



Town of Pelham Third Party Advertiser Guide



Third Party Advertiser

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Introduction

An Overview

The Act introduced a framework for third party advertising on April 1, 2018. These regulations were created to provide transparency and accountability in election campaigns, particularly in response to the growing use of unregulated third party advertising in past elections.

A **third party advertisement** is any paid message in any medium (for example: billboards, newspapers, radio, television, or social media) that supports or opposes:

- A candidate on the election ballot, or
- A Yes/No referendum question on the ballot.

It is an offence for any individual, corporation, or trade union to incur expenses on third party advertising during the election period without first registering as a third party advertiser with the Clerk of the municipality (or municipalities, if the advertising appears in more than one jurisdiction).

It is important to note that not all advertising is considered third party advertising:

- Advocacy or issues-based advertising that does not specifically support or oppose a candidate or referendum question is permitted.
- Regular public outreach activities by groups or organizations may continue throughout the election period.
- Advertising that does not involve a cost to post or broadcast, such as personal opinions expressed on social media, does not qualify as third party advertising.

For the 2026 Municipal and School Board Election, all registered third party advertisers will be required to comply with the rules set out in the *Municipal Elections Act, 1996*, (the Act), including restrictions on financing and reporting.

Eligibility

Only **individuals, corporations, and trade unions** may register as third party advertisers and, if they choose, contribute to third party advertisers, since contributions directly to candidates are not permitted. All third party advertising must be conducted independently of candidates. A candidate cannot direct, coordinate, or control a third party advertiser.

Eligible to Register as a Third Party Advertiser:

- An individual who is normally a resident of Ontario.

- A corporation that conducts business in Ontario.
- A trade union that holds bargaining rights for employees in Ontario.

Ineligible to Register as a Third Party Advertiser:

- A registered candidate in the municipal election.
- A federal political party, constituency association, or registered candidate.
- A provincial political party, constituency association, or registered candidate.
- The Crown in right of Canada or Ontario.
- A municipality or local board.

Registration Period

The registration period for third party advertisers opens at the same time as the candidate nomination period, beginning on Friday, May 1, 2026. The registration period closes on Friday, October 23, 2026, being the last business day prior to Voting Day.

Registration Requirement(s)

Third party advertisers must register with each municipality where they intend to advertise, should there be multiple municipalities.

Third party advertisers must submit a Notice of Registration to the Clerk, either in person or through an authorized agent. Registration forms are available online and at Town Hall. All sections of the form must be completed in full.

Third party advertisers must sign a declaration of qualification.

Duties of Registered Third Party Advertisers

Pursuant to section 88.26 of the Act, a registered third party advertiser is responsible for ensuring compliance with all campaign finance and record-keeping requirements, including the following:

Campaign Accounts

- Opening one or more campaign bank accounts before accepting contributions or incurring expenses
- Depositing all monetary contributions into the campaign account(s)
- Using campaign funds exclusively for election advertising purposes
- Paying all campaign expenses from the campaign account(s)

Contributions and Expenses

- Valuing all contributions of goods or services
- Issuing receipts for all contributions and retaining receipts for all expenses
- Returning any contribution received in contravention of the Act, or remitting it to the Clerk where required
- Remitting anonymous contributions to the Clerk

Records and Retention

- Maintaining detailed records of:
 - All contributions (including contributor name, address, value, and type)
 - All expenses and disputed claims
 - Fundraising revenues
 - Loans and loan terms
- Retaining all campaign records for the term of office and until the new council or local board is organized

Financial Reporting

- Filing all required financial statements in accordance with sections 88.29 and 88.32 of the Act

Authorized Persons

- Providing proper direction to individuals authorized to incur expenses or accept contributions on behalf of the third party advertiser

Contribution Limits

- Informing contributors that contribution limits apply:
 - \$1,200 per contributor to any one registered third party advertiser
 - \$5,000 per contributor to two or more registered third party advertisers registered in the same municipality

Effect of Default by Registered Third Party

Under section 88.27 of the *Municipal Elections Act, 1996*, a registered third party advertiser who is in default is not eligible to register for the next municipal election in that municipality, in addition to any other penalties under the Act.

A registered third party is in default if they:

- Fail to file a required financial statement by the prescribed deadline (sections 88.29 or 88.32);
- Fail to pay a required surplus to the Clerk by the prescribed deadline;
- File a financial statement that shows expenses exceeding the permitted spending limit; or
- Fail to pay a surplus identified in a supplementary financial statement by the required deadline.

Notice of Default

Where a default occurs, the Clerk will:

- Notify the registered third party in writing; and
- Make the name of the registered third party and the nature of the default publicly available.

Court Application for Extension

Before the filing deadline, a registered third party may apply to the Superior Court of Justice for an extension of time to file a required document. The Court may grant an extension of up to 90 days, where mitigating circumstances exist.

If an application is made, the registered third party must notify the Clerk in writing before 2:00 p.m. on the filing deadline.

If an extension is granted, the penalty applies only if the document is not filed by the end of the extension period.

Late Filing Grace Period

The penalty for failing to file a required document does not take effect if, within 30 days after the filing deadline (by 2:00 p.m.), the registered third party:

- Files the required document; and
- Pays a \$500 late filing fee to the Clerk.

The late filing fee is retained by the municipality.

Mandatory Information on Advertisements

Under Section 88.5 of the Act, third party advertisements must include the following information:

- The name of the registered third party advertiser;
- The municipality where the third party advertiser is registered; and

- A telephone number, mailing address or email address at which the registered third party may be contacted regarding the advertisement.
- For radio advertisements: A statement indicating who paid for the advertisement.
- Information to be provided to broadcasters/publishers: Third party advertisers must provide broadcasters/publishers with the following information in writing:
 - The name of the registered third party advertiser;
 - The name of the municipality where the third party advertiser is registered; and
 - Name, address, and phone number of the agent/person interacting with the broadcaster/publisher on behalf of the third party advertiser.

