

RECONCILIATION AGREEMENT ON EXTRA-PROVINCIAL/TERRITORIAL CORPORATE REGISTRATION AND REPORTING

PREAMBLE

WHEREAS the Governments of Canada, Ontario, Québec, Nova Scotia, New Brunswick, Manitoba, British Columbia, Prince Edward Island, Saskatchewan, Alberta, Newfoundland and Labrador, the Northwest Territories, Yukon and Nunavut are parties to the *Canadian Free Trade Agreement* (“**CFTA**”), those governments that are signatories to this Reconciliation Agreement will be referenced herein as the “**Parties**”;

WHEREAS the Extra-Provincial/Territorial Corporate Registration Harmonization Working Group, made up from the Canadian Association of Corporate Law Administrators (“**CACLA**”), representatives from each of the CFTA parties and acknowledged by the CFTA’s Regulatory Reconciliation and Cooperation Table (“**RCT**”) to act as the RCT Corporate Registry Working Group (“**Working Group**”), wish to reconcile differences by collaborating in the implementation of the Multi-jurisdictional Registry Access Service (“**MRAS**”);

WHEREAS the Parties agree to support the goal of the Working Group by entering into this Reconciliation Agreement pursuant to Annex 404 of the CFTA;

WHEREAS the Parties resolve to promote an open, efficient, and stable domestic market for long-term job creation, economic growth, and stability, and to reduce and eliminate, to the extent possible, the barriers to extra-provincial/territorial corporate registration and reporting across Canada;

RECOGNIZING that reducing barriers to interprovincial trade will support companies incorporated in Canada to do business across the country and promote their economic potential;

RECOGNIZING that the requirement for companies operating in multiple jurisdictions to provide similar information in each jurisdiction in which they seek to or are registered may act as an impediment to interprovincial trade;

RECOGNIZING that it would be costly, labour intensive and inefficient to harmonize all extra-provincial/territorial corporate registration requirements across the country at a detailed level;

ACKNOWLEDGING that corporate registries are necessary for the efficient functioning of an economy;

ACKNOWLEDGING that the provinces and territories are responsible for corporate registration within their jurisdiction;

ACKNOWLEDGING that the ongoing collaboration between the Government of Canada and Provincial and Territorial governments is essential to digitally connect Canada’s corporate registries to increase transparency and reduce internal trade barriers;

AND WHEREAS the Parties agree to implement MRAS, a scalable and adaptable digital solution that streamlines extra-provincial/territorial corporate registration and reporting.

THEREFORE, the Parties agree as follows:

1. PURPOSE

1.1 For the purposes of this agreement, **“Agreement”** shall mean this Reconciliation Agreement including any amendments thereto, or to the schedules.

1.2 The purpose of this Agreement is to:

- (a) simplify, extra-provincial/territorial corporate registration and reporting processes;
- (b) provide obligations for Parties to achieve reconciliation; and
- (c) establish a schedule for the implementation of the reconciliation.

2. MEASURES BEING RECONCILED

2.1 The Parties agree to reconcile differences between the corporate registration and reporting processes of the Parties by collaborating in the implementation of MRAS.

2.2 MRAS is a shared-interoperability digital solution that will enable the Parties to share business information across jurisdictions through a central hub.

2.3 MRAS supports three key capabilities:

- (a) streamlined extra-provincial/territorial corporate registration processes, while respecting the existing business models and jurisdiction of each of the Parties;
- (b) automated notifications of changes to business information; and
- (c) coordinated search of registered businesses in Canada.

2.4 This Agreement applies to the extra-provincial/territorial corporate registration and reporting processes of the Parties, as accessed by the URLs listed in

Schedule A: Extra-Provincial/Territorial Corporate Registration and Reporting Processes.

3. THE OBLIGATIONS OF THE PARTIES

3.1 The Parties agree to implement MRAS in their respective jurisdictions in accordance with this Agreement.

3.2 As part of the implementation and use of the search function of MRAS, in accordance with Schedule B: Implementation Schedule, each Party will participate in the coordinated search functionality, leading to full participation in the streamlined extra-provincial/territorial corporate registration and reporting processes and automated notifications of changes to business information functionalities.

