

Updating Charities and Not-For-Profits on Recent Legal Developments and Risk Management Considerations

November 2025

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Publications & News Releases

1. Draft Federal Budget Legislation Introduced Following Release of Budget 2025

By [Terrance S. Carter](#) and [Theresa L.M. Man](#)

Following the introduction of the 2025 federal budget (“Budget 2025”) on November 4, 2025, the federal government has moved swiftly to introduce draft legislation to implement certain provisions set out in Budget 2025. [Bill C-15, Budget 2025 Implementation Act, No. 1](#) (“Bill C-15”) was introduced in the House of Commons on November 18, 2025, and is currently in second reading.

As reviewed in greater detail in [Charity & NFP Law Bulletin No. 534](#), as well as in an article published by the authors in Law360 [Federal Budget 2025: Impact on charities and not-for-profits](#), Budget 2025 contained a number of provisions relevant to charities and not-for-profits. While Bill C-15 does not enact all provisions in Budget 2025, the following have been included in the draft legislation:

- Expanded reporting requirements for non-profit organizations;
- Amendments to Canada’s trust reporting regime;
- Amendments to the AML/ATF regime (including providing additional grounds for dissolution of corporations under the *Canada Not-for-profit Corporations Act* and *Canada Cooperatives Act* that are listed as terrorist entities under the *Criminal Code*);
- Enhanced access to funds deposited by cheque;
- Amendments to the *Customs Tariff* to implement a pilot for donated goods that allows for duty drawback paid for certain goods when they are donated to a registered charity under the *Income Tax Act* in certain circumstances; and
- Amendments to the alternative minimum tax (AMT) to exempt certain trusts for the benefit of Indigenous groups

Of note, Bill C-15 does not contain any provision concerning measures previously announced in a Notice of Ways and Means Motion on October 29, 2024, that was referenced in the 2024 Fall Economic Statement regarding disclosure requirements for some reproductive service charities. These measures, which are explained in greater detail [in Charity & NFP Law Bulletin No. 534](#), were a source of concern for many in the charitable sector.

2. Recent Court Decision Highlights Importance of Proper Board Resolution When Hiring Legal Counsel

By [Sean S. Carter](#) and [Mitch Goldenberg](#)

On November 13, 2025, the Ontario Superior Court of Justice (the “Court”) in [Fodjo v. NufiCanada](#) (“*Fodjo*”), underscored the need for charities and not-for-profits (“NFPs”), as well as any other corporate entities, to pass clear and direct resolutions that identify their choice of legal counsel in court proceedings. The Court in *Fodjo* ordered NufiCanada (the “Respondent”) to retain new legal counsel after finding that the Respondent’s legal counsel was being instructed by two individuals suspected of financial misconduct, creating a conflict of interest, finding these individuals were not properly authorized to appoint legal counsel. *Fodjo* is an important reminder that both the authorizing resolution and the retainer agreement are equally essential elements of properly retaining counsel.

Alain Fodjo, (the “Applicant”), who is a member of the Respondent’s corporation, brought an application against the Respondent under s. 310(1) of the Ontario *Corporations Act* (the predecessor to the current Ontario *Not-for-Profit Corporation Act, 2010*) to begin an investigation into suspected misappropriation of finances by two individuals, an officer and a director of the Respondent. In response, the Respondent passed a resolution at its general assembly of members to hire legal counsel to defend the application.

The issues before the court were whether the Respondent's legal counsel should be removed based on both a conflict of interest, and crucial flaws in the resolution concerning the officer and the director's authorization to instruct counsel. Specifically, the Court noted that the resolution failed to specifically name which legal counsel was being retained. Further, the Court found that the resolution did not appoint specific directors or officers with the requisite authority to retain and give instructions to legal counsel on behalf of the corporation.

Several issues arose regarding the retainer agreement that adversely affected the Respondent's representation. First, the same officer and director suspected of misappropriating the funds were the two individuals who were authorized to hire legal counsel to represent the Respondent, and they chose a lawyer with whom they had a longstanding professional relationship. Second, the retainer agreement they signed granted those same individuals exclusive authority to issue instructions to legal counsel on behalf of the Respondent, which went beyond the authority granted by the resolution of the general assembly.

The Court found that the two individuals retaining and instructing legal counsel on behalf of the Respondents were in a conflict of interest. Even though the lawyer for the Respondent was not personally representing the instructing director and officer, the Court concluded that the retainer agreement created a substantial risk of "impaired representation" because legal counsel was receiving instructions from the very people who were the subjects of the application to commence the investigation. The Court ultimately held that the Respondent must appoint new counsel or seek leave for non-lawyer representation in the legal proceedings, and to ensure that instructions are provided by those who do not have personal conflicts on behalf of the Respondent.