Note: Broadcasters and publishers of third party advertisements are required to retain records for four years after the date the advertisement appears. Third party advertisers must be aware of this requirement, as well as their other obligations under the Act. Compliance with these responsibilities is the responsibility of the third party advertiser.

Use of Corporate Resources

Third party advertisers, similar to candidates, are prohibited from using municipal corporate resources for election-related purposes.

Municipal property, equipment, facilities, services, or logos must not be used, directly or indirectly, for the purpose of third party advertising. This includes, but is not limited to, Town-owned buildings, vehicles, communication systems, and branding.

Third party advertisers are strongly encouraged to review the Town's Use of Corporate Resources for Election Purposes Policy to ensure full understanding of, and compliance with, all applicable restrictions.

Signage

Registered third party advertisers are encouraged to familiarize themselves with Election Sign By-law No. 02-2026 if they intend to display election signage.

Prior to displaying any election-related signs, third party advertisers must submit the required election sign deposit of \$250.00. Once the deposit has been paid, signs may be erected beginning at 4:00 p.m. on Certification Day (Monday, August 24, 2026).

Signage is not permitted on public property and is subject to additional restrictions related to placement, appearance, and size. These requirements are detailed in Election Sign By-law No. 02-2026, which third party advertisers are responsible for reviewing and complying with.

Where a sign is found to be in contravention of the By-law and is removed by a Town official, a \$25.00 deduction will be made from the sign deposit. Third party advertisers remain responsible for their signs at all times, including signs placed on private property that they do not own, and may be penalized for improper placement.

All signage must be removed within three (3) calendar days following Voting Day.

Financial Statements and Reporting Requirements

Under section 88.29 of the Act registered third party advertisers are required to file financial statements reflecting their campaign finances.

Initial Financial Statement

A registered third party must file a Financial Statement and Auditor's Report (if required) with the Clerk on or before 2:00 p.m. on the filing deadline, reflecting campaign finances:

- Regular election: up to December 31 in the year of the election
- By-election: up to the 45th day after Voting Day

Corrected Financial Statement

If an error is identified, the registered third party may withdraw and re-file a corrected financial statement and auditor's report on or before the applicable filing deadline.

Supplementary Financial Statement

If the campaign period continues into the supplementary reporting period, a Supplementary Financial Statement and Auditor's Report must be filed by 2:00 p.m. on the supplementary filing deadline. The supplementary statement must include all information from the initial filing, updated to reflect additional campaign activity.

Auditor's Report Requirement

An auditor's report must be prepared by an auditor licensed under the *Public Accounting Act, 2004*, unless total campaign contributions and total expenses are each \$10,000 or less, in which case no auditor's report is required.

Notice from the Clerk

The Clerk will provide written notice to registered third party advertisers:

- At least 30 days before the initial filing deadline; and
- At least 30 days before the supplementary filing deadline, where applicable, outlining filing requirements and applicable penalties.

Electronic Filing

The Clerk may permit electronic filing and may establish conditions or limits for electronic submissions.

Late Filings

Financial documents filed more than 30 days after the filing deadline will be accepted for public disclosure purposes only and do not relieve the registered third party of penalties under the Act.

Public Disclosure

Following the election, the Clerk will publish a list of registered third party advertisers indicating whether each has filed the required financial statement and auditor's report.

Return of Surplus for Subsequent Expenses

Section 88.32 of the Act applies where a candidate or registered third party advertiser has paid a campaign surplus to the Clerk and later incurs expenses related to a compliance audit.

When This Section Applies

This section applies if:

- A campaign surplus has been paid to the Clerk;
- The campaign period has ended and cannot be recommenced; and
- The candidate or registered third party subsequently incurs expenses related to a compliance audit.

Return of Surplus for Compliance Audit Expenses

If the candidate or registered third party notifies the Clerk in writing that they are incurring compliance audit expenses, the Clerk will return the surplus, with interest.

Once the surplus is returned:

- The candidate or registered third party may incur only compliance audit-related expenses;
- No other campaign expenses are permitted.

Reporting Periods and Financial Statements

- Reporting periods begin the day after the surplus is returned and run in 90-day intervals.
- A financial statement must be filed for each reporting period, reflecting compliance audit expenses only.

- Each financial statement must be filed no later than 2:00 p.m. on the 10th day after the end of the reporting period.

Final Financial Statement and Remaining Surplus

- A final financial statement must be filed when:
 - The surplus is fully spent; or
 - Any remaining surplus is no longer required for compliance audit expenses.
- Any remaining surplus must be repaid to the Clerk when the final financial statement is filed.

Holding and Release of Remaining Surplus

- Any remaining surplus is held in trust by the Clerk.
- If a further compliance audit commences, the same process applies, with necessary adjustments.
- Once all compliance audits are concluded and no further audits may be commenced, any remaining surplus becomes the property of the municipality or local board, as applicable.

Offences by Registered Third Party – Exceptions

Good Faith Exception

Under the Act, if a court determines that a registered third party advertiser acted in good faith and that an offence was committed inadvertently or as a result of an error in judgment, the ineligibility penalty set out in section 88.27(1) does not apply.

Excess Spending

Where a registered third party advertiser incurs expenses that exceed the spending limit established under section 88.21, the registered third party is liable to a fine equal to the amount of the excess, in addition to any other penalties provided for under the Act.

Important Note: Registered third party advertisers are strongly encouraged to familiarize themselves with all applicable provisions of the Act to ensure full compliance throughout the election campaign.