3.3 As part of the implementation and use of the registration and notification of changes function of MRAS, in accordance with Schedule B, each Party will enter into a memorandum of understanding (“**MOU**”) with the Government of Canada concerning the collection, release and use of information for MRAS. The Parties shall not use the MOU in a manner that circumvents this Agreement.

3.4 Each Party shall only access and use the information that is required for the registration or reporting process of an extra-provincial/territorial business according to its legislation related to corporate registration.

3.5 Each Party shall ensure that its information in Schedules A and B is updated on an annual basis, at a minimum, and shall give notice of any change to each other Party and to the Internal Trade Secretariat Corporation (“**Secretariat**”) to incorporate the change into the appropriate Schedule and to post the revised Schedule on the CFTA website managed by the Secretariat.

4. EXTENT TO WHICH THE AGREEMENT ADDRESSES THE IDENTIFIED BARRIERS

4.1 The implementation of MRAS will:

- (a) streamline extra-provincial/territorial corporate registration and reporting processes and automate notifications of business information changes among Canada’s corporate registries, thereby improving the user experience and data integrity by eliminating the need for businesses to provide similar information to many governments across Canada;
- (b) increase transparency and reduce red-tape experienced by businesses and registries alike across Canada;

- (c) support consistency of information among Parties through shared service delivery principles while respecting existing business models and allowing the source content of registries to remain untouched; and
- (d) create an environment conducive to future agreements between the federal government, provinces and territories that could potentially lead to the reduction or elimination of other barriers for Canadian businesses.

5. TIMELINES FOR IMPLEMENTATION

5.1 The Parties commit to implementing their respective obligations of this Agreement in accordance with Schedule B: Implementation Schedule.

5.2 The Working Group shall report on the progress of the implementation of this Agreement at the annual conference of the CACLA. Within six (6) months of the annual conference, Working Group members will provide an update on progress to their decision makers, and the Working Group chair will provide an update on progress to the RCT chair.

6. ENTRY INTO FORCE

6.1 This Agreement enters into force on January 1, 2021 ("**Effective Date**"). By such date, the Parties will have completed their information in Schedule B.

6.2 A CFTA party that has not signed the Agreement by the Effective Date will be required to file an exception with the Secretariat pursuant to Article 405 of the CFTA.

7. AMENDMENTS

7.1 Subject to Article 7.3, this Agreement may be amended by unanimous written consent of the Parties. Such amendments will enter into force on the date agreed to by the Parties.

7.2 All amendments to this Agreement shall be made available to the Secretariat for publication on the CFTA website as soon as reasonably practicable. Parties agree to communicate in a timely manner any such amendments to their respective stakeholders considered to be affected by the amendments.

7.3 Each Party may change its information in Schedules A and B by giving written notice to the other Parties and to the Secretariat pursuant to Article 3.5.

8. ACCESSION, WITHDRAWAL AND TERMINATION

8.1 After the Effective Date, any CFTA party that is not a Party to this Agreement may accede to this Agreement by signing this Agreement, completing its information in Schedule B: Implementation Schedule, and providing written notice to the other Parties. Accession does not require the consent of the Parties.

8.2 A Party may withdraw from this Agreement six (6) months after it gives notice in writing to the other Parties and the RCT chair. The withdrawal of a Party does not affect the continuation of the Agreement with respect to the remaining Parties. However, the withdrawing Party's obligations regarding confidentiality and non-disclosure under Article 11 .1 shall continue after its withdrawal.

8.3 This Agreement can be terminated upon the mutual written agreement of all Parties.

9. RULES OF INTERPRETATION

9.1 In the event of an inconsistency between this Agreement and the MOU with Canada set forth in Article 3.3, the MOU prevails to the extent of the inconsistency. For greater certainty, any such MOU may prevail only as between the Parties that are party to that MOU.

10. COSTS

10.1 Any and all costs and expenses of a Party in relation to this Agreement shall be borne by the Party individually, unless another arrangement is agreed to in writing by the Parties.