Fodjo underscores the importance for charities, NFPs and other corporate entities to ensure the proper authorization is obtained in order to retain and instruct counsel. This means that board members voting to retain legal counsel need to be free of potential conflicts when doing so, as well as when instructing legal counsel. The decision is also a reminder that organizations need to pass a clear and specific board or member resolution naming the legal counsel to be retained, and to provide authority to named individuals to instruct legal counsel. Failure to do this may result in the Court ordering a variety of remedies, including but not limited to striking the charity or NFP's application; statement of claim; or statement of defense depending on the situation; and with potential costs payable to the opposing parties.

3. Alberta Tribunal Upholds Dismissal of Vaccine-Mandate Religious-Belief Complaint

By [Barry W. Kwasniewski](#) and [Martin U. Wissmath](#)

A recent Alberta ruling offers a useful example for employers across Canada on how tribunals approach religious-belief accommodation requests and participation in the accommodation process. In [Pothier v Canadian Natural Resources Limited](#), decided on October 29, 2025, the Human Rights Tribunal of Alberta upheld the Director of the Alberta Human Rights Commission's dismissal of a complaint under the *Alberta Human Rights Act* (the "Act"). The Tribunal agreed there was no reasonable prospect of success where an employee did not provide objective supporting evidence to back up a claimed religious exemption from a COVID-19 vaccination policy.

Nicholas Pothier (the "Complainant"), worked for Canadian Natural Resources Limited (the "Respondent"). In September 2021, during the height of the COVID-19 pandemic, the Respondent introduced a vaccination policy requiring employees to be fully vaccinated by December 1, 2021. Although the policy permitted medical and religious exemptions, applicants were required to complete an exemption form, describe the religious belief said to conflict with vaccination and provide written confirmation from a religious authority explaining how the requirement conflicted with a specific tenet of faith. The Complainant objected on the basis that, as a Christian, he believed the vaccines relied on aborted fetal cell lines and contained "unclean additives", which he said would violate his duties before God. He did not complete the exemption form or provide any documentation from a religious authority. When he remained non-compliant with the policy, he was suspended from work and later filed a complaint alleging discrimination based on religious beliefs.

On review of the Director's dismissal, the Tribunal stated that while adjudicators do not assess the correctness of religious beliefs, they may consider a limited review of sincerity, citing a case from the Supreme Court of Canada, which had held that "assessing sincerity is intended only to ensure that a presently asserted religious belief is in good faith, neither fictitious nor capricious and that it is not an artifice." The Complainant's statements referred broadly to scriptural obligations and vaccine safety concerns but did not identify any tenet of his religion that prohibited vaccination. Without information showing that his objection was a fundamental or important expression of his faith, the Tribunal found that a protected characteristic under the Act had not been established.

The Tribunal also concluded that the complaint could not succeed because the Complainant had not cooperated in the accommodation process. The Respondent's exemption procedure required specific information, and by declining to provide it, the Complainant prevented the Respondent from assessing the request. Individuals seeking accommodation must participate in good faith and provide the information the employer reasonably requires. An employee cannot demand accommodation while withholding essential details.

The Tribunal upheld the dismissal because the complaint lacked any reasonable prospect of success, both on the question of a protected characteristic and on the duty to accommodate. The result is consistent with earlier decisions requiring objective evidence of religious belief and meaningful participation in the accommodation process.

For Ontario charities and not-for-profits, the decision illustrates the importance of clearly structured exemption procedures, thorough documentation and active engagement with employees seeking accommodation. It also signals that subjective statements alone will not support a religious-belief exemption and that tribunals will consider whether both parties have met their responsibilities when evaluating accommodation disputes.

4. IP Basics for Charities and NFPs: Difference between a Corporate Name, Business Name, and Trademark

By [Sepal Bonni](#) and [Cameron A. Axford](#)

This article is part of an ongoing series on intellectual property for charities and not-for-profits (NFPs). In the [previous article in the series](#) we discussed the importance of trademarks for charities and NFPs.

Many charities and NFPs use multiple names and trademarks to represent their legal existence, public face, and programs. Each type of name serves a different and unique function and carries different legal protections. Understanding the distinction between a corporate name, a business name, and a trademark helps organizations protect their identity, reduce legal risk, and present a clear and consistent presence to the public.

An organization's corporate name is the legal name of the corporation. This name must appear on all legal documents such as incorporation documents, bank accounts, contracts, and tax filings. It is the legal entity that can own property, enter into agreements, and be sued. A corporation may use either a word name – a distinctive, non-confusing name reviewed by Corporations Canada or its provincial equivalent – or a numbered name (*e.g.* 1234567 Canada Inc.), which is automatically assigned to businesses and NFP corporations. Corporate names are essential for governance and legal compliance, but they may lack effective branding elements.

