

Index

ACQUISITION

- Generally, **33:26 et seq.**
- Determining factors
 - generally, **33:44 et seq.**
 - general rule, **33:45**
 - types of consideration, **33:46**
- Legal considerations, **33:47**
- Purchase of assets
 - generally, **33:41 et seq.**
 - effect, **33:43**
 - mechanics, **33:42**
- Purchase of shares
 - generally, **33:26 et seq.**
 - compulsory acquisition, **33:30**
 - effect, **33:40**
 - negotiating methods, **33:29**
 - purchase, **33:28**
 - subscription, **33:28**

ADMINISTRATION RIGHTS

- Generally, **19:7 et seq.**
- Administration, **19:14**
- Conclusion, **19:15**
- Directors' reports, **19:13**
- Election of directors, **19:12**
- Eligibility, **19:11**
- Examination of corporate books, **19:13**
- Financial statements, **19:13**
- Inspection of business, **19:13**
- Minority rights, **19:10**
- Notice of shareholder meetings, **19:9**
- Removal of directors, **19:12**
- Shareholder meetings, attendance at, **19:9**
- Voting, **19:8**

AMALGAMATION

- Generally, **33:2 et seq.**
- Act respecting the legal publicity of enterprises, **33:24**
- Effects of, **33:23**
- Reasons for, **33:35**
- Regular amalgamation
 - generally, **33:6**
 - amalgamation agreement (federal and Ontario), **33:12**

AMALGAMATION—Cont'd

- Regular amalgamation—Cont'd
 - amalgamation agreement (Quebec), **33:8**
 - articles of amalgamation (federal and Ontario), **33:14**
 - articles of amalgamation (Quebec), **33:10**
 - other documents (federal and Ontario), **33:15**
 - shareholder approval (federal and Ontario), **33:13**
 - shareholder approval (Quebec), **33:9**
- Short-form horizontal amalgamation
 - generally, **33:20**
 - procedure, **33:21**
 - scope, **33:20**
- Short-form vertical amalgamation
 - generally, **33:17**
 - procedure, **33:18**
 - scope, **33:19**
- “Three-cornered” amalgamation, **33:22**
- Who may amalgamate
 - jurisdiction, **33:3**
 - solvency, **33:4**

ARRANGEMENT (FEDERAL)

- Generally, **19:29**
- BCE case, **19:29**
- Effect, **19:29**
- Procedure, **19:29**
- Purpose, **19:29**

ARRANGEMENT (QUEBEC)

- Generally, **19:30**
- Approval and filing of articles, **19:30**
- Conditions, **19:30**
- Preliminary orders, **19:30**
- Procedure, **19:30**
- Purpose, **19:30**

ARTICLES

- Interpretation of articles, **5:43**
- Introduction, **5:1**

ARTICLES (FEDERAL)

Generally, **5:21 et seq.**
 Articles of incorporation, **5:22**
 address of registered office, **5:26**
 contents generally, **5:25**
 Director, **5:23**
 external document, **5:25**
 fee, **5:27**
 incorporators, **5:24**
 list of directors, **5:26**
 mandatory elements, **5:25**
 optional elements, **5:25**
 search report, **5:26**
 Cancellation of articles, **5:34**
 Certificate of amendment, **5:31**
 Certificates of incorporation, **5:28**
 effect, **5:30**
 issuance, **5:29**
 Correction of articles, **5:33**
 Restated articles, **5:32**

ARTICLES (ONTARIO)

Generally, **5:35 et seq.**
 Articles of incorporation, **5:36**
 Cancellation, **5:41**
 Certificate of incorporation, **5:39**
 Corporation number, **5:40**
 Correction, **5:41**
 Fees, **5:37**
 Name search report, **5:38**
 Restatement of articles, **5:42**

ARTICLES (PROVINCIAL)

Generally, **5:2 et seq.**
 Amendment of articles
 generally, **5:13**
 articles of amendment, **5:13**
 special resolution, **5:13**
 Articles of constitution, **5:3**
 contents, **5:6**
 declaration, **5:7**
 enterprise registrar, **5:4**
 fees, **5:8**
 founders, **5:5**
 list of directors, **5:7**
 notice of head office, **5:7**
 Cancellation of articles, **5:20**
 Certificate of constitution, **5:9**
 effect, **5:11**
 issuance, **5:10**
 registration, **5:12**

ARTICLES (PROVINCIAL)—Cont'd

Consolidation of articles, **5:19**
 Correction of articles, **5:14**
 general provisions, **5:15**
 illegal provisions, **5:16**
 irregularities, **5:16**
 obvious errors, **5:17**
 unobvious errors, **5:16**
 Rectification of certificates, **5:18**

BOARD OF DIRECTORS

Disqualification, **21:28**
 Election
 generally, **21:5**
 contestation of election, **21:8**
 de facto directors, **21:9**
 first directors, **21:6**
 subsequent directors, **21:7**
 Eligibility
 basic qualifications, **21:3**
 Canadian residency, **21:3**
 capacity, **21:3**
 fraud, **21:3**
 majority, **21:3**
 natural person, **21:3**
 need for qualification, **21:4**
 shareholder, **21:3**
 undischarged bankrupt, **21:3**
 women, **21:3**
 Indemnification, **21:25**
 Introduction, **21:1**
 Number
 additional directors, **21:20**
 change, **21:18**
 establishing, **21:17**
 excess board, **21:22**
 incomplete board, **21:21**
 minimum, **21:16**
 vacancies, **21:19**
 Powers and role, **22:1**
 Quorum, **21:23**
 Removal, **21:27**
 Remuneration, **21:24**
 Resignation, **21:29**
 Term of office
 end of, **21:14**
 holding over, **21:13**
 maximum, **21:11**
 staggered, **21:12**
 Voting, **21:26**

INDEX

BOOKS AND REGISTERS

Generally, **11:1 et seq.**

BOOKS AND REGISTERS (FEDERAL AND ONTARIO)

