

Index

ADMINISTRATORS

Directors as, **1:23**

ADVISERS

Reliance on outside, **9:90 to 9:93**
appropriate, whether, **9:93**
common law standards, **9:90**
Dey Report, **9:92**
entitlement to appoint directors, **9:92**
statutory provisions, **9:91**

ADVISORY BOARDS

Generally, **1:58**

AGENCY

Usual authority, **2:59**

AGENTS

Directors as, **1:21**
conflicts of interest and, **10:21**

AMALGAMATION

Directors following, **4:49 to 4:50**
Long-form, **3:44**
Short-form, **11:80**

AMENDMENT OF ARTICLES/MEMORANDA

Offences re
Nova Scotia, **13:22**
Shareholder approval and, **3:41**

APPOINTMENT OF DIRECTOR

Adviser's entitlement, **9:92**
Application to court, **4:58 to 4:60**
Between annual meetings, **3:49**
Board, by, **4:57**
Court, by
Alberta, **4:53**
oppression remedy, under, **4:55**
reorganization, pursuant to, **4:51**
revival, on, **4:53**
Election and, disputes over, **4:58 to 4:60**
Irregularities in, **8:4**
court resolution of controversy over,
8:8
Responsibilities under statute, **11:36**

APPOINTMENT OF DIRECTOR

—Cont'd

Restrictions on authority to fill vacancy,
3:23

APPOINTMENT OF OFFICERS

Appointment and removal of officers,

2:27

by-law provisions, **2:31**
change of control agreements, **2:32**
employment law principles, **2:30**
how officers are appointed, **2:28**
resignation and removal of officers,

2:29

Determining which offices the corporation
will have, **2:23**

designating officers in the by-laws,
2:26

designation of offices by the board of
directors, **2:25**
statutory requirement to have certain
officers, **2:24**

Office of the chair, **2:38**

Officer as distinct from an employee, **2:36**

Officer as shareholder, **2:37**

Who may be an officer-qualifications,
2:33

directors holding a corporate office,
2:34

multiple offices, **2:35**

APPROVAL, SHAREHOLDER

Additions to stated capital, **3:37**

Amalgamation, **3:44**

Amendment of articles, **3:41**

Appointment and removal of auditor, **3:40**

Arrangements, **3:47**

Confirmation of by-laws, **3:42**

Constraint on shares, **3:43**

Continuance, **3:45**

Dissolution, **3:48**

Generally, **3:36**

Alberta, **3:36**

British Columbia, **3:36**

Canada, **3:36**

Manitoba, **3:36**

APPROVAL, SHAREHOLDER—Cont'd

Generally, **3:36**—Cont'd
 New Brunswick, **3:36**
 Newfoundland and Labrador, **3:36**
 Northwest Territories, **3:36**
 Nova Scotia, **3:36**
 Nunavut, **3:36**
 Ontario, **3:36**
 Prince Edward Island, **3:36**
 Quebec, **3:36**
 Saskatchewan, **3:36**
 Yukon, **3:36**
 Matters relating to the constitution of the board, **3:39**
 Other matters requiring shareholder approval generally, **3:49**
 auditor remuneration, **3:49**
 authority to appoint director between annual meetings, **3:49**
 authority which may be granted by members, **3:49**
 conflicted director counted in quorum, **3:49**
 consideration for shares, **3:49**
 determining the price of no par value shares, **3:49**
 disclosure of records, **3:49**
 under the ABCA, **3:49**
 under the BCBCA, **3:49**
 under the NSCA, **3:49**
 under the OBCA, **3:49**
 under the PEICA, **3:49**
 Other provisions unique to individual jurisdictions generally, **3:29**
 Alberta, **3:30**
 British Columbia, **3:31**
 Manitoba, **3:32**
 Northwest Territories, **3:33**
 Ontario, **3:29**
 Saskatchewan, **3:34**
 Reduction of stated capital, **3:38**
 Sale of all or substantially all, **3:46**

ARRANGEMENTS

Generally, **3:47**
 Alberta, **3:47**
 British Columbia, **3:47**
 Manitoba, **3:47**
 New Brunswick, **3:47**

ARRANGEMENTS—Cont'd

Newfoundland and Labrador, **3:47**
 Northwest Territories, **3:47**
 Nova Scotia, **3:47**
 Nunavut, **3:47**
 Ontario, **3:47**
 Prince Edward Island, **3:47**
 Quebec, **3:47**
 Saskatchewan, **3:47**
 Yukon, **3:47**

ARTICLES

See also Amendment of Articles/ Memoranda
 Amendment of generally, **3:41**
 Sent to Director, **11:14**
 To create new class of shares, **11:82**

ASSETS

Acquisition of conflicts of interest and, **10:10**
 corporate opportunity and, **10:66**
 Director as trustee of, **1:22**
 Pledge of conflicts of interest and, **10:13**
 Sale of conflicts of interest and, **10:9**
 Use of corporate opportunity, **10:68**

AUDITORS

Appointment and removal of auditor, **3:40**
 Generally, **11:63**
 Offences re Ontario, **13:5**
 Remuneration, **3:49**

AUDITS COMMITTEE

Generally, **7:22 to 7:23, 11:73**

AVOIDANCE STANDARDS

Conflicts of interest and, **10:37**
 Disclosure and, **10:37**

BEST INTERESTS OF CORPORATION

Element of fiduciary duty, **9:6**

BOARDS

Generally, **4:1**
 Appointment of directors by, **4:57**
 Compliance duty of, **1:73**
 orders, **1:74**

BOARDS—Cont'd
 Constitution of, **3:36**
 Directors act as members of, **1:15**
 Disclosure, directors' duty re, **1:44**
 Diversity, **4:35**
 Failure to elect full board, **4:61**
 Flexible, **4:23**
 Interlocking, **1:18**
 Mandate of
 generally, **1:60 to 1:73**
 business judgment rule, **1:65**
 common law role, **1:61**
 Dey Report, **1:66**
 Saucier Report, **1:67**
 statutory provisions, **1:62 to 1:66**
 TSE Guidelines, **1:66**
 Passive, **1:64**
 Powers of
 generally, **1:60 to 1:73**
 borrowing, **1:70**
 bylaws not necessary, **1:69**
 scope of, **1:68**
 Ratification
 own actions, **8:14**
 shareholders, by, **8:15**
 Vacancies
 generally, **4:76**
 shareholder restrictions, **3:23**

BORROWING POWERS
 Delegation of, **7:8**
 Directors, of, **1:70**
 Shareholder restrictions, **3:27**

BUSINESS, CARRYING ON
 Registration re, offences, **13:21**
 Shareholder restrictions, **3:17**

