

DECLARATION OF NOT FOR PROFIT COMPLIANCE

<i>Name of Agency</i>	<i>Address and Telephone of Agency</i>

<i>Date of By Laws</i>	<i>Date of Letters Patent</i>

I, _____, a Barrister and Solicitor qualified to carry on the practice of law in the Province of Ontario, act on behalf of the above-named agency in connection with the giving of this opinion. I have examined such corporate records and have made such other searches and enquiries as I have considered necessary or desirable for the purposes of the opinions hereinafter expressed. In my examination of all documents, I have assumed the genuineness of all signatures, the requisite legal capacity of all individuals, the authenticity of all documents submitted to me as originals and the conformity to originals of all documents submitted to me as photocopies, facsimile, certified or notarial copies thereof and that all facts set forth in the official public records, indices and filing systems and all certificates supplied by public officials or otherwise conveyed to me by public officials are complete, true and accurate.

Based on the foregoing, I am of the opinion that the agency's letters patent include provisions which require that:

- a) the corporation is a corporation without share capital
- b) part III of the *Corporations Act* applies to the corporation
- c) the corporation is carried on without the purpose of gain for its members and any profits or other accretions to the corporation shall be used in promoting its objects
- d) the corporation shall have at least five directors;
- e) no employee of the corporation may be a director of it;
- f) the corporation shall not purchase goods or services from any director, officer or person related to a director or officer of the corporation unless there is only one available source of the goods or services within a reasonable distance of the day nursery;
- g) the corporation shall not sell goods or services, other than child care services, to any director, officer or person related to a director or officer of the corporation;
- h) the corporation shall not lend money to or borrow money from any director, officer or person related to a director or officer of the corporation;
- i) the corporation shall not rent property to or from any director, officer or person related to a director or officer of the corporation;
- j) the corporation shall not engage in any other transaction which may directly or indirectly confer a financial benefit on one of its directors;

- k) the directors of the corporation shall serve as directors without remuneration but may be reimbursed for reasonable expenses incurred in the performance of their duties;
- l) no director of the corporation shall directly or indirectly receive any form of money or money's worth as a result of his or her position as director;
- m) upon dissolution of the corporation and after payment of all of its debts and liabilities, the remaining property of the corporation shall be distributed or disposed of only to charitable or non-profit organizations which provide child care, which are beneficial to the community and which operate solely in Ontario; and

For the purposes of paragraphs f, g, h and i above, define “a person related to a director or officer” as including:

- i. a person married to the director or officer;
- ii. a person living in a conjugal relationship outside marriage with the director or officer;
- iii. a person who is the son or daughter or mother or father of the director or officer;
- iv. a person who is a relative of the director or officer and lives in the same home as the director or officer;
- v. the person is a corporation and voting securities in the corporation that together carry more than 10 % of the voting rights attached to all voting securities of the corporation outstanding at the time are beneficially owned directly or indirectly by any combination of:
 - a) the director or officer;
 - b) any of the persons referred to in clauses (i) to (iv); or
 - c) the partner or the employer of the director or officer.

I acknowledge that the City is relying on the opinions expressed herein and I consent and agree to such reliance.

_____ (signature)

Name:

Barrister and Solicitor

Address:

Phone #

_____ Date