Inspection of registers, **11:6**

List and content

accounting records, **11:2**

articles and by-laws, **11:2**

directors, **11:2**

minutes of directors and committees, **11:2**

securities, **11:2**

shareholder minutes, **11:2**

Penalties and recourses, **11:5**

Place and examination

shareholder list, **11:3**

where registers kept, **11:3**

who examines registers, **11:3**

who keeps registers, **11:3**

Presumptions, **11:4**

Significant control, register for individuals with, **11:7**

access, **11:10**

definitions, **11:8**

Ontario regime, **11:13**

penalties, **11:11**

register, **11:9**

BOOKS AND REGISTERS (QUEBEC)

Inspection, **11:16**

List and content

accounting records, **11:15**

articles and by-laws, **11:15**

directors, **11:15**

minutes of directors and committees, **11:15**

securities, **11:15**

shareholder minutes, **11:15**

List of shareholders, **11:17**

Penalties and recourses, **11:19**

Place, **11:16**

Presumption, **11:18**

CAPACITY AND POWERS

Change of powers, **9:17**

Federal corporations, **9:16**

General rule, **9:1**

Previous rule, **9:2 et seq.**

Ashbury Railway Carriage decision, **9:7**

Bonanza Creek decision, **9:8**

CAPACITY AND POWERS—Cont'd

Previous rule, **9:2 et seq.**—Cont'd

limits on powers, **9:5**

nullity and scire facias, **9:11**

objects, **9:3**

powers, **9:4**

ultra vires act, effect of, **9:9**

ultra vires doctrine, **9:6**

ultra vires doctrine and its application in Quebec, **9:10**

Quebec business corporations, **9:12 et seq.**

conclusion, **9:15**

legal framework, **9:12**

limits on activities, **9:13**

statutory prohibitions, **9:14**

CAPITAL RETURNS

Generally, **19:20**

General principles, **19:21**

Preferences and restrictions, **19:22**

other participation, **19:22**

preferential repayment, **19:22**

CONSTITUTIONAL ASPECTS

Federal jurisdiction, limits of, **3:14**

Introduction, **3:1**

Jurisdiction in corporate law

generally, **3:2 et seq.**

federal jurisdiction, **3:5**

limits of federal jurisdiction, **3:14**

provincial licences, **3:4**

provincial objects, **3:3**

Provincial corporations, powers and capacity

generally, **3:13**

Bonanza Creek decision, **3:4**

Provincial statutes vs. federal corporations, **3:7**

Canadian Indemnity decision, **3:10**

Great West Saddlery decision, **3:8**

John Deere Plow decision, **3:7**

Lymburn v. Mayland decision, **3:9**

Multiple Access Ltd. v. McCutcheon decision, **3:11**

Reference re Upper Churchill Water Rights Reversion Act, 1980 case, **3:12**

Summary, **3:15**

CONTINUANCE

Generally, **6**

CONTINUANCE (FEDERAL)

- Generally, **6:2 et seq.**
- Export, **6:10**
- Import, **6:3**
 - articles of continuance, **6:5**
 - effect of continuance, **6:9**
 - fee, **6:8**
 - internal procedure, **6:6**
 - other required documents, **6:7**
 - who may continue, **6:3**

CONTINUANCE (ONTARIO)

- Cooperative corporation, **6:20**
- Export, **6:19**
- Import, **6:18**

CONTINUANCE (QUEBEC)

- Generally, **6:11 et seq.**
- Act respecting the legality of enterprises, impact of, **6:17**
- Cooperatives and cooperative syndicates generally, **6:14 et seq.**
 - cooperative to corporation, **6:16**
 - corporation and cooperative comparison, Table, **6A**
 - corporation to cooperative, **6:15**
- Export
 - generally, **6:13**
 - authorization, **6:13**
 - certificate, **6:13**
- Import
 - effect, **6:12**
 - legal persons covered, **6:12**
 - procedure, **6:12**

CORPORATE BORROWING

- Generally, **32**
- Bond issues, **32:7**
- Borrowing powers, **32:3**
- Debenture issues, **32:8**
- Debentures, bonds and shares, difference between, **32:9**
- Issuing promissory notes and bills of exchange, **32:2**
- Registers and remedies, **32:10**
- Security, **32:4**
 - power to give, **32:6**
 - types, 32:5, Table, **32A**

CORPORATE NAME

- Generally, **8**
- Penal sanctions, **8:27**

CORPORATE NAME, ASSIGNING

- A priori control
 - generally, **8:11**
 - Director, **8:11**
 - enterprise registrar, **8:11**
- Designating number, **8:13**
- Research and reservation, **8:12**

CORPORATE NAME, CHOOSING

- General requirements
 - generally, **8:3**
 - confusion, **8:3**
 - French language, **8:3**
 - immoral, obscene or offensive expressions, **8:3**
 - incorrect indication or failure to indicate juridical form, **8:3**
 - non-profit group, **8:3**
 - otherwise liable to mislead, **8:3**
 - public authority, **8:3**
 - related to another person, **8:3**
 - reserved or prohibited expressions, **8:3**
- Special requirements
 - federal business name, **8:9**
 - federal corporate names—effect of provincial requirements, **8:7**
 - federal corporate names—federal requirements, **8:6**
 - Ontario corporate names, **8:8**
 - Ontario registered name, **8:10**
 - Quebec corporate name, **8:4**

CORPORATE NAME, CONTROL OF

- Generally, **8:22 et seq.**
- Administrative control
 - Director, **8:23**
 - enterprise registrar, **8:23**
 - Legal Publicity Act, **8:25**
 - Quebec Business Corporations Act, **8:24**
- Judicial control
 - common law recourse, **8:26**
 - Quebec Business Corporations Act, **8:26**

CORPORATE NAME, EXTINCTION OF

- Generally, **8:28 et seq.**
- Disappearance of corporation, **8:31**
- Effect of change of name, **8:32**
- Forced change, **8:30**
- Voluntary change, **8:29**

CORPORATE NAME, USE OF

- Generally, **8:14 et seq.**
- Business name, **8:15**
- Incomplete or inaccurate names, **8:18**
 - contracts, corporate name in, **8:19**
 - legal proceedings, corporate name in, **8:20**
 - public registers, corporate name in, **8:21**
- Requirement to use corporate name, **8:16**
- Trade-marks, **8:17**