Registering a corporate name does not ensure that the name is available as a trademark in Canada, nor does government approval prevent others from using a similar name. Further, registering a corporate name, in and of itself does not provide exclusive rights in that name. A registered corporate name can still expose an organization to claims of passing off or trademark infringement if another party believes the names are confusingly similar.

A business name (also referred to as a trade or operating name) is any identifying name that an organization uses that differs from the corporate name. Frequently, the purpose behind a business name for charitable organizations and NFPs is to make their public identity simpler, more mission-focused, or more specific to a program. A business name makes a brand identifiable but does not

automatically give exclusivity in the marketplace. If an organization carries on operations under a name other than its corporate name, then it must register that business name in the province or territory in which it carries on business. Registering a business name, like registering a corporate name, does not in itself grant trademark rights. It also does not prevent others from adopting a similar name, nor does it safeguard an organization from potential claims of passing off or trademark infringement.

A trademark is any word, logo, slogan, sound, or design used to identify and distinguish an organization's goods or services from others. It functions as a branding tool that communicates source and quality to the public, including donors, beneficiaries, and partners. Trademark rights arise through continuous and consistent use in the marketplace, and they are significantly strengthened with formal registration with the Canadian Intellectual Property Office (CIPO). There are several advantages to registering a trademark in Canada. For charities and NFPs, one of the most significant is that registration is the only means by which exclusive nationwide ownership rights in a name can be secured, regardless of the geographic scope of actual use or reputation. In addition, a registered trademark provides enhanced enforcement mechanisms and allows the owner to prevent the registration of later filed marks that are confusingly similar. Given the above, organizations should file trademark applications for their corporate and business names, as well as core program names, logos, and any distinctive campaign marks it uses.

Understanding the differences between corporate name, business names, and trademarks is essential for effective brand management and protection. In the next article, we will explore the concepts of descriptive, generic, and distinctive trademarks to better understand the factors that determine trademark strength.

5. Ontario IPC Releases Updated De-Identification Guidelines to Strengthen Responsible Data Use

By [Esther Shainblum](#) and [Martin U. Wissmath](#)

Ontario's privacy regulator has released updated guidance to help organizations use and share data responsibly while protecting individual privacy. On October 15, 2025, the Information and Privacy Commissioner of Ontario (the IPC) published its new "[De-Identification Guidelines for Structured Data](#)" (the "Guidelines"), replacing the IPC's 2016 version. The Guidelines provide organizations with a detailed process to follow when de-identifying structured datasets (data in a standardized format such as spreadsheets and databases) for purposes such as research, scholarship and policy development.

Although the public increasingly relies upon the generation and sharing of data, some of the main concerns around sharing data for these purposes relate to privacy. Organizations de-identify data so that it can be used and shared without identifying individuals or permitting their re-identification. However, there is always a risk that data can be re-identified, which could expose the organization to liability, financial loss and reputational damage. The Guidelines are intended to assist organizations in confidently de-identifying information so that the risk of re-identification is minimized as much as possible. The IPC's [press release](#) for the Guidelines state that they provide "clear, practical tools for applying de-identification confidently, effectively, and responsibly" and include "step-by-step processes, practical tools, useful checklists, fact sheets and case studies." The Guidelines are not mandatory or binding, but the IPC "encourages" all of Ontario's public sector institutions to consult them.

Although generally intended for Ontario's public sector institutions, the Guidelines can be used by any organization that wants to share data responsibly and minimize privacy risks to itself and to its stakeholders.

For charities and not-for-profits, the updated Guidelines provide timely direction for using data responsibly in program delivery, research, evaluation and digital service design. They encourage organizations to understand what information they hold, assess whether de-identification is appropriate, and document their decisions. The Guidelines also reinforce the importance of transparency, careful data management and ongoing oversight to meet applicable statutory obligations and to maintain public trust.

6. From Experimentation to Integration: A Practical Roadmap for Responsible AI Adoption

By [Cameron A. Axford](#) and [Martin U. Wissmath](#)

As artificial intelligence continues to move from novelty to necessity, many charities and not-for-profit organizations (NFPs) find themselves experimenting with AI tools in informal or unstructured ways. Staff and volunteers may use generative AI to draft communications, volunteers may rely on automated translation tools, or fundraising teams may experiment with AI-enabled donor analytics, often without formal approval, oversight, or documentation. While this kind of experimentation is common, organizations increasingly recognize the need for a clearer, more intentional path forward. Moving from experimenting with AI to integrating AI responsibly requires careful planning, governance, and a realistic understanding of both opportunities and risks.