BUSINESS JUDGMENT ROLE
 Generally, **1:65**

BYLAWS
 Confirmation of, **3:42**
 Conflicts of interest and, **10:17**
 Delegation and, **7:34**
 Director's term and, **4:75**
 Indemnification, **14:27**
 Meetings and, **6:4, 6:8**
 Notice of meeting and, **6:8**
 Responsibilities re execution, **11:9**
 Responsibilities under statute, **11:34**
 Shareholder restriction on powers, **3:22**

BYLAWS—Cont'd
 Whether necessary, **1:69**

CALLS
 Offences re
 Canada, **13:3**
 Responsibilities under statute
 Quebec, **11:98**

CANADA PENSION PLAN
 Liability for wages and, **12:45**

CAPITAL
 Additions to stated, by shareholders, **3:37**
 Commission for sale of shares, **11:26**
 Dividends, **11:30**
 Impairment of, **13:41, 13:42**
 Increase in, notice of
 Nova Scotia, **13:22**
 Interest on
 Nova Scotia, **13:22**
 Issuing shares, **11:21**
 Purchase or other acquisition of shares,
 11:24
 Redemption of shares, **11:24**
 Reduction of stated, by shareholder, **3:38**
 Sale of constrained shares, **11:33**
 Scrip certificates, **11:27**
 Shares issuable in series, **11:23**

CEASING TO HOLD OFFICE
 Effect of company dissolution on directors' status, **5:31**
 Effect of revival on directors' status, **5:31**
 Overview, **5:1**
 Statutory provisions, **5:2**

CERTIFICATES
 See also Security Certificates; Shares/Stock
 Corrections to, **11:16**
 Scrip, **11:27**
 Signing of, **11:10**

CIRCULARS
 Dissident, **13:18**
 Management, **13:14**

CIVIL REMEDIES
 Conflict of interest, **13:46**
 Employee wages, **13:43**
 Impairment of capital, **13:41, 13:42**
 Insider trading, **13:44, 13:45**
 Winding up (Ontario), **13:47**

COMMISSION

Conflicts of interest and, **10:16**
 Directors' liability for, **12:8**
 Sale of shares, on, **11:26**

COMMITTEES OF THE BOARD

See also Delegation
 Generally, **7:12**
 Audit committee, **7:22 to 7:23**
 Board committees, **7:12**
 Common standing committees, **7:24**
 compensation committee, **7:26 to 7:27**
 corporate governance committee, **7:29**
 executive committee, **7:25**
 nominating committee, **7:28**
 Composition and functioning of, **7:13**
 authority, **7:14**
 composition, **7:15**
 insiders, **7:18**
 number of directors, **7:16**
 other considerations, **7:19**
 outside directors, **7:18**
 residency requirements, **7:17**
 unrelated directors, **7:18**
 function, **7:13**
 meetings of, **7:20**
 Liability, **7:32**
 Reliance on committees, **7:32**
 Special committees, **7:30 to 7:31**
 Types of, **7:21**

COMPENSATION COMMITTEE

Type of board committee, **7:26**

COMPLIANCE

Duty of, **1:73**
 Evidence of, to trustee, **11:11**
 Irregularities and, **8:11**
 Orders, **1:74, 13:37, 13:38**

CONFIDENTIAL INFORMATION

Directors' duty to the corporation, **1:27**

CONFLICTS OF INTEREST

See also Corporate Opportunity
 Acquisition of corporate assets, **10:10**
 Bylaws re, **10:17**
 Case law, **10:42**
 Commission on sale of shares, **10:16**
 Consent, **10:4**
 Corporate opportunity distinguished, **10:46**

CONFLICTS OF INTEREST—Cont'd

Debentures as security, **10:12**
 Director's interest in contract
 generally, **10:19**
 agent of shareholder, **10:21**
 director of other entity, **10:23**
 personal connection with outside party,
 10:25
 shareholder of other corporations,
 10:22
 solicitor, acting as, **10:24**
 trustee of shares, **10:20**
 Disclosure
 application to court, **10:38**
 avoidance standards, **10:37**
 methods of, **10:31**
 quorum, **10:36**
 ratification, **10:39**
 relationship requiring, **10:30**
 shareholder approval, re, **10:27**
 timing, **10:32 to 10:34**
 voting, **10:35**

Effect of
 generally, **10:5**
 accounting to corporation, **10:7**
 contract void, **10:6**
 contract voidable, **10:6**
 profits, **10:7**

Gifts from promoter, **10:14**

Land, re, **10:11**

Liability for, **13:46**

Loans, re, **10:12**

Pledge of corporate assets, **10:13**

Prohibition against, **10:3**

 relaxing, **10:4**

Remuneration, re, **10:15**

Sale of corporate assets, **10:9**

Sale of shares, re, **10:16**

Security for loans, **10:12**

Shareholder approval, **10:26**

 disclosure required, **10:27**

 effectiveness, **10:26**

Statutory regime, **10:28**

Types, transaction, **10:8**

CONSENT

Conflicts of interest and, **10:4**
 Director, to act as, **4:7**
 Meetings and, **6:34**

CONSTRAINED SHARES

- Sale of, 11:33
- Shareholder approval, 3:43

CONTINUANCE

- Alberta, 3:45
- British Columbia, 3:45
- Director following, 4:49
- Manitoba, 3:45
- New Brunswick, 3:45
- Newfoundland and Labrador, 3:45
- Northwest Territories, 3:45
- Nova Scotia, 3:45
- Nunavut, 3:45
- Ontario, 3:45
- Prince Edward Island, 3:45
- Quebec, 3:45
- Responsibilities under statute
 - British Columbia, 11:97
 - Quebec, 11:98
- Saskatchewan, 3:45
- Shareholder approval, 3:45
- Yukon, 3:45

CONTRACTS

- Director's conflict of interest, 10:19
 - agent of shareholder, 10:21
 - director of other entity, 10:23
 - shareholder of other corporations, 10:22
 - solicitor, acting as, 10:24
 - trustee of shares, 10:20
 - void, as effect, 10:6
 - voidable, as effect, 10:6

CONTRIBUTION

- Directors' right to, 12:15, 12:38

CORPORATE GOVERNANCE

- Committee of the board, 7:29

CORPORATE OPPORTUNITY

- See also Conflicts of Interest
- Acquisition of corporate assets, 10:66
- Appropriate, whether, 10:47
- Bidding, competitive, 10:69
- Canaero case, 10:54, 10:55
- Conflict of interest distinguished, 10:46
- Customers, re
 - following employee, 10:72
 - soliciting, 10:65

CORPORATE OPPORTUNITY—Cont'd

- Fiduciary
 - dismissing employees, re, 10:71
 - duty, duration of, 10:62
 - employee, the, 10:56
 - relationship and, 10:71
 - who is a, 10:55
- Interlocutory injunctions, 10:76
- Liability of third parties, 10:75
- Nature of, 10:61
- Nature of breach
 - buy-back of corporate shares, 10:67
 - multiple directorships, 10:73
- Regal (Hastings) case, 10:47, 10:50
- Soliciting
 - customers, 10:65
 - employees, 10:65
 - suppliers, 10:70
- Termination, conduct post-, 10:65
- Use of corporate assets, 10:68