CORPORATE VEIL

- Alter ego concept, **1:19**
- Case law exceptions, **1:16**
- Civil Code of Quebec, article 317, **1:18**
- Common law, **1:21**
 - recent attempt to synthesize, **1:22**
- Conclusion, **1:20**
- Importance of principle, **1:14**
- Lifting, **1:17**
- Limits of principle, **1:14**
- Oppression remedy and, **31:21**
- IPrivate Security Act/i, **1:15**
- Salomon decision, **1:13**
- Statutory exceptions, **1:15**

DELEGATION OF POWERS

- Generally, **25:1**
- Audit committees, **25:28**
- Board committees, **25:27**
- Compensation committees, **25:28**
- Nominating committees, **25:28**
- Other committees, **25:28**

DIRECTORS, DUTIES OF

- Generally, **23**
- Care and skill
 - generally, **23:4 et seq.**
 - ability and skill, **23:5**
 - “business judgment rule,” **23:11**
 - diligence and prudence, **23:5**
 - evolution of duties, **23:5**
 - failure to act, **23:7**
 - failure to attend meetings, **23:6**
 - failure to become informed, **23:8**
 - faults or mistakes, **23:10**
 - federal standard, **23:12**
 - intensification of duties, **23:13**
 - nature of duties, **23:5**
 - supervision and control, **23:9**

DIRECTORS, DUTIES OF—Cont’d

- Financial institutions, directors of
 - adult and ethics committee, **23:67**
 - civil liability, **23:71**
 - composition of board of directors, **23:62**
 - delegation, **23:70**
 - investments, **23:69**
 - penal liability, **23:72**
 - quorum, **23:64**
 - resignation, **23:65**
 - sound commercial and management practices, **23:66**
 - transactions with restricted parties, **23:68**
 - unanimous agreement, **23:63**
- Limits of powers, to act within, **23:3**
- Personally, to act, **23:2**
- “Public directors”
 - federal, **23:60**
 - Quebec, **23:59**

DIRECTORS, POWERS OF

- Board of directors as whole, **22:1**
- General powers, **22:2**

DIRECTORS, ROLE OF

- Generally, **22:3**
- Civil Code of Quebec, before, **22:4**
 - hybrid rule, **22:7**
 - mandataries, **22:6**
- Part IA corporations, **22:8**
- quasi-fiduciaries, **22:5**
- Civil Code of Quebec, since, **22:9**

DIRECTORS’ LIABILITY

- Proportional liability, **24:58**

DIRECTORS’ LIABILITY (LEGAL)

- Generally, **24:42 et seq.**
- Corporation, toward, **24:43**
- Directors, toward, **24:44**
- Shareholders, toward, **24:45**
- Third parties, toward
 - generally, **24:46**
 - asset stripping, **24:54**
 - Civil Code of Quebec, **24:57**
 - contractual fault by corporation, **24:50**
 - contractual undertaking, **24:47**
 - corporate insolvency and personal liability, **24:53**
 - corporate veil, **24:52**

DIRECTORS' LIABILITY (LEGAL)

—Cont'd

- Third parties, toward—Cont'd
 - extracontractual fault of corporation, **24:49**
 - extracontractual personal fault, **24:48**
 - fault by omission, **24:55**
 - oppression remedy, **24:51**

DIRECTORS' LIABILITY (STATUTORY CIVIL)

- Generally, **24:2 et seq.**
- Abuse of process, **24:24**
- Acquisition of shares, **24:14**
- Commissions, **24:17**
- Concept of fault, **24:2 et seq.**
- Declaration and payment of dividends, **24:6**
 - Bankruptcy and Insolvency Act, **24:9**
 - federal, **24:7**
 - Ontario, **24:7**
 - Quebec, **24:8**
- Deductions at source, **24:19**
- Deposit of sums in trust account, **24:21**
- Dissolution, **24:11**
- Exoneration, **24:2 et seq.**
 - Bankruptcy and Insolvency Act, **24:2 et seq.**
 - Companies' Creditors Arrangement Act, **24:2 et seq.**
 - dissent, **24:2 et seq.**
 - due diligence, **24:2 et seq.**
 - equity, **24:2 et seq.**
 - good faith reliance, **24:2 et seq.**
 - unanimous shareholder agreement, **24:2 et seq.**
- Failure to give notice of right to demand repurchase of shares, **24:18**
- Financial assistance to shareholders, **24:5**
- Indemnity, **24:25**
 - remuneration, in case of insolvency, **24:25.50**
- Interest in transaction with corporation, **24:12**
- Issue of not fully paid shares, **24:13**
- Payment of GST, **24:20**
- Pension plan, **24:22**
- Prescription, **24:2 et seq.**
- Presumptions, **24:2 et seq.**
- Recovery, **24:2 et seq.**

DIRECTORS' LIABILITY

(STATUTORY CIVIL)—Cont'd

- Right to demand repurchase of shares, **24:18**
 - secondary market disclosure, **24:23**
- Securities Act, civil liability under, **24:15**
- Solidary liability, **24:2 et seq.**
- Transfers of unpaid shares, **24:10**
- Use of privileged information in trading securities, **24:16**
- Wages or remuneration owed to employees, **24:4**

DIRECTORS' LIABILITY (STATUTORY PENAL)

- Generally, **24:26 et seq.**
- Balance sheet, **24:28**
- Books and registers, **24:27**
- Declarations, **24:29**
- False documents, **24:37**
- False statements, **24:38**
- Fraud, **24:36**
- Insider reports, **24:32**
- Insider trading, **24:33**
- Legal Publicity Act, **24:30**
- Privileged information, **24:34**
- Prohibited name, **24:41**
- Reports, notices and returns, **24:31**
- Supplies to Her Majesty, **24:40**
- Under various statutes, **24:35**

DIRECTORS' MEETINGS

- Annual shareholder meeting, combined with, **28:17**
- Business meetings generally, **28:16**
- By-laws
 - amendment, **28:39**
 - approval, **28:37**
 - effect, **28:38**
 - passing, **28:37**
 - repeal, **28:39**
 - scope, **28:36**
- Calling meetings, **28:24**
- COVID-19 special measures, **28:30.50**
- "Long-distance" meetings
 - generally, **28:27 et seq.**
 - federal corporations, **28:28**
 - Ontario corporations, **28:29**
 - Quebec corporations, **28:30**
- Meetings of directors, **28:16**
- Minutes, **28:25**