As this informal experimentation develops, organizations should consult with knowledgeable legal advisors and develop a responsible AI policy that sets guardrails for acceptable use, privacy protection, and risk management, as discussed in the [October 2024 Charity and NFP Law Update](#). However, many organizations may wish to experiment with AI first to better understand how the technology fits their workflows. Whether an organization develops a policy first or uses experimentation to inform a future policy, the key is to ensure that AI is onboarded in a deliberate, transparent, and risk-aware manner. Planned, practical steps can guide responsible adoption regardless of where an organization begins.

Canadian regulators have echoed this need for structure. The federal Office of the Privacy Commissioner of Canada (OPC) has emphasized that organizations deploying AI must centre transparency, data minimization, and privacy by design. Ontario's Information and Privacy Commissioner (IPC) has similarly encouraged strong governance and human oversight where AI may affect individuals or public-facing work.

Most organizations begin their AI journey through informal use, but intentional experimentation is far more effective. A controlled pilot program, limited in scope, time, and participants, makes it easier to identify risks flagged by OPC and IPC, such as accuracy issues, hallucinations, privacy implications, and over-collection of data. Documenting outcomes for a pilot program helps organizations understand what works and what requires stronger controls. Sector initiatives, such as the Canadian Centre for Nonprofit Digital Resilience, have used pilot projects and prototyped solutions to help nonprofits test digital tools before scaling them, including a national Responsible AI Adoption for Social Impact (RAISE) pilot program to help organizations test tools before broader adoption. Critically, pilots should be documented. Even basic notes on what worked, what did not, and what risks emerged will prove valuable when shaping broader policy.

As experimentation expands, organizations need to define what AI is – and is not – appropriate for. Clarity of purpose helps reduce both overuse and misuse. Charities and NFPs may wish to specify acceptable use cases, such as creative drafting, summarization, translation, and administrative support, while restricting AI use in higher-risk areas, such as legal analysis, individualized decision-making, sensitive client interactions, or assessments that affect eligibility for services.

OPC guidance highlights principles including data minimization, limiting the purposes for collecting and using data, and transparency about automated tools that may affect individuals. Establishing these principles early prevents confusion and protects against unintentional breaches of trust or regulatory compliance. These are basic elements of an AI policy, and are highly recommended guidelines to have in place for even a pilot program.

AI adoption is as much a cultural change as a technical one. Staff and volunteers may fear replacement, misunderstand the technology, or feel uncertain about acceptable practices. Short, practical training sessions focused on prompts, risk awareness, and common pitfalls can significantly improve confidence and reduce inappropriate use. Organizations should also encourage a culture of transparency, where staff and volunteers feel comfortable disclosing their use of AI tools rather than hiding it.

Staff and volunteers should understand how to double-check outputs, apply professional judgment, and when the use of AI may be inappropriate. Training is most effective when grounded in realistic examples drawn from the organization's own context. Privacy regulators have emphasized the importance of meaningful human oversight, which is especially relevant for charities and NFPs interacting with vulnerable communities. As AI evolves, so too must the organization's approach. Annual reviews of tools, policies, and risk assessments, recommended by both OPC and IPC, help ensure that practices remain effective and aligned with legal and ethical standards. Responsible AI adoption is a process, not a single decision. By progressing from small-scale experimentation to thoughtful integration, charities and NFPs can harness AI's benefits while protecting the trust that is essential to their missions.

7. AML/ATF Update

By [Terrance S. Carter](#), [Nancy E. Claridge](#) and [Sean S. Carter](#)

7.1. Global Affairs Canada Releases Guidance on Sanction Compliance

In November 2025, Global Affairs Canada published [new sanctions-compliance guidance](#) on its website (the "Guidance"). Presented across several webpages, the Guidance outlines key information on Canada's sanctions regime, recommendations for implementing compliance programs, due-diligence red flags, and sector-specific advice for various industries, including academia, finance, real estate, and, most relevant to charities and not-for-profits (NFPs), the humanitarian sector.

Canadian sanctions – Essential information

Canada's sanctions regime forms a central part of its foreign policy, aimed at promoting international peace and security, combating corruption, and upholding human rights. Sanctions apply to all Canadians – whether in Canada or abroad – as well as to anyone within Canada, and they restrict or prohibit a wide range of activities involving foreign states, individuals, and entities. Canada imposes both autonomous sanctions under the *Special Economic Measures Act* (SEMA) and the *Justice for Victims of Corrupt Foreign Officials Act* (JVCFOA), and multilateral sanctions under the United Nations Act (UN Act), each supported by detailed regulations that set out specific prohibitions, listed persons, and exceptions. Canadian sanctions information is available through [consolidated](#) and [country-based](#) summaries published by Global Affairs Canada. However, these tools have no legal force, and all country-specific, individual, entity, and thematic designations, such as those relating to [terrorism](#) and [extremist settler violence](#), must ultimately be confirmed by consulting the underlying regulations themselves.

