

## FDD Update Season: Important Legislative Changes That Need to be Addressed in 2023

Larry M. Weinberg, Frank Robinson, Peter V. Snell, Noah Leszcz

May 5, 2023

Each spring, franchisors across the country turn their attention towards updating their Canadian franchise disclosure documents (FDD) and related franchise agreements.

It is always imperative for franchisors to review and revise their FDD to ensure it is updated for a variety of necessary items, such as the inclusion of up-to-date, compliant financial statements. However, this year's annual update is of increased importance.

As you may have seen from past newsletters, there are two important legislative changes currently impacting the Canadian franchise landscape: 1) [new French language laws in Quebec](#), and 2) [revisions to Canada's federal Competition Act](#).

While franchisors with a calendar year fiscal year-end (i.e., December 31, 2022) typically have 180 days from the end of December (unless financial statements are available earlier) as the hard and fast deadline for FDD updates, there is added urgency this year given that the new French language laws come into force on June 1, 2023, and the *Competition Act* changes, which can give rise to criminal liability, come into force on June 23, 2023.

If an FDD and/or FA is not yet updated or otherwise ready to be utilized, a small amount of effort by counsel and the franchisor can provide the franchisor with an up-to-date and legally compliant FDD and FA that can greatly minimize the franchisor's risk of a claim for non-compliance.

Remember that the provinces with a franchise law are Alberta, British Columbia, Manitoba, New Brunswick, Ontario, and Prince Edward Island, but the *Competition Act* changes apply in **all** provinces and territories in Canada, regardless of whether or not such location has a franchise statute.

Please feel free to reach out to any member of our [Franchise Group](#) for assistance.

---

*This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.*