INDEX

DIRECTORS' MEETINGS—Cont'd

- Need for meetings, **28:26**
- Organizational meetings (federal and Ontario), **28:4**
- Organizational meetings (Quebec), **28:7**
- Other meetings, **28:18**
- Resolutions
 - generally, **28:31 et seq.**
 - directors' resolutions, **28:33**

DIRECTORS' MEETINGS—PROCEDURE AND VOTING

- Adjournment, **29:10**
- Attendance by legal counsel, **29:8**
- Attendance in person, **29:5**
- Chairman and secretary, **29:3**
- General principles, **29:1 et seq.**
- Irregularities, **29:7**
- Quorum, **29:4**
- Recording discussions, **29:9**
- Voting, **29:6**

DISSOLUTION (FEDERAL)

- Effects, **34:22**
- Forced by court, **34:7**
- Forced by director, **34:6**
- Legal Publicity Act, **34:24**
- Voluntary, **34:4**

DISSOLUTION (ONTARIO)

- After dissolution, **34:54**
- Forced, **34:49**
- Voluntary, **34:48**

DISSOLUTION (QUEBEC)

- Compelled
 - administrative dissolution, **34:40**
 - insolvency, due to, **34:42**
 - judicial dissolution, **34:41**
- Voluntary
 - generally, **34:25 et seq.**
 - board consent, with, **34:30**
 - declaration of sole shareholder, by, **34:29**
 - general provisions, **34:27**
 - shareholder consent, with, **34:28**

DIVIDENDS

- Generally, **19:17**
- General principles, **19:18**
- Privileges and restrictions, **19:19**
 - generally, **19:19**

DIVIDENDS—Cont'd

- Privileges and restrictions, **19:19—Cont'd**
 - cumulative dividends, **19:19**
 - dividend rate, **19:19**
 - non-cumulative dividends, **19:19**
 - other rights, **19:19**
 - preferential dividends, **19:19**

FIDUCIARY DUTIES

- Generally, **23:14 et seq.**
- Abuse of power, **23:22**
- Conflicts of interest, **23:23**
- Contracts with corporation, **23:49**
- Contracts with corporation (federal and Ontario)
 - generally, **23:50**
 - abstention from voting, **23:54**
 - Bankruptcy and Insolvency Act, **23:55**
 - disclosure of interest, **23:51**
 - prohibition against voting, **23:51**
 - recourse in case of breach, **23:52**
 - signed resolutions, **23:54**
- Contracts with corporation (Quebec)
 - generally, **23:53**
 - abstention from voting, **23:54**
 - Bankruptcy and Insolvency Act, **23:55**
 - contravention and recourses, **23:53**
 - deliberations and voting, **23:53**
 - disclosure, **23:53**
 - notions, **23:53**
 - signed resolutions, **23:54**
- English-Canadian law, **23:15**
- Financial institutions, directors of
 - adult and ethics committee, **23:67**
 - civil liability, **23:71**
 - penal liability, **23:72**
 - sound commercial and management practices, **23:66**
 - transactions with restricted parties, **23:68**
- Interests of corporation, **23:21**
- Personal benefit
 - approval, **23:45**
 - Civil Code of Quebec, **23:40**
 - common law rule, **23:24**
 - remuneration, **23:43**
 - secret profits, **23:44**
 - use of information, **23:42**
 - use of property, **23:41**
- Quebec
 - generally, **23:16**

FIDUCIARY DUTIES—Cont'd

- Quebec—Cont'd
 - before 1985, **23:17**
 - Civil Code of Quebec, **23:20**
 - from 1985 to 1989, **23:18**
 - Kuet Leong decision, effects of, **23:19**
- Renunciation of duties, **23:57**
- Summary, **23:58**
- Survival of duties, **23:56**

FUNDAMENTAL FREEDOMS

- Generally, **1:12**

HEAD OFFICE OF CORPORATION

- Generally, **7**
- Change of head office (federal corporations), **7:4**
 - change of address, **7:6**
 - change of province, **7:5**
 - updating declaration, **7:7**
- Change of head office (Ontario corporations), **7:11**
- Change of head office (Quebec corporations), **7:8**
 - change of address, **7:9**
 - change of judicial district, **7:10**
- Head office purpose, **7:12**
- Notice of address, **7:2**

HISTORIC ORIGINS OF CORPORATE LAW

- Confederation
 - generally, **2:7 et seq.**
 - federal, **2:8**
 - Quebec, **2:9**
- English regime
 - after 1850, **2:6**
 - general incorporation statutes (1849-1850), **2:5**
 - special incorporation statutes (1800-1850), **2:4**
 - 1759 to 1800, **2:3**
- French regime (1534-1759), **2:2**
- Introduction, **2:1**

INCORPORATION (FEDERAL VS. PROVINCIAL)

- Generally, **3:16 et seq.**
- Continuance, **3:23**
- Directors
 - “pluses,” **3:18**
 - “super-pluses,” **3:18**

INCORPORATION (FEDERAL VS. PROVINCIAL)—Cont'd

- Governance
 - “pluses,” **3:20**
 - “super-pluses,” **3:20**
- Quebec Business Corporations Act (“super-plus” statute), **3:17**
- Quebec incorporation, advantages of, **3:24**
 - directors, **3:26**
 - remedies, **3:28**
 - share capital, **3:25**
 - shareholders, **3:27**
 - transactions, **3:29**
- Shareholders
 - “pluses,” **3:19**
 - “super-pluses,” **3:19**
- Small and medium enterprises (SMEs), **3:22**
- Statutory comparison, Table, **3A**
- Technical improvements
 - “pluses,” **3:21**
 - “super-pluses,” **3:21**
 - taxation, **3:21**

INDOOR MANAGEMENT RULE

- Application of rule, **26:3**
- Good faith, **26:4**
- Mandate and, **26:10**
- Turquand case, **26:2**

LEGAL PERSON

- Generally, **1:3**
- Attributes and characteristics, **1:6**
- Fiction, **1:5**
- Natural person, **1:4**

LEGAL PUBLICITY

- Generally, **10**
- Consultation, **10:10**
- Evidentiary weight and enforceability, **10:11**
- Registration
 - generally, **10:2 et seq.**
 - declaration of registration (federal corporations), **10:5**
 - extra-provincial corporations, **10:6**
 - filing articles of constitution (Quebec corporations), **10:3**
 - initial declaration (Quebec corporations), **10:4**