Measures can include dealings prohibitions (barring Canadians from directly or indirectly engaging in transactions involving a designated person or their property) and asset freezes, financial restrictions, export and import bans, arms embargoes, and limits on technical assistance. Because violations are criminal offences, organizations must conduct careful due diligence – screening parties, assessing indirect dealings, understanding sector-specific prohibitions, and verifying whether permits or certificates are required. For charities and not-for-profits, the stakes are significant: sanctions can affect international programming, partnerships, financial transactions, and procurement. Given the complexity and the serious penalties involved, reviewing the relevant regulations and seeking legal advice where needed remains essential to compliance.

Canadian sanctions – Compliance program implementation

Canadian sanctions are a mandatory legal framework with contraventions constituting criminal offences that must be reported to the RCMP. Because sanctions laws, regulations, and "listed persons" are constantly evolving, Global Affairs Canada stresses the importance of a structured sanctions compliance program rather than ad hoc checks. The Guidance highlights common weaknesses – such as lack of awareness, failing to monitor updates, misinterpreting the regime, and inadequate due diligence – and recommends a risk-based compliance program built around senior management commitment ("ensuring the sanctions compliance program receives adequate resources and becomes fully integrated into the entity's daily operations"), risk assessment, internal controls and

record-keeping, ongoing testing and auditing of its program, and tailored staff training depending on the risks and circumstances which the organization faces in its operations.

Robust due diligence is central: organizations should regularly screen clients, partners, supply chain partners, and transactions against Canadian and UN lists, understand country- and sector-specific prohibitions, and document decisions and legal advice. Case studies illustrate how a compliant approach should work in practice for payments, exports, and services, emphasizing documentation and legal consultation where there is uncertainty. Global Affairs Canada's materials are expressly informational and not legal advice, and the Guidance states that legal counsel be retained for any questions. For charities and not-for-profits, the key message is that sanctions risk needs to be actively managed through deliberate governance, policies, and due diligence rather than treated as a niche or one-off issue.

Due diligence – Red flags

The Guidance highlights a wide range of indicators that may signal attempts to evade Canadian sanctions, emphasizing that unusual ownership changes, opaque corporate structures, or links – direct or indirect – to designated individuals are key warning signs. Transactions involving dual-use or high-risk goods, vague or evasive information regarding the end-use of goods, or customers whose business profiles do not align with the products sought should prompt heightened scrutiny. Geographic and logistical anomalies – such as mismatched IP addresses, routing goods through known trans-shipment hubs, or last-minute changes to shipping routes – can also suggest diversion risks. Financial red flags include unconventional payment methods, unexplained use of third-country banks or cryptocurrency, invoice splitting, overpaying for goods, or the involvement of entities in jurisdictions with weak controls. The overall message is that sanctions circumvention often manifests through patterns of inconsistency, opacity, or unusual behaviour across business structure, goods, financing, or logistics. When any such indicators arise, organizations should pause, investigate further, and obtain legal advice before proceeding.

Canadian sanctions guidance — Humanitarian sector

Global Affairs Canada's Guidance emphasizes that while Canadian sanctions are not intended to obstruct the delivery of humanitarian aid, charities and NPOs must still navigate significant compliance risks when operating in sanctioned environments. Organizations are expected to maintain a sanctions compliance program, conduct ongoing due diligence, and screen all intermediaries – such as local partners, suppliers, consultants, and logistics services providers – for both direct and indirect links to listed individuals or entities. Indirect dealings are a particular concern, as sanctions prohibitions under SEMA and the JVCFOA can apply even when a transaction is routed through non-Canadian third parties. Humanitarian exceptions do exist but vary by regulation, and some activities may only be carried out by specified agencies or require reliance on a specific permit (such as the current [Syria permit](#)) or an individual permit application. Because sanctions evolve frequently, organizations must monitor updates, watch for red flags indicating possible circumvention, and seek legal advice when uncertain.

The overarching message of the Guidance is that effective humanitarian work in sanctioned jurisdictions requires structured governance, informed risk assessment, and careful partner screening to avoid inadvertently engaging in prohibited dealings. Charities and NFPs should consult legal counsel when dealing with these issues to ensure they can deliver aid and support to those in need while keeping their activities strictly legal.