CORPORATION

- Agent of, director as, 1:21
- Best interests of, 9:6
- Certifying on behalf of, 11:12
- Confidential information, directors' duty re, 1:27
- Directing mind, director as, 1:20
- Directorless, 1:4
- Director's relationship to, 1:19
- Disclosure, directors' duty re, 1:44

COVERAGE

- Indemnification, 14:5
- Insurance
 - allocation of loss, 15:22
 - amount of, 15:18
 - claims and, 15:15
 - co-insurance clause, 15:20
 - deductible, 15:19
 - indemnification, 15:10
 - liability, 15:9
 - limits of policy, 15:21
 - reporting period, 15:16
 - scope of, 15:11
 - triggering, 15:15

CREDITORS

- Directors' duty to, 1:38

CUMULATIVE VOTING

- Director's term and, 4:73

CUMULATIVE VOTING—Cont'd	
Election by, 4:63	
Number of directors and, 4:22, 4:26	
DAMAGES	
Liability for wages, re, 12:11	
DEBENTURES	
Conflicts of interest and, 10:12	
DEBTHOLDER LISTS	
Offences re, 13:28	
Responsibilities under statute, 11:19	
DELEGATION	
Authority to, 7:3 to 7:11	
generally, 7:3	
authority may not be delegated, 7:9 to 7:11	
borrowing powers, 7:8	
committee of the board, authority to delegate to, 7:5 to 7:7	
managing director, authority to delegate to, 7:5 to 7:7	
ratification, matters delegated, 7:4	
Restrictions, on authority to appoint and delegate to officers, 3:25	
To management, 7:33 to 7:38	
DERIVATIVE ACTION	
Indemnification and, 14:16	
payment by corporation, 14:25	
scope, 14:21	
Responsibilities under statute	
British Columbia, 11:97	
DEY REPORT	
Advisers and, 9:92	
Mandate of board and, 1:66	
Reliance and, 9:92	
DICKERSON REPORT, THE	
Fiduciary duties and, 9:23	
DIRECTORS	
Administrators, as, 1:23	
Agents, as, 1:21	
Amalgamation, following, 4:49	
Appointment, 4:36	
See also Appointment of Director	
Authority of, 1:15	
apparent, 1:16	
Board members, as, 1:15	
Borrowing powers, 1:70	

DIRECTORS—Cont'd	
Certifying on behalf of corporation, 11:12	
Communicating with, 1:96	
Confidential information, duty re, 1:27	
Conflicts of interest, App IF § IF:11	
Consent to act as, 4:7, 4:8	
Continuance, following, 4:49	
Continuing in office, 1:79	
Corporation	
relationship with, 1:19	
Creditors, duty to, 1:38	
De facto, 1:6	
Definition, 1:3	
Directing minds, as, 1:20	
Disqualification of, 5:3	
Diversity, 4:35	
Dummy, 1:11	
Duties owed by, 1:26	
Election, 4:36	
See also Election	
Employees, as, 1:24	
Fellow directors, duty to, 1:43	
disclosure of information, 1:44	
Fiduciaries as, 9:4	
First, 4:37, 4:38	
terms of, 4:66	
Incumbent, term of, 4:67	
Independent, 4:30	
statutory requirements, 4:31	
Inside, 4:30	
committees and, 7:18	
liabilities, 4:32	
responsibilities, 4:32	
statutory requirements, 4:31	
Interested	
effect on quorum, 6:50	
Liability	
continuing duties and, 1:81	
corporate veil, piercing, 1:47	
personal, 1:47, 7:32	
pleadings, 1:50	
summary judgment, 1:50	
Liquidation, effect of, 1:83	
Liquidators, as, 1:23	
Litigation and, 1:80	
Managing directors	
authority to delegate to, 7:5 to 7:7	
Meetings, 3:24	
right to attend, 6:31	

DIRECTORS—Cont'd

Nomination of, **4:39**
 British Columbia, **4:40**
 committee, **4:42**
 shareholder proposals, **4:41**
 Nominee, **1:17**
 Non-stakeholders, duty to, **1:46**
 Notices, **4:91**
 Number of
 generally, **4:16 to 4:23**
 changing, **4:24 to 4:29**
 cumulative voting, where, **4:22, 4:26**
 decreasing, effect of, **4:27**
 effective date of change, **4:28**
 establishing, **4:19**
 flexible board, where, **4:23**
 minimum number, **4:17**
 Outside, **4:30**
 committees and, **7:18**
 liabilities, **4:32**
 responsibilities, **4:32**
 statutory requirements, **4:31**
 Powers
 borrowing, **1:70**
 restrictions re, **1:76 to 1:83**
 See also restricting powers of
 restructuring proceedings, **1:85**
 Presumed to be, **1:5**
 Qualifications
 generally, **4:2**
 age requirement, **4:3**
 bankrupt, **4:3**
 duty of care, **9:30**
 individual, **4:3**
 Yukon, **4:3**
 mental capacity, **4:3**
 residency requirements, **4:9, 4:10**
 shareholding, **4:5, 4:6**
 statutory, **4:4**
 Qualifications, offences re
 Nova Scotia, **13:8**
 Receivership, effect of, **1:77**
 Registers of
 Nova Scotia, **13:22**
 Remuneration, **11:67**
 Residency requirements
 generally, **4:9**
 case law, **4:11**
 exceptions, **4:12**
 permanent resident defined, **4:14**

DIRECTORS—Cont'd

Residency requirements—Cont'd
 prescribed persons, classes of, **4:15**
 resident Canadian defined, **4:13**
 statutory provisions, **4:10**
 Responsibilities during bankruptcy, **App IF § IF:10**
 Restricting powers of
 generally, **1:76 to 1:83**
 fettering, **1:76**
 liquidation, effect of, **1:83**
 receivership, effect of, **1:77**
 shareholders, by
 See Restrictions of Directors' Powers
 by Shareholders
 winding up, effect of, **1:83**
 Restructuring proceedings, effect of, **1:85**
 Shareholder remedies, other, **1:36**
 Shareholders, as, **1:25**
 Shareholders, duty to, **1:32**
 disclosure of information, **1:34**
 non-directorial relations, **1:35**
 Stakeholders, duty to other, **1:42**
 Statutory definition, **1:3**
 Statutory rights, **1:86**
 See also Statute, corporate
 Terms of
 generally, **4:65**
 bylaws and, **4:75**
 cumulative voting, where, **4:73**
 decreased number, effect of, **4:72**
 first directors, **4:66**
 incumbent directors, **4:67**
 maximum, **4:69**
 one year if not specified, **4:71**
 staggered, **4:70**
 vacancy-filling, effect of, **4:74**
 Trustees of corporate assets, as, **1:22**
 Unrelated
 committees and, **7:18**
 Vacancies
 generally, **4:76**
 class, effect of, **4:86**
 effect of, **4:77 to 4:80**
 filling, **4:81 to 4:83, 4:86**
 no directors remaining, effect of, **4:89**
 quorum permitted to act, **4:77 to 4:80**
 removal, created by, **4:87**
 shareholder meeting required, **4:84**
 term of office and, **4:74, 4:88**