INDEX

LEGAL PUBLICITY—Cont'd

- Updating information
 - annual declaration, **10:7**
 - bankruptcy, **10:9**
 - periodic updating, **10:8**

LEGAL PUBLICITY (ONTARIO)

- Additional information, **10:40**
- Certificates, **10:42**
- Filing of returns, **10:34**
 - annual return, **10:35**
 - fee, **10:38**
 - initial return, **10:34**
 - notice of change, **10:36**
 - verifications, **10:37**
- Introduction, **10:33**
- Non-compliance, **10:41**
- Offences, **10:41**
- Presumption, **10:43**
- Records and consultation, **10:39**
- Sanctions, **10:41**

LIQUIDATION (FEDERAL)

- Judicial, **34:10**
 - Canada Business Corporations Act, **34:11-34:12**
 - deadlock, **34:14**
 - “family corporation” factor, **34:18**
 - grounds, **34:13**
 - insolvency, **34:20**
 - loss of confidence in administration, **34:16**
 - loss of substratum, **34:15**
 - partnership analogy, **34:17**
 - prior conditions, **34:19**
- Legal Publicity Act, **34:24**
- Voluntary, **34:9**

LIQUIDATION (ONTARIO)

- Judicial liquidation, **34:52**
- Voluntary winding-up, **34:51**
- Winding-up rules, **34:53**

LIQUIDATION (QUEBEC)

- Generally, **34:31 et seq.**
- Appointment of liquidator, **34:32**
- Arrangement, **34:38**
- Closure of, **34:34**
- Court supervision, under, **34:35**
- Discontinuance of, **34:36**
- Procedure, **34:33**
- Removal of liquidator, **34:32**

LIQUIDATION (QUEBEC)—Cont'd

- Replacement of liquidator, **34:32**
- Transitory rules, **34:37**

MAJORITY RULE

- Generally, **31:3**
- Conclusions, **31:5**
- Exceptions
 - generally, **31:4**
 - fraud on minority, **31:4**
 - infringement of personal rights, **31:4**
 - ultra vires acts, **31:4**
- Foss v. Harbottle, **31:2**

MANDATE

- Generally, **26:5 et seq.**
- Apparent mandate, **26:8**
- Continuity of, **26:9**
- Dissolved corporations, **26:14**
- Indoor management and, **26:10**
- Non-existent corporation, **26:13**
- Ratification, **26:7**
- Real mandate, **26:6**
- Signing of contracts and notes, **26:12**
- Ultra vires and, **26:11**
- Unincorporated corporations, **26:15**

MEETINGS

- By-laws
 - amendment, **28:39**
 - approval, **28:37**
 - effect, **28:38**
 - passing, **28:37**
 - repeal, **28:39**
 - scope, **28:36**
- COVID-19 special measures, **28:30.50**
- Irregularities, **28:40**
- “Long-distance” meetings
 - generally, **28:27 et seq.**
 - federal corporations, **28:28**
 - Ontario corporations, **28:29**
 - Quebec corporations, **28:30**
- Minutes, **28:25**
- Need for meetings, **28:26**
- Resolutions
 - generally, **28:31 et seq.**
 - directors’ resolutions, **28:33**
 - shareholders’ resolutions, **28:34**
- Types, **28:1 et seq.**

MERGERS AND ACQUISITIONS

- Competition Act
 - generally, **33:48 et seq.**
 - advance rulings, **33:57**
 - introduction, **33:49**
 - powers of tribunal, **33:56**
- Introduction, **33:1**
- Mergers and Competition Act
 - generally, **33:50**
 - combinations, particular cases of, **33:55**
 - “gains in efficiency” defence, **33:54**
 - hearing by tribunal, **33:52**
 - lessening of competition, **33:53**
 - prior notice, **33:51**

MINORITY

SHAREHOLDERS—PREVENTIVE RIGHTS

- Cumulative voting, **30:10**
- Demand repurchase of shares, right to
 - generally, **30:11 et seq.**
 - beneficiaries, **30:18**
 - conditions, **30:14**
 - exercise of rights, conditions for, **30:15**
 - failure to notify, **30:16**
 - Quebec statute, **30:13**
 - terms of repurchase, conditions for, **30:15**
 - unpaid shares, **30:17**
- Dissent, right to
 - generally, **30:11 et seq.**
 - federal and Ontario, **30:12**
- Introduction, **30:1**
- Proposals at meetings (federal and Ontario), **30:2**
- Proposals at meetings (Quebec), **30:3 et seq.**
 - admissibility of proposal, **30:7**
 - circulation, **30:8**
 - decision-making, **30:9**
 - discussion, **30:9**
 - limitations, **30:6**
 - minimum requirements, **30:5**
 - type of corporation and meeting, **30:4**
- Take-over bid, rights during, **30:19**

MINORITY

SHAREHOLDERS—REMEDIES

- Cancellation of articles, **31:52**
- Cancellation of contracts, **31:48**
- Compliance order, **31:49**

MINORITY

SHAREHOLDERS—REMEDIES

—Cont’d

- Conclusion, **31:60**
- Correction of mistakes, **31:51**
- “Derivative” action, **31:8 et seq.**
 - federal and Ontario statutes, **31:9**
 - other statutes, **31:11**
 - Quebec statute, **31:10**
- Investigation
 - federal and Ontario, **31:46**
 - Quebec, **31:47**
- Judicial sequestration, **31:7**
- Liquidation, application for, **31:45**
- Rectification of abuse of power or iniquity
 - appeal, **31:44**
 - applicant, **31:37**
 - basis for remedy, **31:38**
 - interim costs, **31:41**
 - majority rule, **31:42**
 - orders, **31:39**
 - prescription, **31:43**
 - scope, **31:36**
 - security for costs, **31:40**
- Rectification of records, **31:50**
- Remedy for fraud, **31:6**
- Securities law and Autorite des marches financiers, **31:54**
- Securities law and Toronto Stock Exchange
 - generally, **31:55**
 - discretion, **31:59**
 - restructuring, **31:58**
 - securities diluting voting rights, **31:57**
 - take-overbids, **31:56**