7.2. Special Rapporteur is Seeking Input on Key AML/ATF Definitions

The United Nations Human Rights Office of the High Commissioner has released a [call for input](#) on the definitions of “terrorism”, “terrorist organization” and “violent extremism”. The international community, for many decades, has been unsuccessful in defining the term “terrorism” and negotiations regarding the United Nations draft comprehensive convention against international terrorism have been stalled. Human rights bodies as well as the Special Rapporteur have often found vague and overbroad definitions of the term in instruments of regional organizations, national laws and in

normative practice and technical activities of the United Nations. The Special Rapporteur is seeking input to create a report aimed at identifying a best practice international definition of terrorism that would be consistent with international law. The report would also consider whether an agreed definition of “terrorist organization” is needed, and whether “violent extremism” and “extremism” are capable of adequate legal definition consistent with human rights law, and how (or if) those concepts should be used.

The call for input outlines the questions and comments sought for the creation of the report. Questions include, among others, what physical conduct elements should define terrorism, what risks to human rights are presented by definitions of terrorism, violent extremism and extremism, how the definition should address “state terrorism” and so on. Input on the topic can be submitted until December 1, 2025.

Charities and NFPs engaged internationally should consider the impact of the use of these terms. This call for input presents an opportunity for the sector to provide input into the development of international standards and ensure consensus to help mitigate potential sources of human rights violations and abuse. Charities and NFPs may want to consider submitting their comments and input before the deadline.

8. Fighting Forced Labour and Child Labour in Global Supply Chains

By [Urshita Grover](#) and [Cameron A. Axford](#)

8.1. Public Safety Canada Releases Second *Supply Chains Act* Report

Public Safety Canada published its second [annual report](#) (the “Report”) for the 2025 reporting cycle under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “*Supply Chains Act*” or “Act”) on October 17, 2025. The Act, which came into force on January 1, 2024, requires annual reporting by certain government institutions and large Canadian-based organizations, referred to in the Act as “entities”, with the aim of increasing transparency regarding the use of forced and child labour by these entities. As reported in our [May 2023 Charity and NFP Law Update](#), the high threshold for what constitutes an “entity” under the Act means that only a limited number of charitable or not-for-profit organizations that meet certain criteria – including two of the three following thresholds: having at least \$20 million in assets, at least \$40 million in revenue, and an average of at least 250 employees – are subject to its reporting obligations.

As mentioned in our [November 2024 Charity and NFP Law Update](#), Public Safety Canada released [guidance](#) to help organizations understand and meet their obligations under the Act, later updating it on November 15, 2024, to clarify the requirements and scope of the Act. Required reports include disclosures of an organization’s structure, supply chains, policies, risk-management processes, employee training, remediation efforts and effectiveness assessments, all of which are made publicly available through Public Safety Canada’s online catalogue.

The Report indicated that Public Safety Canada had received over 4,313 reports under the Act by the May 31, 2025 deadline. These included 135 reports from government institutions and 4,178 reports from entities, with 708 of these entities also bound by international supply chain laws. A significant majority (82.3%) of all reporting organizations had identified parts of their activities and supply chains that carry a risk of forced labour or child labour being used, particularly in raw materials, direct suppliers and operations in high-risk locations or sectors for reporting entities. Encouragingly, 84.1% of entities have policies and due diligence processes in place, and 61.7% provide training on these issues. However, only 5% of the entities and government institutions reported implementing remediation measures, such as grievance procedures and workforce integration, while the majority of reporting organizations (91%) reported that such steps did not apply as they had not identified any forced labour or child labour in their activities and supply chains.

The Act provides for penalties for non-compliance, including fines up to \$250,000 for obstructing officials, failing to submit a report, or ignoring a ministerial order. Nonetheless, in this reporting cycle, enforcement was still largely focused on raising awareness of the reporting requirements to encourage meaningful action rather than punitive action.

8.2. Canada, UK and Australia Release Joint Modern Slavery, Forced Labour and Child Labour Reporting Template

The Governments of Canada, the UK and Australia, have collaboratively introduced an optional [International Reporting Template](#) to reduce administrative burdens and help organizations streamline their compliance with modern slavery, forced labour, and child labour reporting obligations across all three jurisdictions by supporting the preparation of a single report meeting each country's disclosure objectives.

The new template aims to simplify the reporting process for multinational organizations that are subject to the legislative requirements under Canada's [Fighting Against Forced Labour and Child Labour in Supply Chains Act](#), the UK's [Modern Slavery Act 2015](#) and Australia's [Modern Slavery Act 2018 \(Cth\)](#). While there are differences in the legislative requirements, scope, and definitions in the three legislations, they all share the common goal: "to promote transparency and encourage responsible business practices by compelling businesses to report on their efforts to address modern slavery risks in their operations and global supply chains."

The UK and Australian legislation use the term "modern slavery" while the Canadian legislation uses the terms "forced labour" and "child labour". References to risks in the optional template should be understood as risks of modern slavery, forced labour and child labour.

