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Effective Asset Protection Through Multiple Corporate Structures

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INTRODUCTION

- Topics to be addressed
- No coverage of income tax issues related to multiple charitable corporations
- See the accompanying handout, the publications listed in the handout and www.charitylaw.ca for more information

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PURPOSE OF MULTIPLE CHARITABLE CORPORATIONS

- Significant advantages for charities
- Asset protection
- Reduction of liability exposure

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DIFFERENT TYPES OF MULTIPLE CHARITABLE CORPORATIONS

- Overview
- Parallel Operating Charities
- Parallel Foundations
- Umbrella Associations

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INDIRECT CONTROL OF MULTIPLE CHARITABLE CORPORATIONS

- The Need for Indirect Control
- Ex Officio Control Model
- Franchise Control Model

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- Basic Features of the Franchise Control Model
 - Overview
 - Association Agreement
 - Incorporating Documentation for Member Organizations
 - Trade-mark Considerations
 - Copyright Considerations
- Avoiding Cross-over Liability

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CRA DRAFT POLICY ON UMBRELLA ORGANIZATIONS

- Overview
- Types of Umbrella Organizations
 - Charities Established to Assist Other Registered Charities
 - Umbrella Organizations Advancing a Recognized Charitable Purpose
 - Charities Established to Hold Title to Property

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