NATURE OF CORPORATION

- Generally, **1:2 et seq.**
- Banks, **1:11**
- General statute, incorporated or continued under, **1:8**
- Insurance companies, **1:11**
- Private interest, **1:7**
- Profit, seeking, **1:10**
- Share capital, having, **1:9**
- Trust companies, **1:11**

OFFICERS

- Appointment, **25:3**
- Authority of officers and agents, **25:12**
- Choice of officers, **25:6**

INDEX

OFFICERS—Cont'd

- Combination of officers' positions, **25:13**
- Liability, **25:23**
 - civil, **25:23**
 - penal and criminal, **25:24**
- Manager, **25:11**
- President, **25:7**
 - publicity, **25:26**
- Removal, **25:5**
- Remuneration and indemnification, **25:25**
- Secretary, **25:9**
- Term of office, **25:4**
- Treasurer, **25:10**
- Vice-president, **25:8**

OFFICERS' DUTIES

- Generally, **25:14**
- Fiduciary, **25:16**
 - case law evolution, **25:17**
 - discharge, **25:21**
 - intellectual property, right to, **25:22**
 - nature of duties, **25:18**
 - penalty, **25:20**
 - persons subject to duties, **25:19**
- Loyalty and confidentiality of employees, **25:15**

OPPRESSION REMEDY

- Generally, **31:12 et seq.**
- Appeal, **31:34**
- Business judgment rule and
 - generally, **31:28**
 - different context, **31:29**
 - type of decision, **31:30**
 - type of remedy sought, **31:31**
- Circumstances, **31:15**
- Constitutionality, **31:17**
- Costs, **31:33**
- History, **31:13**
- Limits, **31:35**
- Prescription, **31:32**
- Procedure, **31:22**
 - Code of Civil Procedure, application of, **31:23**
 - Code of Civil Procedure, subordination of, **31:24**
 - conflicts of interest and attorneys, **31:26**
 - joinder of remedies, **31:25**
 - jurisdiction, **31:27**

OPPRESSION REMEDY—Cont'd

- Scope
 - corporate veil, **31:21**
 - "same person," **31:21**
 - territorial, **31:20**
 - time aspect, **31:19**
- Types of orders, **31:16**
- Who can take action, **31:14**

PAYMENT FOR SHARES

- Calls for payment, **15:2**
- Effect of failure to pay
 - right to vote, **15:6**
 - share transfers, **15:7**
 - failure to pay, effect, **14:23**
 - winding-up, **15:8**
- Federal corporations, **15:9**
- Obligation to pay, **15:1**
- Ontario corporations, **15:9**
- Recourses for failure to pay
 - generally, **15:3**
 - confiscation, **15:4**
 - legal enforcement, **15:5**

PRE-INCORPORATION

- Civil Code of Quebec, **4:4**
- Conclusion, **4:6**
- Federal corporations, **4:2**
- Introduction, **4:1**
- Ontario corporations, **4:5**
- Quebec Business Corporations Act, **4:4**
- Quebec Companies Act (part IA), **4:3**

PROPERTY RIGHTS

- Generally, **19:16 et seq.**
- Preferred shares and planning, **19:23**

"PUBLIC" CORPORATIONS

- Generally, **35**
- More than 50 shareholders, **35:3**
- Not "private issuer, **35:2**
- Statutory requirements, Table, **35A**
- Summary, **35:48**

PUBLIC OFFERING

- Generally, **35:4 et seq.**
- Criminal offenses, **35:42**
- Defined
 - Business Corporations Act, **35:8**
 - Canada Business Corporations Act, **35:7**
- early warning, **35:39**

PUBLIC OFFERING—Cont'd

- Defined—Cont'd
 - Quebec Securities Act, **35:6**
- Other requirements, **35:41**
- Penalties, **35:42**
- Proxy solicitation, **35:40**
- Publicly traded corporations, **35:43 et seq.**
 - generally, **35:43 et seq.**
 - listing for trading, **35:46**
 - primary and secondary market, **35:44**
 - stock markets, **35:45**

PUBLIC OFFERING—FINANCIAL DISCLOSURE

- Business acquisition report, **35:14**
- Change of auditor, **35:18**
- Exemptions, **35:15**
- Financial statements
 - audit, **35:10**
 - distribution, **35:11**
 - filing, **35:12**
- Penalties, **35:16**
- Press release, **35:13**
- Receivership, **35:17**
- Statements of material change, **35:13**

PUBLIC OFFERING—INSIDER TRADING

- Generally, **35:19 et seq.**
- Insider, definition of, **35:20**
- Insider reports, **35:21**
- Privileged information (federal), **35:23**
 - assessment of damages, **35:37**
 - disclosing, **35:35**
 - insider, definition of, **35:32**
 - limitation, **35:38**
 - security, definition of, **35:33**
 - solidarity liability, **35:36**
 - use of, **35:34**
- Privileged information (Quebec), **35:23**
 - communication of, **35:26**
 - derivative action, **35:30**
 - insider, definition of, **35:24**
 - prescription, **35:29**
 - recommendation, **35:28**
 - use of, **35:25, 35:27**
- Prohibited trading, **35:22**

REVIVAL

- Federal, **34:23**

REVIVAL—Cont'd

- Quebec
 - Act respecting the legal publicity of enterprises, **34:44**
 - Business Corporations Act, **34:45**

SEAL

- Abolition, **11:23**
- Canada Business Corporations Act, **11:22**
- Canadian law, **11:21**
- English law, **11:20**
- Ontario Business Corporations Act, **11:22**
- Quebec Business Corporations Act, **11:22**
- Quebec law, **11:21**

SHARE ACQUISITION

- Generally, **18:1 et seq.**
- Exchange of shares, **18:14**
- Quebec corporations, see SHARE ACQUISITION (QUEBEC)
- return or surrender of shares, **18:15**

SHARE ACQUISITION (FEDERAL)

- Acquisition of shares
 - generally, **18:4**
 - acquisition of redeemable shares, **18:6**
 - “basic test,” **18:5**
 - debt set-off, **18:7**
 - elimination of fractional shares, **18:8**
 - net worth solvency test, **18:4**
 - oppression remedy, **18:9**
 - performance of contract, **18:8**
 - right of dissent, **18:9**
 - solvency test, **18:4**
 - variations of financial test, Table, **18A**
- Cancellation, **18:10**
- Changes to stated capital account, **18:11**
- Holding shares, **18:2**
- Illegal payment, **18:12**
- “Inter-corporate” shares, **18:3**
- Re-issue, **18:10**