11. CONFIDENTIAL INFORMATION

11.1 Information gathered by the Parties in carrying out this Agreement is subject to the applicable federal, provincial and territorial legislation regarding access to information and privacy. Any information provided during Working Group meetings and any information marked as confidential will be considered confidential information ("**Confidential Information**"). No Party shall disclose Confidential Information except if disclosure is authorized or required by law, or with the written consent of the other Party. Where a Party is required by law to disclose information, that Party shall notify the affected Party before disclosing the information if possible.

11.2 Article 11.1 survives withdrawal from and termination of this Agreement.

12. LANGUAGE

12.1 This Agreement has been made and executed in English and in French and both versions are equally authoritative. All amendments to this Agreement, other than amendments to the information in Schedules A and B under Article 7.3, shall be made in English and French.

13. NOTICE

13.1 Any notice, information or document required under this Agreement is deemed delivered if forwarded by email or mail to the other Parties. Any notice sent by email is deemed received one (1) working day after it is sent; any notice mailed is deemed received eight (8) working days after being mailed.

14. COUNTERPARTS

14.1 This Agreement may be executed in counterpart in which case the counterparts together shall constitute one agreement, and communication of execution by email in PDF to the other Parties and the Secretariat shall constitute good delivery.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement on the dates set forth below.

Government of Canada

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Ontario

Name: _____ Title: _____

Signature: _____ Date : _____

Gouvernement du Québec

Name: _____ Title: _____

Signature: _____ Date: _____

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Nova Scotia

Name: _____ Title: _____

Signature: _____ Date: _____

Government of New Brunswick

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Manitoba

Name: _____ Title: _____

Signature: _____ Date: _____

Government of British Columbia

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Prince Edward Island

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Saskatchewan

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Alberta

Name: _____ Title: _____

Signature: _____ Date: _____

Pursuant to the *Government Organization Act*

_____ Date Intergovernmental Relations, Executive Council

Government of Newfoundland and Labrador

Name: _____ Title: _____

Signature: _____ Date: _____

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Yukon

Name: _____ Title: _____

Signature: _____ Date: _____

Government of the Northwest Territories

Name: _____ Title: _____

Signature: _____ Date: _____

Government of Nunavut

Name: _____ Title: _____

Signature: _____ Date: _____

SCHEDULE A

EXTRA-PROVINCIAL/ TERRITORIAL CORPORATE REGISTRATION AND REPORTING PROCESSES

This Agreement applies to the extra-provincial/territorial corporate registration and reporting processes of the Parties outlined in the following table.

Jurisdiction	Corporate Registration Processes Found at: <i>(URL)</i>
Ontario	https://www.ontario.ca/page/extra-provincial-corporations-within-canada-domestic
Québec	http://www.registreentreprises.gouv.qc.ca/en/demarrer/default.aspx
Nova Scotia	https://beta.novascotia.ca/register-extra-provincial-federal-or-foreign-corporation
New Brunswick	https://www.pxw2.snb.ca/brs/docroot/start/landingPage.jsp
Manitoba	http://companiesoffice.gov.mb.ca/statutes.html
British Columbia	www.bcreg.ca
Prince Edward Island	https://www.princeedwardisland.ca/en/topic/business-name-registration https://ocbr.princeedwardisland.ca/ocbr/login
Saskatchewan	https://www.isc.ca/CorporateRegistry/Pages/default.aspx
Alberta	https://www.alberta.ca/register-out-of-province-corporation.aspx https://www.alberta.ca/register-business-name.aspx
Newfoundland and Labrador	https://www.assembly.nl.ca/Legislation/sr/statutes/c36.htm#431_
Northwest Territories	https://www.justice.gov.nt.ca/en/extraterritorial-corporations/
Yukon	https://ycor-reey.gov.yk.ca/
Nunavut	http://nunavutlegalregistries.ca/cr_index_en.shtml

SCHEDULE B

IMPLEMENTATION SCHEDULE

Each Party is responsible for ensuring the completion of the functions below in accordance with the following schedule.

Party	Search Function	Registration and Notification of Changes Function
Canada	2020	2020
Ontario		
Québec	2020	2020
Nova Scotia		
New Brunswick		
Manitoba	2020	2020
British Columbia	2020	2020
Prince Edward Island		
Saskatchewan	2020	2020
Alberta	2020	2020
Newfoundland and Labrador		
Northwest Territories		
Yukon		
Nunavut		