Structured around seven key reporting areas, the template guides organizations to report on their structure and supply chains, relevant policies, risk management practices, due diligence and remediation efforts, employee training, and methods for measuring effectiveness. It also allows space for additional information organizations may wish to disclose to demonstrate leadership or continuous improvement.

The framework distinguishes between Level 1 (mandatory) and Level 2 (recommended) disclosures. This tiered approach enables entities to tailor their reporting based on risk level and capacity, encouraging a proportionate, risk-based approach rather than a one-size-fits-all model.

For organizations under the jurisdiction of the *Supply Chains Act* operating in multiple jurisdictions, adopting this template can reduce duplication, enhance efficiency, and strengthen credibility in ethical sourcing and human rights governance. However, Public Safety Canada emphasizes that the tool is a voluntary aid, not a substitute for meeting the distinct legal requirements of each jurisdiction. As such, the few charitable or not-for-profit organizations caught under the definition of "entities" must still comply with the mandatory legal and reporting requirements of the *Supply Chains Act*, and Public Safety Canada places the responsibility on the entity itself to do so.

9. The 2025 Annual Charity & Not-for-Profit Law Webinar — Held on November 13, 2025

The 2025 Carters Annual Charity & Not-for-Profit Law Webinar, hosted by Carters Professional Corporation on November 13, 2025, was attended by over 1,270 registered attendees from the charitable and not-for-profit sector across Canada.

The special guest speakers this year were Bruce MacDonald, President, Imagine Canada, on the topic of Key Insights into the Charitable Sector: Developing Trends in the Making; and Kenneth Hall, President, Robertson Hall Insurance, on the topic of Challenges in Securing and Keeping Insurance by Charities and NFPs.

On demand replay and presentation handouts are now available for registered attendees.

In the Press

[Charity & NFP Law Update – October 2025 \(Carters Professional Corporation\)](#) was featured on Taxnet Pro™ and is available online to those who have OnePass subscription privileges.

Law360 Canada published an article on November 21, 2025, Federal Budget 2025: [Impact on Charities and Not-for-Profits](#), written by Terrance S. Carter and Theresa L.M. Man, partners at Carters. This article was originally published by Law360 Canada, part of LexisNexis Canada Inc.

Recent Events & Presentations

The Association for Healthcare Philanthropy hosted an Education Day on Tuesday November 5, 2025 at the Algonquin Theatre in Huntsville, Ontario. Ryan Prendergast spoke at this event on the topic of Gift Agreements for Hospital Foundations

Carters Annual Charity & Not-for-Profit Law Webinar 2025 was hosted by Carters Professional Corporation on Thursday, November 13, 2025. Special Guest Speakers were Mr. Bruce MacDonald, President and CEO of Imagine Canada and Mr. Kenneth Hall, President of Robertson Hall Insurance.

The Town of Orangeville Small Business Enterprise Centre hosted a session entitled Employment Law Workshop, presented by Martin Wissmath, an associate at Carters, on Tuesday November 25, 2025.

Beacon Endowment Solutions hosted an event entitled “Equip Your Charity for Long-Term Success” on Wednesday November 26, 2025 at the Cisco Toronto Innovation Labs. Terrance S. Carter spoke on the topic of The Legal Fundamentals of Endowments.

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[Nancy E. Claridge](#), B.A., M.A., LL.B. – Called to the Ontario Bar in 2006, Nancy Claridge is a partner with Carters practicing in the areas of corporate and commercial law, anti-terrorism, charity, real estate, and wills and estates, in addition to being the assistant editor of *Charity & NFP Law Update*. After obtaining a Master's degree, she spent several years developing legal databases for LexisNexis Canada, before attending Osgoode Hall Law School where she was a Senior Editor of the *Osgoode Hall Law Journal*, Editor-in-Chief of the *Obiter Dicta* newspaper and was awarded the Dean's Gold Key Award and Student Honour Award.



[Adriel N. Clayton](#), B.A. (Hons), J.D. - Called to the Ontario Bar in 2014, Adriel Clayton is a partner at Carters Professional Corporation, manages Carters' knowledge management and research division, and practices in commercial leasing and real estate. Before joining Carters, Adriel practiced real estate, corporate/commercial and charity law in the GTA, where he focused on commercial leasing and refinancing transactions. Adriel worked for the City of Toronto negotiating, drafting and interpreting commercial leases and enforcing compliance. Adriel has provided in-depth research and writing for the *Corporate and Practice Manual for Charitable and Not-for-Profit Corporations*.