SHARE CAPITAL

- Common purpose, **12:1**
- Creation of, **12:2 et seq.**
 - authorized capital, **12:3**
 - issued capital, **12:6**
 - paid-up capital, **12:7**
 - stated capital, **12:8**
 - subscribed capital, **12:5**
 - treasury shares, **12:4**
- Definition, **12:1**

INDEX

SHARE CAPITAL—Cont'd

- Divisible into units, **12:1**
- Investment of funds, **12:1**
- Issued and paid-up capital account, **12:9**
- Maintenance of capital rule, **12:18**
- No par value shares
 - characteristics, **12:16**
 - freedom in issue price, **12:16**
 - protection of public, **12:16**
- Par value shares
 - generally, **12:12 et seq.**
 - defined, **12:13**
 - inherent principles, **12:14**
 - usefulness, **12:15**
- Shares, **12:10**
- Situs, **12:11**
- “Trust fund” doctrine, **12:17**

SHARE CAPITAL, CHANGES TO

- Generally, **20**
- Conclusion, **20:15**
- Consolidation, **20:5**
- Conversion
 - generally, **20:10**
 - convertible shares, **20:14**
 - effect of, **20:13**
 - exchangeable shares, **20:14**
 - issued shares, **20:12**
 - unissued shares, **20:11**
- Increase
 - authorized capital, **20:2**
 - stated capital, **20:2**
- Par value to no par value, **20:7**
- Privileges, **20:9**
- Redesignation, **20:8**
- Reduction
 - generally, **20:3**
 - federal, **20:3**
 - Quebec, **20:3**
- Restrictions, **20:9**
- Rights, **20:9**
- Splitting
 - authorized capital affected, **20:4**
 - authorized capital not affected, **20:4**
 - federal, **20:4**
 - Quebec, **20:4**

SHARE CERTIFICATES

- Bearer certificates, **13:4**
- form (federal), **13:2**
- form (Quebec), **13:2**

SHARE CERTIFICATES—Cont'd

- Nature, **13:1**
- Replacement, **13:3**
- Scrips
 - definition, **13:5**
 - federal, **13:7**
 - form, **13:6**
 - Ontario, **13:7**
 - origin, **13:5**
 - Quebec, **13:7**
- Uncertificated shares, **13:8**

SHARE CLASSES

- Generally, **19:2 et seq.**
- Creation, **19:4**
- Description, **19:3**

SHARE EXCHANGE

- Generally, **18:15**

SHAREHOLDER AGREEMENTS

- Generally, **27**
- Bergeron v. Ringuet
 - commentary, **27:7**
 - conclusion, **27:8**
 - Court of Appeal decision, **27:5**
 - facts, **27:3**
 - Superior Court decision, **27:4**
 - Supreme Court decision, **27:6**
- Legality, **27:2 et seq.**
- Nature, **27:17 et seq.**
 - joint venture, **27:19**
 - partnership agreement, **27:18**
- Unanimous shareholder agreements, **27:9**
- Usual forms
 - generally, **27:10 et seq.**
 - fiduciary control, **27:14**
 - pooling agreements, **27:15**
 - restrictions upon death, **27:12**
 - share transfer restrictions, **27:11**
 - voting and “partnership” clauses, **27:13**
 - “voting trust,” **27:16**

SHAREHOLDER LIABILITIES

- Generally, **19:44**
- Diminished liability
 - generally, **19:49**
 - legal set-off, **19:49**
 - reduction of issued capital, **19:49**
- Limited liability of member of legal person, **19:45**

