



Incorporating your business- the basics

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By Tory Auld



Hello! I'm Tory

I am a lawyer who specializes in corporate and real estate law.

I run a virtual law firm based in Milton, Ontario.

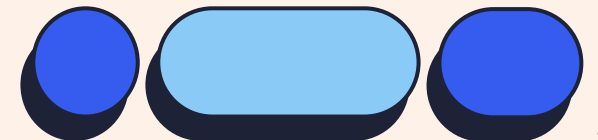


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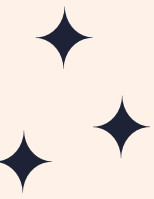
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01

How to **incorporate**



Shannon's Pet Services



Shannon wants to start a company to provide dog walking and grooming in her area.



Why should Shannon incorporate?

Limited Liability

As a corporation, Shannon is not personally liable for the debts and actions of the corporation.

Tax Advantages

Small Business Deduction

The Lifetime Capital Gains Exemption (LCGE).

Organization

Own Separate entity

Ownership Structures





Did you know?

Incorporating your business is fast and easy.

\$200 Government fee (Federal) + NUANS

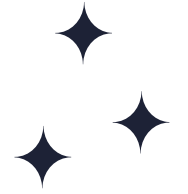
\$300 Government fee (Provincial) + NUANS/Form 1

Incorporations take 1-2 days.

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Did you know?



Corporations can be numbered...


Incorporation process is fast.

But how does Shannon market her business?

Ordering a MBL

... Or they can have a name

NUANS Name Reservation.



Operating under a Master
Business Licence or a
Corporate Name does not
provide you with **a trademark**
for that name.





Government
of Canada

Gouvernement
du Canada

Form 1
Articles of Incorporation
*Canada Business Corporations
Act (s. 6)*

Formulaire 1
Statuts constitutifs
*Loi canadienne sur les sociétés
par actions (art. 6)*

- 1 Corporate name
Dénomination sociale
[REDACTED]
- 2 The province or territory in Canada where the registered office is situated
La province ou le territoire au Canada où est situé le siège social
ON
- 3 The classes and any maximum number of shares that the corporation is authorized to issue
Catégories et le nombre maximal d'actions que la société est autorisée à émettre
See attached schedule / Voir l'annexe ci-jointe
- 4 Restrictions on share transfers
Restrictions sur le transfert des actions
None
- 5 Minimum and maximum number of directors
Nombre minimal et maximal d'administrateurs
Min. 1 Max. 10
- 6 Restrictions on the business the corporation may carry on
Limites imposées à l'activité commerciale de la société
None
- 7 Other Provisions
Autres dispositions
None
- 8 **Incorporator's Declaration:** I hereby certify that I am authorized to sign and submit this form.
Déclaration des fondateurs : J'atteste que je suis autorisé à signer et à soumettre le présent formulaire.

Name(s) - Nom(s)

Signature





Government
of Canada

Gouvernement
du Canada

Form 2

Initial Registered Office Address and First Board of Directors

*Canada Business Corporations Act
(CBCA) (s. 19 and 106)*

Formulaire 2

Siège social initial et premier conseil d'administration

*Loi canadienne sur les sociétés par
actions (LCSA) (art. 19 et 106)*

1 Corporate name
Dénomination sociale

██████████ Corp.

2 Address of registered office
Adresse du siège social

██████████
██████████

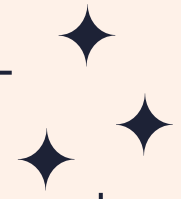
3 Additional address
Autre adresse

4 Members of the board of directors
Membres du conseil d'administration

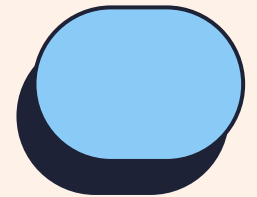
██████████, ██████████ ON
██████████, Canada

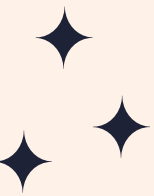
Resident Canadian
Résident Canadien
Yes / Oui

5 Declaration: I certify that I have relevant knowledge and that I am authorized to sign this form.
Déclaration : J'atteste que je possède une connaissance suffisante et que je suis autorisé(e) à signer le présent formulaire.



Congratulations
on **incorporating**
Shannon. So what
now?