DIRECTORS—Cont'd

Who is, **1:2**
Winding up, effect of, **1:83**

DISCLOSURE

Conflicts of interest and application to court, **10:38**
avoidance standards, **10:37**
methods of, **10:31**
quorum, **10:36**
ratification, **10:39**
relationship requiring, **10:30**
shareholder approval, re, **10:27**
timing, **10:32 to 10:34**
voting, **10:35**

Directors' duty to board, **1:44**
Directors' duty to corporation, **1:44**
Directors' duty to shareholders, **1:35**
Indemnification and, **14:33**
Offences re
 Nova Scotia, **13:8**

DISQUALIFICATION

Director, effect of, **5:3**

DISSOLUTION

Responsibilities under statute, **11:86**
Shareholder approval and, **3:48**
 Saskatchewan, **3:48**
 Yukon, **3:48**

DISSOLVE, INTENTION TO

Directors' right to receive notice of
 Alberta, **1:92**
 Northwest Territories, **1:93**
 Nunavut, **1:94**

DIVIDENDS

Responsibilities under statute, **11:30**
Restrictions on ability to pay (Ontario),
 3:29

D&O POLICY

Standard, **15:6**
 application, **15:7**
 coverage, **15:8**
 See also Coverage
 exclusions, **15:14**
 indemnification, **15:10**
 liability, **15:9**
 loss and, **15:12**
 scope of, **15:11**
 wrongful act and, **15:13**

DUTY OF CARE

See also Fiduciaries; Fiduciary Duty/
 Relationship

Bata Industries Ltd., **9:44**
Caremark, **9:80**
City Equitable, re, **9:38**
Common law standard, **9:30**
Diligence question, **9:32**
Directors' qualifications, **9:33**
Dovey v. Cory, **9:35**
Smith v. Van Gorkom, **9:58**
Standard Trustco, **9:45**
Statutory provisions, **9:39, 9:41**
Tax cases, **9:43**

ELECTION

Cumulative voting, by, **4:63**
Disputes over appointment and, **4:58 to
 4:60**
Failure to elect full board, **4:61**
Irregularities in, **8:4**
 court resolution of controversy over,
 8:8
Ordinary resolution, by, **4:46**
Special majorities, by, **4:47**
Stakeholders, by, **4:48**
Who elects, **4:43 to 4:45**

EMPLOYEES

Customers following
 corporate opportunity and, **10:72**
Directors as, **1:24**
Fiduciaries, as, **9:4**
Fiduciary duty and, **9:4**

EMPLOYMENT INSURANCE

Liability for wages and, **12:42**
 accounts, employee, **12:42**
 director's liability, **12:43**

EMPLOYMENT STANDARDS

Liability for wages and, **12:18 to 12:32**
 Alberta, **12:20**
 British Columbia, **12:21**
 Canada, **12:18**
 case law, **12:32**
 Manitoba, **12:22**
 New Brunswick, **12:23**
 Newfoundland and Labrador, **12:24**
 Northwest Territories, **12:25**
 Nova Scotia, **12:26**
 Nunavut, **12:27**

<p>EMPLOYMENT STANDARDS—Cont'd</p> <p>Liability for wages and, 12:18 to 12:32</p> <p>—Cont'd</p> <p> Ontario, 12:19</p> <p> Prince Edward Island, 12:28</p> <p> Quebec, 12:29</p> <p> Saskatchewan, 12:30</p> <p> Yukon, 12:31</p> <p>EXECUTION</p> <p> Authorizing, resolution, 11:9</p> <p> Bylaws re, 11:9</p> <p> Seal not required, 11:7</p> <p>EXECUTIVE COMMITTEE</p> <p> Type of committee of the board, 7:25</p> <p>EXTRA PROVINCIAL CORPORATION/COMPANY</p> <p> Offences re, 13:21</p> <p>FIDUCIARIES</p> <p> See also Corporate Opportunity; Duty of Care; Fiduciary Duty/Relationship</p> <p> Corporate opportunity and</p> <p> dismissing employees, re, 10:71</p> <p> relationship, re, 10:71</p> <p> who are, 10:55</p> <p> Directors as, 9:4</p> <p> Employees as, 9:4</p> <p> Officers as, 9:4</p> <p> Standard of conduct and, 9:5</p> <p>FIDUCIARY DUTY/RELATIONSHIP</p> <p> See also Corporate Opportunity; Duty of Care; Fiduciaries</p> <p> Breach of, whether, 9:13</p> <p> Canada, 9:23</p> <p> Codification of, 9:11</p> <p> Common law, 9:3</p> <p> Dickerson Report, the, 9:23</p> <p> Directors and, 9:4</p> <p> Elements of, 9:6</p> <p> best interests of corporation, 9:6</p> <p> good faith, 9:6</p> <p> honesty, 9:6</p> <p> Employees and, 9:4</p> <p> Hogg case, 9:20, 9:22</p> <p> Howard Smith case, 9:22</p> <p> Nature of, 9:3</p> <p> Officers and, 9:4</p> <p> Proper purpose test, 9:17</p> <p> elimination of, 9:22</p>	<p>FIDUCIARY DUTY/RELATIONSHIP—Cont'd</p> <p>Proper purpose test, 9:17—Cont'd</p> <p> rejection of, 9:21</p> <p>Standard of conduct and, 9:5</p> <p>Teck case, 9:17</p> <p>Tests, 9:17</p> <p>FINANCIAL STATEMENTS/INFORMATION</p> <p>Offences re, 13:4, 13:36</p> <p>Responsibilities under statute, 11:57</p> <p>FINES</p> <p>Generally, 13:37</p> <p>FIRST DIRECTORS</p> <p>See also Directors</p> <p>Generally, 4:37, 4:38</p> <p>Terms of, 4:66</p> <p>FUNDAMENTAL CHANGES</p> <p>See also Amalgamation; Compromises; Continuance; Dissolution</p> <p>Responsibilities under statute, 11:74</p> <p>GOOD FAITH</p> <p>Element of fiduciary duty, 9:6</p> <p>Indemnification, condition for, 14:10</p> <p>HONESTY</p> <p>Element of fiduciary duty, 9:6</p> <p>Indemnification, condition for, 14:10</p> <p>IMPRISONMENT</p> <p>Generally, 13:37</p> <p>INCOME TAX</p> <p>Indemnification, consequences of, 14:31</p> <p>Liability for wages and</p> <p> generally, 12:33</p> <p> basis for liability, 12:33</p> <p> conditions precedent, 12:35</p> <p> contribution, right to, 12:38</p> <p> defences, 12:36, 12:37</p> <p> director's liability, 12:34</p> <p> due diligence, 12:36</p> <p> offences, 12:39</p> <p> subrogation, 12:38</p> <p> two-year limitation, 12:37</p> <p>INCORPORATION</p> <p>First meeting after, 6:51 to 6:52</p>
--	--