SHAREHOLDER LIABILITIES

—Cont'd

Limited shareholder liability, **19:46**

Restitution requirement, **19:47**

Tax liability, **19:48**

SHAREHOLDER MEETINGS

Annual meetings, **28:11**

appointment of auditor, **28:11**

approval of acts by directors and officers, **28:11**

approval of by-laws, **28:11**

date and place, **28:11**

election of directors, **28:11**

examination of financial documents, **28:11**

Business meetings generally, **28:10**

By-laws

amendment, **28:39**

approval, **28:37**

effect, **28:38**

passing, **28:37**

repeal, **28:39**

scope, **28:36**

Calling meetings

cancellation, **28:22**

content, **28:21**

electronic notice, **28:23**

notice, **28:19**

postponement, **28:22**

record date, **28:20**

time limit, **28:19**

waiver, **28:19**

COVID-19 special measures, **28:30.50**

“Long-distance” meetings

generally, **28:27 et seq.**

federal corporations, **28:28**

Ontario corporations, **28:29**

Quebec corporations, **28:30**

Minutes, **28:25**

Need for meetings, **28:26**

Organizational meetings (federal and Ontario), **28:5**

Organizational meetings (Quebec), **28:8**

Resolutions

generally, **28:31 et seq.**

shareholders’ resolutions, **28:34**

Special meetings, **28:12**

called by directors, **28:13**

called by judge, **28:15**

called by shareholders, **28:14**

SHAREHOLDER

MEETINGS—PROCEDURE AND VOTING

Adjournment, **29:35**

Attendance at meetings, **29:12**

Calling to order, **29:15**

Chairman and secretary, **29:13**

General principles, **29:1 et seq.**

Language, **29:34**

Proxies

generally, **29:26**

deposit, **29:31**

effect, **29:28**

form, **29:27**

inspection, **29:32**

preservation, **29:32**

revocation, **29:30**

solicitation, **29:33**

term, **29:29**

Quorum, **29:14**

Voting, **29:16**

ballot, voting by, **29:19**

casting vote, **29:22**

cumulative voting, **29:21**

electronic voting, **29:24**

forms of voting, **29:17**

general principles, **29:16**

mail, voting by, **29:23**

record date, **29:25**

roll call, voting by, **29:20**

show of hands, voting by, **29:18**

SHAREHOLDER OBLIGATIONS

Generally, **19:42 et seq.**

Assessments, **19:50**

Duties, **19:43**

SHAREHOLDER RIGHTS

Generally, **19:5 et seq.**

Equal rights, **19:5 et seq.**

Veto rights, **19:40**

SHAREHOLDER RIGHTS—VESTED

Generally, **19:28**

Share issue, **19:31**

SHAREHOLDERS

RIGHTS—MATERIAL CHANGES

Generally, **19:24 et seq.**

Constitution and structure

generally, **19:25**

articles, **19:26**

SHAREHOLDERS

RIGHTS—MATERIAL CHANGES —Cont'd

- Constitution and structure—Cont'd
 - by-laws, **19:27**
- Other changes
 - generally, **19:32**
 - amalgamation, **19:32**
 - bankruptcy, **19:35**
 - business combinations and related party transactions, **19:37**
 - continuance, **19:36**
 - federal corporations, **19:33**
 - Quebec corporations, **19:34**
 - reorganization, **19:39**
 - sale and lease of property, **19:32**
 - squeeze-out transactions, **19:38**
 - voluntary liquidation, **19:32**
- Shareholder consent for certain changes
 - under Canada Business Corporations Act, **Table B, 19:5 et seq.**
 - under Ontario Business Corporations Act, **Table C, 19:5 et seq.**
 - under Quebec Business Corporations Act, **Table A, 19:5 et seq.**

SHARE ISSUANCES

- Generally, **14**
- Acceptance notice, **14:22**
- Cancellation of issued shares, **14:23**
- Issue and distribution
 - generally, **14:12 et seq.**
 - allotment, **14:13**
 - certificates, **14:15**
 - consideration other than cash, issued for, **14:17**
 - discount, issued at, **14:18**
 - formalities, **14:14**
 - fractional shares, **14:20**
 - issue, **14:13**
 - jointly held shares, **14:21**
 - nullity, **14:19**
 - paid-up shares, **14:16**
- Registration, **14:27**
- Securities Act, **14:24 et seq.**
 - exemptions, **14:26**
 - prospectus, **14:25**
- Share acquisition contract
 - definition, **14:3**
 - nature and effect, **14:4**

SHARE ISSUANCES—Cont'd

- Subscription
 - generally, **14:5 et seq.**
 - acceptance, **14:9**
 - conditional subscription, **14:8**
 - form of offer, **14:6**
 - option, **14:10**
 - remuneration in shares, **14:11**
 - revocability of offer, **14:7**

SHARE RETURN OR SURRENDER

- Generally, **18:14**

SHARES, SERIES OF

- Generally, **19:41**

SHARE TRANSFERS

- Generally, **16**
- Corporate duty
 - liability of corporation, **16:11**
 - opposition, **16:10**
 - requirements, **16:9**
- Deposit, **16:19**
- Hypothecs
 - generally, **16:17**
 - effects, **16:17**
 - ranking, **16:17**
 - with delivery, **16:17**
 - without delivery, **16:17**
- Method, **16:12**
- Nominees, **16:16**
- Registration of shares in name of third party, **16:15**
- Registration requirement, **16:13**
- Restrictions (non-statutory), **16:5**
 - articles, restrictions in, **16:6**
 - constrained share corporations, **16:7**
 - contractual restrictions, **16:8**
 - public corporations, **16:7**
- Restrictions (statutory), **16:4**
- Restrictions generally, **16:3**
- Right to transfer, **16:2**
- Securities Act, **16:20**
- Seizure of shares, **16:14**
- Usufruct and bare ownership, **16:18**

SHARE TRANSMISSION

- Generally, **17:1**
- Conditions precedent, **17:9**
- Federal corporations, **17:11**
- Legal seisin, **17:2**
 - effects of registration, **17:5**

SHARE TRANSMISSION—Cont'd

Legal seisin, **17:2—Cont'd**
 no registration requirement, **17:7**
 registration as representative of
 deceased, **17:4**
 representation of deceased, **17:3**
 seisin, **17:2**
 usefulness of registration, **17:6**
 Ontario corporations, **17:11**
 Restrictions, **17:10**
 Transfer to heirs, **17:8**
 Undivided ownership, **17:12**

TAKE-OVER BIDS

Defined, **33:33**
 Effects, **33:36**
 Exemptions, **33:34**
 Notice to Autorité des marchés financiers, **33:38**
 Offences, **33:39**
 Remedies, **33:39**
 Statutory control, **33:32**
 Terms, **33:35**
 Time limits, **33:37**

THIRD PARTIES AND CORPORATIONS

Generally, **26:1**
 Civil Code of Quebec, **26:20**
 Corporate penal and criminal liability
 generally, **26:24 et seq.**
 advantages, **26:28**
 disadvantages, **26:28**
 fidelity insurance, **26:30**
 fire insurance, **26:30**
 offences requiring mens rea, **26:26**
 personal liability, **26:29**
 strict and absolute liability offences,
26:25
 “total knowledge” doctrine, **26:27**
 Customary international law liability,
26:30.50

THIRD PARTIES AND CORPORATIONS—Cont'd

Falsification of documents or signatures,
26:22
 Federal and Ontario statutes
 generally, **26:16 et seq.**
 abolition of constructive notice, **26:17**
 codification of indoor management
 rule, **26:18**
 Legal proceedings, **notification, 26:35**
 generally, **26:31 et seq.**
 authorization, **26:34**
 contempt of court, **26:37**
 French language, **26:36**
 representation, **26:32**
 security for costs, **26:39**
 seizure, **26:38**
 small claims, **26:33**
 Legal Publicity Act, **26:21**
 Liability for acts of employees, **26:23**
 Quebec Business Corporations Act, **26:19**

ULTIMATE BENEFICIARIES

Generally, **10:13**
 Concept of beneficiary, **10:18**
 Consolidation of information, **10:27**
 Consultation of declaration, **10:26**
 Control of the registrant, **10:21**
 Date of birth, **10:30**
 Declaration in register, **10:25**
 Definition of ultimate beneficiary, **10:15**
 Exercise of joint voting, **10:16**
 Fair market value, **10:20**
 Indirect holding, **10:17**
 Limited partnership, **10:24**
 Penalties, **10:28**
 Presumptions, **10:22**
 Professional address, **10:31**
 Redefining the role of registrar, **10:29**
 Suggestions, **10:32**
 Targeted enterprises, **10:14**
 Trusts, **10:23**