationscanada.ic.gc.ca](http://www.corporationscanada.ic.gc.ca).

The filing fee of \$50 for a Certificate of Revocation of Intent to Dissolve must be paid by credit card (American Express®, MasterCard® or Visa®) or from a deposit account with Industry Canada.

The Certificate will be sent to you by e-mail.

### **By Fax**

You can file the forms by sending them by fax to 613-941-0999. The filing fee of \$50 for a Certificate of Intent to Dissolve must be paid by credit card (American Express®, MasterCard® or Visa®) or from a deposit account with Industry Canada.

The Certificate will be sent to you by mail unless you specified that you want to receive it by any other means.

### **By E-mail**

You may file the necessary forms by e-mail to [corporationscanada@ic.gc.ca](mailto:corporationscanada@ic.gc.ca). Signatures can be a reproduction of a handwritten signature. You must keep the original signed copy with your corporate records. The filing fee of \$50 for a Certificate of Revocation of Intent to Dissolve must be paid by credit card (American Express®, MasterCard® or Visa®) or from a deposit account with Industry Canada.

The Certificate will be e-mailed to you.

### **By Mail, Courier or In Person**

You can file the necessary forms by sending them to the following address:

Corporations Canada  
Industry Canada  
9<sup>th</sup> floor, Jean Edmonds Tower South

365, Laurier Avenue West  
Ottawa, Ontario K1A 0C8

The filing fee of \$50 for a Certificate of Revocation of Intent to Dissolve must be paid by cheque, credit card (American Express®, MasterCard® or Visa®), cash if in person or from a deposit account with Industry Canada.

The Certificate will be sent to you by mail or by the delivery means requested.

### **Additional information and how to reach Corporations Canada**

For additional information on Corporations Canada's products and services, please visit the Corporations Canada website [www.corporationscanada.ic.gc.ca](http://www.corporationscanada.ic.gc.ca) or call our toll free number 1-866-333-5556.

You can also contact Corporations Canada at:

Client Services Section  
Corporations Canada  
Industry Canada  
9th floor, Jean Edmonds Tower South  
Ottawa, Ontario K1A 0C8  
Toll free: 1-866-333-5556  
Fax: 613-941-0601  
[www.corporationscanada.ic.gc.ca](http://www.corporationscanada.ic.gc.ca)

## ANNEX 1 - Dissolution Process

This annex outlines the processes for dissolving a CBCA corporation. Procedures for dissolving a corporation are detailed in the Policy “Steps to Follow to Dissolve a Corporation”. Please consult this policy before beginning the dissolution process.

### A. Corporation that has not issued shares

#### Criteria

- No shares have been issued;
- Dissolution is being sought before commencing business.

Resolution signed by all directors is required to approve the dissolution.



Corporation submits Form 17: Articles of Dissolution to Corporations Canada.



Corporations Canada issues the Certificate of Dissolution.



The corporation is dissolved effective the date on the Certificate of Dissolution.

### B. Corporation has issued shares but has no property and no liabilities or has distributed all of its properties and discharged all of its liabilities

#### Criteria

- The corporation has issued shares;
- The corporation never had property nor liabilities or has distributed all of its property and discharged all of its liabilities.

A special resolution (two-thirds vote) of the shareholders is required to approve the dissolution.



Corporation submits Form 17: Articles of Dissolution to Corporations Canada.



Corporations Canada issues the Certificate of Dissolution.



The corporation is dissolved effective the date on the Certificate of Dissolution.

**C. Corporation still has property and/or liabilities which need to be liquidated or discharged**

- Criteria**
- The corporation has issued shares
  - The corporation has conducted business
  - The corporation still has property and/or liabilities.

A special resolution (i.e. two-thirds vote) of the shareholders is required to approve the dissolution.



Corporation submits Form 19: Statement of Intent to Dissolve to Corporations Canada.



Corporations Canada issues the Certificate of Intent to Dissolve. It should be noted that the corporation continues to be in existence until Corporations Canada issues a Certificate of Dissolution



The corporation must cease all activities, except those required for liquidation. The corporation must:

- notify creditors of its intent to dissolve;
- give notice of the intent to dissolve in each province in Canada where the corporation was carrying on business at the time it sent the Statement of Intent to Dissolve to Corporations Canada;
- do all the acts required for the dissolution; for example, proceed to collect the corporation's property, to dispose of the property that is not to be distributed in kind to shareholders and to discharge all the corporation's obligations;
- distribute the corporation's remaining property, either in money or in kind, among the shareholders according to their respective rights.

**The corporation still wants to dissolve**

**OR**

**The corporation no longer wants to dissolve**

Corporations submits Form 17: Articles of Dissolution with Corporations Canada.



Corporations Canada issues the Certificate of Dissolution.



The corporation is dissolved effective the date on the Certificate of Dissolution

A special resolution by the shareholders is required to approve the revocation of the intent to dissolve.



Corporation submits Form 19: Statement of Revocation of Intent to Dissolve to Corporations Canada.



Corporations Canada issues a Certificate of Revocation of Intent to Dissolve.



The corporation is still in existence and can resume its business