INCUMBENT DIRECTORS

See also Directors
Term of, 4:67

INDEMNIFICATION/ INDEMNITIES

Actions by corporation, 14:16
Alberta, 14:14
British Columbia, 14:17
Bylaw, 14:27
Conditions precedent, 14:9
 good faith, 14:10
 honesty, 14:10
 lawful conduct, 14:11
Contractual, 14:28
Coverage of, 14:5
Derivative actions, 14:16
 payment by corporation, 14:25
 scope and, 14:21
Disclosure requirements, 14:33
Events giving rise to need for, 14:7
Form of, 14:26
Improper, 14:32
Income tax consequences, 14:31
Limitations on, 14:30
Mandatory, 14:13
 payment by corporation and, 14:24
 scope and, 14:20
New Brunswick, 14:14
Newfoundland and Labrador, 14:14
Northwest Territories, 14:14
Payment by corporation, 14:22
 disclosure of, 14:33
Prince Edward Island, 14:18
Relationship to corporation, 14:6
Saskatchewan, 14:15
Scope of, 14:19
Statutory provisions, 14:2 to 14:5
Tax consequences, 14:31
Yukon, 14:14

INDEPENDENT DIRECTORS

See also Directors
Generally, 4:30
Statutory requirements, 4:31

INSIDE DIRECTORS

See also Directors
Committees and, 7:18
Generally, 4:30
Liabilities, 4:32
Responsibilities, 4:32

INSIDE DIRECTORS—Cont'd

Statutory requirements, 4:31

INSPECTORS

Offence, 13:32

INSURANCE

Allocation of
 costs, 15:26
 loss, 15:22
Claims process, 15:25
Coverage
 allocation of loss, 15:22
 amount of, 15:18
 claims and, 15:15
 co-insurance clause, 15:20
 deductible, 15:19
 indemnification, 15:10
 liability, 15:9
 limits of policy, 15:21
 reporting period, 15:16
 scope of, 15:11
 triggering, 15:15
Decision to insure, 15:3
D&O policy, standard
 generally, 15:6
 application, 15:7
 coverage, 15:8
 See also coverage
 exclusions, 15:14
 indemnification, 15:10
 liability, 15:9
 loss and, 15:12
 scope of, 15:11
 wrongful act and, 15:13
Limitations on, 15:5
Statutory provisions, 15:2, 15:5
Who may be insured, 15:4

INTERMEDIARY

Duty of
 Canada, 13:19

IRREGULARITIES

Actions ultra vires the corporation, 8:2
Appointment, in, 8:4
 case law, 8:5
 court resolution of controversy over,
 statutory provisions, 8:8
 statutory provisions, judicial
 consideration of, 8:9
 statutory provisions, 8:6

IRREGULARITIES—Cont'd

Appointment, in, **8:4**—Cont'd
statutory provisions, judicial consideration of, **8:7**

Board meetings, in, **8:10**

Compliance orders, **8:11**
statutory provisions, judicial consideration of, **8:12**

Corporate capacity - statutory provisions, **8:3**

Election, in, **8:4**
case law, **8:5**
court resolution of controversy over, statutory provisions, **8:8**
statutory provisions, judicial consideration of, **8:9**

statutory provisions, **8:6**
statutory provisions, judicial consideration of, **8:7**

Ratification, **8:13**
board of own actions, by, **8:14**
shareholders of board's actions, by, **8:15**

LIQUIDATION

See also Liquidators
Effect on directors' powers, **1:83**
Responsibilities under statute, **11:86**

LIQUIDATORS

See also Liquidation
Directors as, **1:23**
Offences and
British Columbia, **13:6**

MANAGEMENT

Delegation to
generally, **7:33 to 7:38**
authority to delegate to, **7:33**
Bata Industries Ltd. case, **7:37**
Distribulite Ltd. case, **7:38**
managing director, **7:5**
reliance on, **7:36**
Shareholder restrictions, **3:21**

MEETINGS

See also Directors, meetings; Shareholder Meetings
Authority to Call a Meeting, **6:3**
by-Laws, **6:4**
meeting convened without authority, effect of, **6:5**

MEETINGS—Cont'd

Board meetings, frequency and timing, **6:26**
Consent, dissent, abstention
directors not present, **6:36**
directors present, **6:35**
right to dissent, loss of, **6:37**

Content of notice, **6:11 to 6:13**
common law, **6:13**
statutory provisions, **6:12**

Delivery of notice, **6:14**

Form of Notice, **6:10**

In person, directors must meet, **6:23**
failure to attend, **6:25**
proxy, **6:24**

Meeting materials, **6:27**

Minutes, resolutions, **6:38 to 6:39**
requirement for, **6:38**
resolutions and by-laws distinguished, **6:39**
statutory provisions, **6:40**

Notice, how much required, **6:6 to 6:9**
by-laws, **6:8**
case law, **6:9**
statutory provisions, **6:7**

Notice to all directors, **6:15 to 6:17**

Overview, **6:1, 6:2**

Place of Meetings, **6:21 to 6:22**

Quorum requirements, **6:44 to 6:50**
effect of interested directors on, **6:50**
lack of, **6:47**
number required, **6:44 to 6:45**
power of, **6:48 to 6:49**
requirement to maintain, **6:46**

Resident Canadians, **6:28 to 6:30**
exception, directors filling certain vacancies, **6:30**
majority resident Canadians, **6:29**
number at meeting, **6:28**

Resolution in writing in lieu of meeting, **6:41 to 6:43**

Types of meetings, **6:51 to 6:56**
adjourned, **6:54 to 6:55**
electronic, **6:53**
incorporation, first meeting of directors after, **6:51 to 6:52**
one director, **6:56**
telephonic, **6:53**

Voting, conduct of meeting, **6:31**
chair, **6:32**

MEETINGS—Cont'd

- Voting, conduct of meeting, **6:31**—Cont'd
 - directors' right to attend, **6:31**
 - voting, **6:33**
- Waiver of notice, **6:18 to 6:20**
 - common law, **6:20**
 - statutory provisions, **6:19**