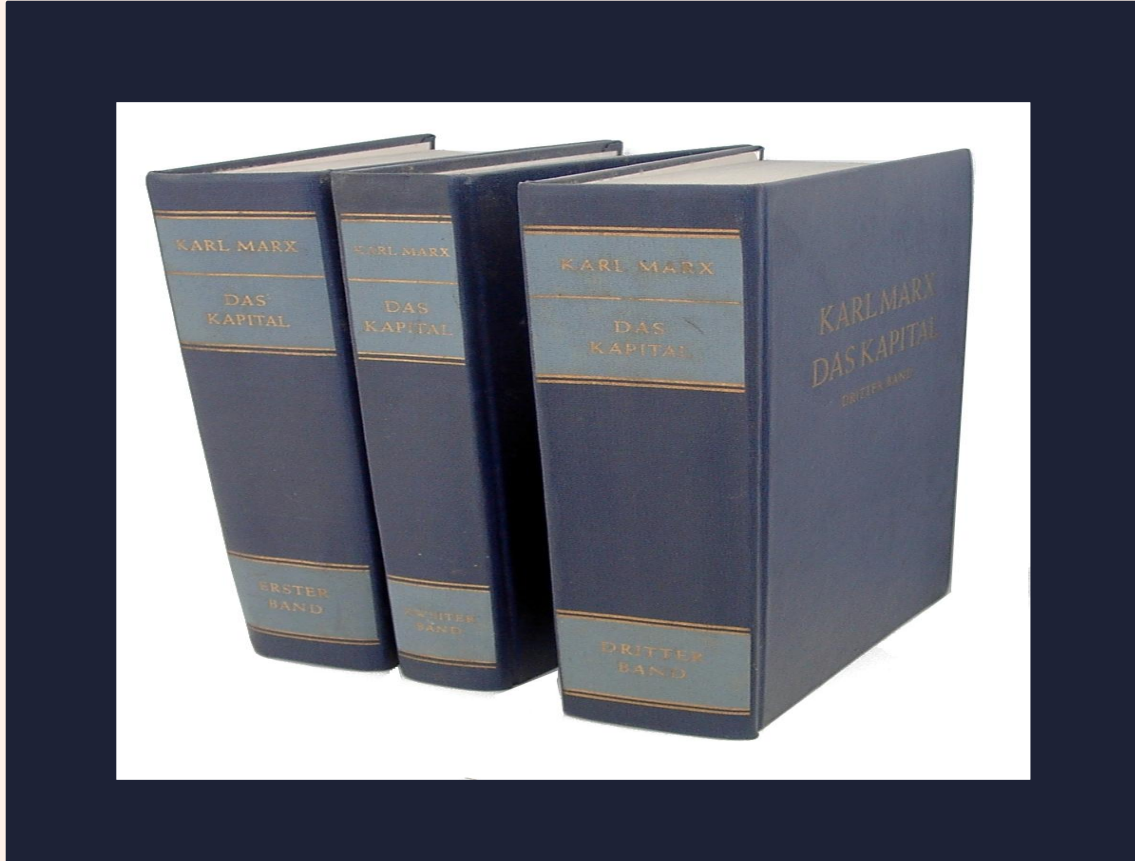




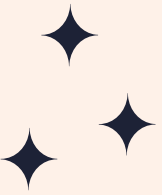
02

Organizing a Minute Book





You are
required to
have a
minute book
for your
corporation.



What's in a Minute Book?

Articles of
Incorporation

Bylaws

Annual
Resolutions

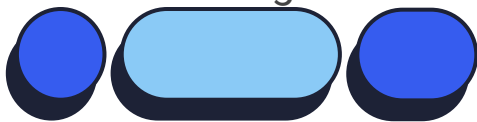
Government
Filings

Share
Certificates

Ledgers

Form 1

Extra Provincial
Filing





Importance of a Minute Book

Compliance

It's required
by law

Selling/ transferring your Business

Buyer will ask
for it.

Third Party Requests

Banks, estates,
and other
third-parties



03

Management of a Corporation





Shannon's Team



Shareholders

Owners of the Company

Decision-making on
Fundamental Decisions

Appoint Directors

Approve financials



Directors

Operate the
day-to-day.



Officers

The board is entitled
to instruct the
officers of the
corporation as to how
to carry on its
business and affairs

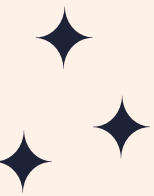




Directors must consent to the role.

Directors must be at least 18,
"capable", not a corporation, and
not bankrupt.





Shareholders
can limit
director
power in a
**Shareholders'
Agreement.**





Why have a Shareholders' Agreement?

Decision Making and Dispute Resolution

Quorum/appointment of directors

Quorum of Shareholders

Share Ownership

Certainty of your business partners

Pre-nup for Businesses

Make a business divorce less of a headache.





04

Corporate Upkeep



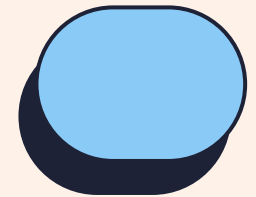
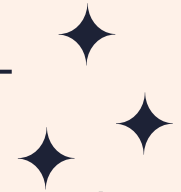


What if
there are
major
changes to
Shannon's
Business?





Shannon must
notify the
government of
any changes.





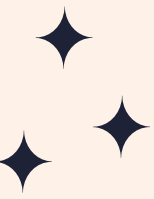
Other Requirements

Other Articles

Amalgamation,
Amendment, and
Dissolution

Corporate Annual Return and Annual Resolutions

Tax, HST, Licences



05

The Role of a Lawyer



Lawyers can help with..

Contracts and
Leases

Employment
agreements


Corporate
Re-Structuring

Franchising,
Rollovers
Licenses

IP

Referrals for
Professionals





**Lawyers can help structure
your business, keep your
minute book organized, and
protect your business.**

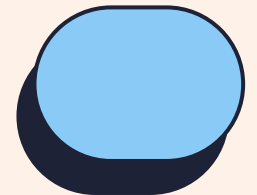
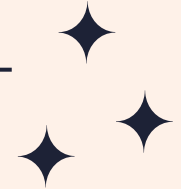




Q & A!

Anything you want to ask about incorporating?

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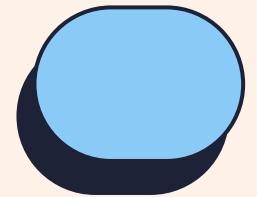
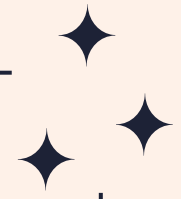
Thank you!

Ready to incorporate?
Reach out!

tory@auldlaw.ca
416-274-2423

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Credits.

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