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<p><b>CORPORATE MEETINGS LAW AND PRACTICE</b> Nathan and Voore Release No. 3 • May 2025</p>
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**Release Updates**

This publication is a guide to the meetings of shareholders and directors in Canada and the legal principles relating to the preparation for, and the conduct of, any corporate meeting. It provides easy access to legal information on problems that could arise before, during or following a meeting. It also includes national coverage of the law in relation to contested meetings, quorum requirements, voting rights, notice and disclosure requirements, proxies, shareholder proposals and meeting procedures.

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### What's New in this Update

This release features updates to Chapters 2 (The Chair's Duties); 4 (Minutes of Meetings); 6 (Powers and Duties of Directors); 8 (Rights and Powers of Shareholders); 12 (Shareholders' Meetings in General); 13 (Calling Meetings of Shareholders); and TC:1 (Bergen, Table of Concordance of Business Corporations Acts).

### Highlights:

- **General Principles of Meetings – Minutes of Meetings – Maintenance of Records – Failure to Comply** – The court provided insight into how, in the absence of formal documentation, it will determine the existence of valid agreements and corporate actions. This case involved a failure to maintain minute books and the court noted the relevant records as lost. To address this, the court examined unexecuted documents from the solicitor's file. The court noted that the inability to produce the minute book or the share certificates does not imply that the documents were never signed or that the share certificates were never issued. The lesson highlighted by this case is the importance of proper corporate documentation, even in closely held family companies, and the equitable principles guiding the rectification of corporate records under the OBCA. Here, the court held that the existing corporate records did not substantially misrepresent the actual legal and operational relationships within the company. This underscores the court's continued preference for considering the broader context of corporate conduct over strict documentary evidence. For directors, this decision serves as a reminder of their responsibility to ensure a corporation maintains accurate minute books, as failure to do so can lead to complex legal disputes and potential liabilities. *Southwell* also highlights an important point regarding rectification—rectification is not a tool for addressing unforeseen negative consequences but is intended to ensure that the recorded terms of an agreement accurately reflect the parties' original intentions. This decision reinforces the necessity for clear and definite agreements and emphasizes the importance of transparency and accurate record-keeping in corporate governance: *John Richard Southwell v. Carlgate Development Inc., Julie Anne Reis and Isabelle Margaret Southwell* (2024), 2024 ONSC 822 (Ont. S.C.J.).
- **Corporate Governance: The Roles of Directors and Shareholders – Rights and Powers of Shareholders – Right of Dissent – Generally** – In Canada, *Husack v. Husack* has emerged as the first case in which an appellate court has affirmed that, with limited exceptions, shareholders can contractually waive their statutory dissent rights. This case is particularly interesting because, although the unanimous shareholders agreement (USA) did not expressly mention the waiver of dis-

sent rights under the *Ontario Business Corporations Act* (OBCA) (section 184(3)), the appellate court endorsed the lower court’s reasoning, which effectively concluded that the scope of waiver of a statutory dissent right can be determined from evidence other than the words of the USA. In *Husack*, it was the factual matrix and other sections of the USA (such as a right to liquidate absolutely) that provided the court with the necessary factual support to conclude the USA was “sufficiently clear” to exclude statutory dissent: *Husack v. Husack*, 2024 ONCA 117 (Ont. C.A.), affirming *Husack v. Husack et al.*, 2023 ONSC 949 (Ont. S.C.J.).