MINUTES

- Meetings and, **6:38 to 6:40**

NAME

- Offences re corporate/company
 - Nova Scotia, **13:8, 13:22**

**NATIONAL INSTRUMENT 58-101
(DISCLOSURE OF CORPORATE
GOVERNANCE PRACTICES)**

- Generally, **4:34**

**NATIONAL POLICY 58-201
(CORPORATE GOVERNANCE
GUIDELINES)**

- Generally, **4:34**

NOMINATION

- British Columbia, **4:40**
- Committee, **4:42, 7:28**
- Generally, **4:39**
- Shareholder proposals, **4:41**

NOTICE

- Directors and, **4:91**
- Increase in share capital, of
 - Nova Scotia, **13:22**
- Meetings, re
 - by-laws, **6:8**
 - case law, **6:9**
 - meetings, notice of, how much required, **6:6 to 6:9**
 - meetings, notice of to all directors, **6:15 to 6:17**
 - statutory provisions, **6:7**
- Persons named presumed directors, **1:5**
- Refusal of transfer, of
 - Nova Scotia, **13:22**
- Shareholders meetings, directors' rights re, **1:89**

NUMBER

- Directors, of
 - generally, **4:16 to 4:23**
 - changing, **4:24**
 - committees, on, **7:16**

NUMBER—Cont'd

- Directors, of—Cont'd
 - cumulative voting, where, **4:22, 4:26**
 - decreasing, effect of, **4:27**
 - effective date of change, **4:28**
 - establishing, **4:19**
 - flexible board, where, **4:23**
 - minimum number, **4:17**
- Quorum requirements, **6:44 to 6:50**
- Resident Canadians, **6:28**

OFFENCES

- Body corporate, **13:17**
- Directors and officers
 - actions of directors and officers, **13:3**
 - actions on behalf of company, **13:9**
- General applicability, **13:23**
- Limitation periods, **13:39**
- Non-corporate legislation
 - Builders'/construction liens, **13:54, 13:55**
 - Data protection and privacy, **13:52, 13:53**
- Punishment, **13:37**
- Registration of individuals with significant control, **13:11, 13:12**
- Statutory framework, **13:2**

OFFICERS

- Case law, **2:2**
- Definition in statutes, **2:3**
- de facto officers, **2:4**
- executive officer and named executive officer, **2:8**
- insider trading provisions of the corporate statutes, **2:5**
- officer under securities acts, **2:6**
- senior officer under securities act, **2:7**
- Fiduciaries, as, **2:39, 9:4**
- Fiduciary duty and, **9:4**
- Litigation and Discovery
 - Who is an officer for the purposes of an examination for discovery, **2:10**
 - auditors as officers, **2:16**
 - certain employees as officers, **2:13**
 - commission salesmen as officers, **2:18**
 - conclusion, **2:22**
 - directors as officers, **2:12**
 - former officers, **2:21**
 - general, **2:11**

OFFICERS—Cont'd

Litigation and Discovery—Cont'd
 Who is an officer for the purposes of an examination for discovery, **2:10**
 —Cont'd
 insurance agent, **2:19**
 lawyers as officers, **2:17**
 members of municipal councils as officers, **2:15**
 ministers of the crown as officers, **2:14**
 persons acting under power of attorney as officers, **2:20**
 Who is an officer—onus on plaintiff, **2:9**

OPPRESSION ACTIONS/REMEDY

Affairs, **1:63**
 Court-appointment of directors and, **4:55**

OUTSIDE DIRECTORS

See also Directors
 Committees and, **7:18**
 Generally, **4:30**
 Liabilities, **4:32**
 Responsibilities, **4:32**
 Statutory requirements, **4:31**

OWNERSHIP

Canadian levels, **13:10**
 Information, offences re, **13:20**

POWERS OF ATTORNEY

Persons acting under officers for examination for discovery, **2:42**

POWER TO BIND THE CORPORATION

Agency analysis, **2:51**
 actual authority, **2:52**
 apparent or ostensible authority, **2:53**
 usual authority, **2:54**
 Corporation bound by actions of the officers or directors, **2:60**
 Determining who may bind the corporation in a commercial transaction, **2:74**
 Doctrine of constructive notice, **2:55**
 Indoor management rule
 Common law, **2:56**
 Corporate identification doctrine, **2:76**

POWER TO BIND THE CORPORATION—Cont'd

Indoor management rule—Cont'd
 Corporate statutes, **2:70**
 judicial consideration of statutory provisions, **2:73**
 statutory provisions, **2:71**
 Entities to which the indoor management rule does not apply, **2:75**
 Overview, **2:50**
 Survey of the case law dealing with the power to bind the corporation, **2:59**, **2:61**
 corporation not bound by the actions of the officers, **2:62**
 special statutes, **2:69**

PROFITS

Accounting to corporation for conflicts of interest and, **10:7**

PROPER PURPOSE TEST

Elimination of, **9:22**
 Fiduciary duty and, **9:17**
 Rejection of, **9:21**

PROXIES

Dissident circulars, **13:18**
 Duty of holders, **13:28**
 In-person meeting requirement and, **6:23** to **6:24**
 Management circulars, **13:13**
 Responsibilities under statute, **11:49**
 Solicitation of, mandatory, **13:13**

PUTS

Insider trading and, **2:54**
 Offences re, **13:3**

QUORUM

Conflicted director counted in, **3:49**
 Conflicts of interest and, **10:36**
 Disclosure and, **10:36**
 Meetings and
 effect of interested directors on, **6:50**
 lack of, **6:47**
 number required, **6:44** to **6:45**
 power of, **6:48** to **6:49**
 quorum requirements, **6:44** to **6:50**
 requirement to maintain, **6:46**

RATIFICATION

Conflicts of interest and, **10:39**

RATIFICATION—Cont'd

Delegation and, 7:4
 Disclosure and, 10:39
 Irregularities re, 8:13
 board of own actions, by, 8:14
 shareholders of board's actions, by, 8:15

RECEIVERSHIP

Effect on directors' powers, 1:77

RECORD DATE

Fixing, 11:1 *et seq.*

RECORDS

Directors' right to inspect, 1:87
 Disclosure of, 3:49
 Dissolved corporations, custody of Canada, 13:30
 Examination of, offences re Ontario, 13:16
 Maintenance, offences re, 13:27
 Responsibilities under statute, 11:3

REGISTERED OFFICE

Change of address, 11:2

REGISTERS

Directors, of, 4:93

RELIANCE

See also Committees of the Board; Delegation
 Advisers, outside generally, 9:10 to 9:93
 appropriate, whether, 9:93
 common law standards, 9:90
 Dey Report, 9:92
 entitlement to appoint directors, 9:92
 statutory provisions, 9:91

