

DIRECTORS

Directors manage the business of a corporation.

Directors must:

- Be at least 18 years old.
- Not be bankrupt.
- Be a natural person (not a corporation).
- At least 25% of the directors must be residents of Canada.

Minimum number of directors required for a share corporation:

1

Length of director terms:

First Directors: Directors named in the Articles of Incorporation are directors until the first meeting of the shareholders. Shareholders then vote at their first meeting to pick the directors.

Directors picked by shareholders: Shareholders decide how long a director will hold their position.

- If no length of time is stated, the term ends at the next annual meeting of the shareholders.
- A term can't go longer than the date of the third annual meeting of the shareholders.

Duties include:

- Issue shares
- Call meetings
- Appoint officers
- Make, change, cancel by-laws (the rules of the corporation)
- Act honestly
- Act in best interest of the corporation

Directorship ends when:

1. The director **quits**, or
2. The director is **removed** from office from the by the shareholders, or
3. The director becomes **disqualified** due to bankruptcy, or
4. The director **dies**.