[Jacqueline M. Demczur](#), B.A., LL.B. – A partner with the firm, Ms. Demczur practices in charity and not-for-profit law, including incorporation, corporate restructuring, and legal risk management reviews. Ms. Demczur has been recognized as a leading expert in charity and not-for-profit law by *Lexpert*, *The Best Lawyers in Canada* and *Chambers and Partners*. She is a contributing author to Industry Canada's *Primer for Directors of Not-For-Profit Corporations* and has written numerous articles on charity and not-for-profit issues for the *Lawyers Weekly*, *The Philanthropist* and *Charity & NFP Law Bulletin*, among others. Ms. Demczur is also a regular speaker at the annual *Church & Charity Law Seminar*.



[Mitchell Goldenberg](#), B.Jour., J.D. – Mitch is a litigation lawyer based in Toronto whose practice covers the full spectrum of civil and commercial disputes. He has appeared before all levels of court, including the Supreme Court of Canada, advocating on behalf of individuals, businesses, public officials, and organizations. His experience includes a wide array of motions, hearings, and appeals. Mitch articulated with Ontario's Ministry of Attorney General at the Crown Law Office – Civil, and gained early litigation experience with full-service firms on contentious public-interest litigation files spanning constitutional, administrative, and civil litigation. He has contributed to precedent-setting cases and landmark settlement agreements, always striving to deliver innovative, efficient solutions to his clients' legal challenges.



[Urshita Grover](#), H.B.Sc., J.D. – Urshita was called to the Ontario Bar in June 2020 after completing her articles with Carters. Urshita worked as a research intern for a diversity and inclusion firm. Urshita has volunteered with Pro Bono Students Canada and was an Executive Member of the U of T Law First Generation Network. Urshita was able to gain considerable experience in both corporate commercial law as well as civil litigation. Building on this background, Urshita is able to integrate her wide range of experience into a diverse and practical approach to the practice of charity and not-for-profit law for her clients.



[Barry W. Kwasniewski](#), B.B.A., LL.B. – Mr. Kwasniewski is a partner with the firm and joined Carters' Ottawa office in 2008 to practice in the areas of employment law, charity related litigation, and risk management. After practicing for many years as a litigation lawyer in Ottawa, Barry's focus is now on providing advice to charities and not-for-profits with respect to their employment and legal risk management issues. Barry has developed an expertise in insurance law, and has been retained by charities, not-for-profits and law firms to provide legal advice pertaining to insurance coverage matters.



[Jennifer M. Leddy](#), B.A., LL.B. – Ms. Leddy joined Carters' Ottawa office in 2009, becoming a partner in 2014, to practice charity and not-for-profit law following a career in both private practice and public policy. Ms. Leddy has been recognized as a leading expert in charity and not-for-profit law in Canada by *Lexpert*. Ms. Leddy practiced with the Toronto office of Lang Michener prior to joining the staff of the Canadian Conference of Catholic Bishops (CCCCB). In 2005, she returned to private practice until she went to the Charities Directorate of the Canada Revenue Agency in 2008 as part of a one-year Interchange program, to work on the proposed "Guidelines on the Meaning of Advancement of Religion as a Charitable Purpose."



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[Esther Shainblum](#), B.A., LL.B., LL.M., CRM – Ms. Shainblum is a partner with Carters, and practices in the areas of charity and not-for-profit law, privacy law and health law. She has been ranked by *Chambers and Partners* and by *Lexpert*. Ms. Shainblum was General Counsel and Chief Privacy Officer for Victorian Order of Nurses for Canada, a national, not-for-profit, charitable home and community care organization. Before joining VON Canada, Ms. Shainblum was the Senior Policy Advisor to the Ontario Minister of Health. Earlier in her career, Ms. Shainblum practiced health law and corporate/commercial law at McMillan Binch and spent a number of years working in policy development at Queen's Park.



[Martin U. Wissmath](#), B.A., J.D. – Called to the Ontario Bar in 2021, Martin joined Carters after finishing his articling year with the firm. In addition to his legal practice, he assists the firm's knowledge management and research division, providing in-depth support for informative publications and client files, covering a range of legal issues in charity and not-for-profit law. His practice focuses on employment law, privacy law, corporate and information technology law, as well as the developing fields of social enterprise and social finance. Martin provides clients with legal advice and services for their social-purpose business needs, including for-profit and not-for-profit organizations, online or off-line risk and compliance issues.



[Salina Nathoo](#), B.A., J.D., Student-at-Law – Salina graduated magna cum laude from the Dual Juris Doctor program at the University of Windsor, Faculty of Law and the University of Detroit Mercy, School of Law in 2025. During her time in law school, Salina served as a Student Attorney at Detroit Mercy Law's Family Law Clinic, preparing pleadings and representing clients before the Wayne County Circuit Court. She also worked for the Alcohol and Gaming Commission of Ontario, conducting legal research and drafting. Prior to attending law school, Salina earned her Honours Bachelor of Arts from York University, majoring in Criminology and Law and Society.

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