REMOVAL

Bankruptcy legislation, 5:29
 Directors statement on leaving office, 5:15
 disclosure by corporation, 5:15
 Filling a vacancy, 5:30
 Nature of disclosure, 5:16
 Oppression action, 5:26 *et seq.*
 case law, 5:27
 statutory provisions, 5:26
 Oppressive removal, 5:28
 case law, 5:28

REMOVAL—Cont'd

Overview, 5:13
 annual meeting, 5:14
 disclosure, nature of, 5:14
 special meeting, 5:14
 Resolution in writing, 5:19
 case law, 5:20
 Restrictions on removal, 5:21 *et seq.*
 overview, 5:21
 removal by other directors not permitted, 5:24
 removal by other non-shareholders not permitted, 5:25
 where cumulative voting applies, statutory provisions, 5:22
 directors elected by a class or series, 5:23
 Shareholder resolution, 5:17
 Votes required, statutory, 5:18

REMUNERATION

Auditor, 3:49
 Authority to fix, 3:26
 Conflicts of interest and, 10:15
 Responsibilities under statute, 11:37

REORGANIZATION

Court-appointment pursuant to, 4:51

REPORTS

Untrue offences, 13:31

REQUISITIONS

Directors' right to receive, 1:91

RESIDENCY REQUIREMENTS

Committees and, 7:17
 Directors and, 4:9
 exceptions, 4:12
 permanent resident defined, 4:14
 prescribed persons, classes of, 4:15
 resident Canadian defined, 4:13
 Meetings and, 6:28
 exceptions, 6:30
 majority needed, 6:29

RESIGNATION

Case law, 5:7 *et seq.*
 appropriate to treat directors as having resigned, 5:12
 corporation accepting resignation, 5:10
 delivery of resignation, 5:8
 resignation in writing, 5:7

RESIGNATION—Cont'd

- Case law, **5:7 et seq.**—Cont'd
 - withdrawing a resignation, **5:9**
- Overview, **5:4**
- Resignation, mistaken belief, employment cases, **5:11**
- Resignation, mistaken belief, tax cases, **5:11**
- Statutory provisions, **5:5**
- When a director may not resign, **5:6**
 - first directors, statutory, **5:6**

RESOLUTIONS

- Election by ordinary, **4:46**
- Meetings and
 - generally, **6:38**
 - bylaws distinguished, **6:39 to 6:40**
 - in lieu of meetings, **6:41 to 6:43**
 - in writing, **6:41 to 6:43**
- Offences re, **13:22**

RESPONSIBILITIES, STATUTORY

- Amalgamation, documents re, **11:80**
- Appointing directors, re, **11:36**
- Articles, signing, **11:14**
- Audit, **11:1 et seq.**
- Auditors/inspectors, re, **11:63**
 - committee, **11:73**
- Authorizing execution, **11:9**
- Bylaws, **11:34**
- Bylaws re execution, **11:9**
- Calls, re
 - Quebec, **11:98**
- Certificates, correction to, **11:16**
- Certifying on behalf of corporation, **11:12**
- Commissions for sales, **11:26**
- Compliance, evidence of, **11:11**
- Constrained shares, re, **11:32**
- Continuance/continuation, re
 - British Columbia, **11:97**
 - Quebec, **11:98**
- Debtholders' list, re, **11:19**
- Derivative action, re
 - British Columbia, **11:97**
- Dissolution, re, **11:86**
- Dividends, re, **11:30**
- Documents, execution of, **11:6**
- Enforcement re returns
 - British Columbia, **11:97, 13:36**
- Financial statements, **11:57**
- Fundamental changes, re, **11:74**

RESPONSIBILITIES, STATUTORY

- Cont'd
- Liquidation, re, **11:86**
- Meetings, re, **11:39**
- Proxies, re, **11:49**
- Record date, **11:56**
- Records and registers, re, **11:3**
- Registered office, re, **11:2**
- Reviving, re, **11:92**
- Scrip certificates, re, **11:27**
- Seal, re, **11:7**
- Security certificates, signing, **11:10**
- Series of shares, issuing, **11:23**
- Share capital, **11:20**
- Share certificates, loss of
 - Quebec, **11:98**
- Shareholders' list, re, **11:18**
- Shares, acquiring, **11:24**
- Shares, canceling
 - British Columbia, **11:97**
- Shares, issuing, **11:21**
- Signing authority, **11:10**
- Take-over bids, re, **11:85**
- Winding-up, re
 - Quebec, **11:98**

RESPONSIBILITIES OF OFFICERS

- Officers as fiduciaries, **2:39**
- Powers, responsibilities and liabilities of officers, **2:4**
 - duties and responsibilities of officers, **2:42**
 - liabilities of officers and senior employees, **2:46**
 - power of officers, **2:41**
 - vicarious liability of corporation for conduct of officers, **2:49**

RESTRICTIONS OF DIRECTORS' POWERS BY SHAREHOLDERS

- Authority to appoint and delegate to officers, **3:25**
- Authority to fill a vacancy on the board, **3:23**
- Authority to fix remuneration, **3:26**
- Authority to make by-laws, **3:22**
- Borrowing authority, **3:27**
- Corporation's business, **3:17**
- Directors' meetings, **3:24**
- Directors' power to manage, **3:21**
- Issuance of shares, **3:18**

RESTRICTIONS OF DIRECTORS' POWERS BY SHAREHOLDERS	
—Cont'd	
Liquidation, effect of, 1:83	
Purchase and redemption of shares, 3:20	
RESTRUCTURING PROCEEDINGS	
Effect of, 1:85	
RETURNS	
Enforcement re	
British Columbia, 11:97	
Special, offences re	
Manitoba, 13:7	
REVIVAL	
Court-appointment on, 4:53	
Responsibilities under statute, 11:92	
SALE OF (SUBSTANTIALLY) ALL	
Shareholder approval, 3:46	
SARBANES-OXLEY LEGISLATION (US)	
Generally, 4:34	
SAUCIER REPORT	
Mandate of board and, 1:67	
SCRIP CERTIFICATES	
Responsibilities under statute, 11:27	
SEAL	
Responsibilities under statute, 11:7	
SECURITIES LEGISLATION	
Actions on behalf of issuer, 17:30	
Apportioning liability among multiple defendants, 17:69	
Changes in market price, assessment of damages, 17:68	
Confidential disclosure, 17:59	
Corrective action taken, liability limited where, 17:65	
Costs, 17:72	
Damages, assessment of	
where changes in market price, 17:68	
where securities acquired, 17:66	
where securities disposed of, 17:67	
Damages, limits on, 17:70	
judicial consideration of statutory provisions, 17:71	

SECURITIES LEGISLATION—Cont'd	
Defences to liability for misrepresentations in prospectus, 17:9	
judicial consideration of statutory provisions, 17:12	
no reasonable grounds to believe there was misrepresentation, 17:11	
other defenses, 17:10	
purchaser had knowledge of misrepresentation, 17:9	
Definitions	
document, 17:36	
material fact, 17:36	
misrepresentation, 17:36	
security, 17:29	
Derivative information, misrepresentations in, 17:64	
Director's or officer's circulars, misrepresentations in, 17:14	
judicial consideration of statutory provisions, 17:15	
Documents, unanticipated release of, 17:63	
Exchange bids, 17:22	
Expert reports, liability for misrepresentations in, 17:61	
judicial consideration of statutory provisions, 17:62	
Factors considered by court in assessing liability, 17:58	
Failure to make timely disclosures of material changes	
knowledge of, 17:54	
liability for, 17:42	
proof of, 17:53	
False prospectus, civil liability for, 17:7	
judicial consideration of statutory provisions, 17:8	
Federal regime	
Criminal Code, 17:2	
proposed Canadian Securities Act, 17:3	
Forward-looking information	
forward-looking information, 17:18	
limitations on liability, 17:60	
Incorporation of misrepresentations by reference, 17:24	
Insider trading and tipping, accountability for gain, 17:28	
Joint and several liability for misrepresentations, 17:19	

SECURITIES LEGISLATION—Cont'd

Knowledge of misrepresentation or material change, limitation of liability for, **17:54**

Limitation of damages for misrepresentations, **17:20**

- absolute limitation, **17:21**
- depreciation value, **17:20**

Limitation periods, **17:31, 17:75**

- judicial consideration of statutory provisions, **17:32, 17:76**

Material fact or change undisclosed, liability for, **17:26**

Misrepresentations in circulars, avoiding liability for, **17:16**

- no reasonable grounds to believe there was misrepresentation, **17:17**

Multiple misrepresentations, **17:47**

Non-core documents, conditions on liability for misrepresentations in, **17:50**

- judicial consideration of statutory provisions, **17:51**

Nuisance litigation, requirement for leave, **17:44**

- judicial consideration of statutory provisions, **17:45**
- onus on defendant, **17:46**

Reasonable grounds and investigation, liability where, **17:56**

- statutory consideration of statutory provisions, **17:57**

Rights, no derogation of, **17:23, 17:73**

- judicial consideration of statutory provision, **17:74**

Secondary market disclosure, civil liability for, **17:33**

- documents released by responsible issuer, liability for, **17:38**
- judicial consideration of statutory provisions, **17:39**

Standard of reasonableness, **17:25**

Statements, misrepresentations in influential persons, **17:41**

- no implied or actual authority, **17:49**
- public oral statements, conditions on liability, **17:50**
- public oral statements by responsible issuer, **17:40**

Take-over or issuer bid circulars, liability for, **17:13**

SECURITIES LEGISLATION—Cont'd

Tipping, **17:27**

- accountability for gain, **17:28**

SECURITY CERTIFICATES

Certificates, responsibilities re, **11:10**

- Unauthorized certificates, **2:72**

SENIOR OFFICER

See also Officers

- Defined for securities, **2:7**

SERIES OF SHARES

Responsibilities under statute, **11:23**

SHAREHOLDER MEETINGS

Authority to appoint director between annual meetings, **3:49**

- Directors' rights re, **1:89**
- Duty to call, **11:39**
- Vacancies, to fill, **4:84**

SHAREHOLDERS

Additions to stated capital, **3:37**

- Agreements, **3:3 to 3:15**
- Amalgamation, **3:44**
- Amendment of articles, **3:41**
- Appointment and removal of auditor, **3:40**
- Approval, **3:36**
- See also authority reserved to the shareholders

Arrangements, **3:47**

Authority reserved to the shareholders, **3:36**

- Confirmation of by-laws, **3:42**
- Constraint on shares, **3:43**
- Continuance, **3:45**
- Directors as, **1:25**
- Directors' duty to, **1:32**
- disclosure of information, **1:34**
- non-directorial relations, **1:35**
- Dissolution, **3:48**
- General powers, **3:36**
- Indoor management rule and, **2:70**
- Lists, offences re

 - debtholder lists, **13:28**
 - shareholder lists, **13:25, 13:26**

- Lists, responsibilities re, **11:18**
- Matters relating to the constitution of, **3:39**
- Other matters requiring shareholder approval

 - generally, **3:49**

SHAREHOLDERS—Cont'd

Other matters requiring shareholder approval—Cont'd
 auditor remuneration, 3:49
 authority to appoint director between annual meetings, 3:49
 authority which may be granted by members, 3:49
 conflicted director counted in quorum, 3:49
 consideration for shares, 3:49
 determining the price of no par value shares, 3:49
 disclosure of records, 3:49
 under the ABCA, 3:49
 under the BCBCA, 3:49
 under the NSCA, 3:49
 under the OBCA, 3:49
 under the PEICA, 3:49
 Other provisions unique to individual jurisdictions
 generally, 3:29
 Alberta, 3:30
 British Columbia, 3:31
 Manitoba, 3:32
 Northwest Territories, 3:33
 Ontario, 3:29
 Saskatchewan, 3:34
 Powers generally, 3:36
 Powers to restrict directors' powers, 3:17 to 3:29
 See also Power of Shareholders to Restrict the Powers of Directors
 Proposals, App IF § IF:12, 4:41
 Ratifying board's actions, 8:15
 Reduction of stated capital, 3:38
 Sale of all or substantially all, 3:46
 Shareholder approval, other matters requiring generally, 3:49
 auditor remuneration, 3:49
 authority to appoint director between annual meetings, 3:49
 authority which may be granted by members, 3:49
 conflicted director counted in quorum, 3:49
 consideration for shares, 3:49
 determining the price of no par value shares, 3:49
 disclosure of records, 3:49

SHAREHOLDERS—Cont'd

Shareholder approval, other matters requiring—Cont'd
 under the ABCA, 3:49
 under the BCBCA, 3:49
 under the NSCA, 3:49
 under the OBCA, 3:49
 under the PEICA, 3:49

SHARES/STOCK

Acquiring, responsibilities re, 11:24
 Canceling, responsibilities re British Columbia, 11:97
 Consideration for, 3:49
 Constraint on, 3:43
 Determining the price of no par value shares, 3:49
 Issuance, restrictions re, 3:18
 Issuing, responsibilities re, 11:21
 Ownership information, offences re, 13:20
 Ownership levels, Canadian, 13:10
 Purchase and redemption of, restrictions re
 Alberta, 3:20
 British Columbia, 3:20
 Manitoba, 3:20
 New Brunswick, 3:20
 Newfoundland and Labrador, 3:20
 Northwest Territories, 3:20
 Ontario, 3:20
 Prince Edward Island, 3:20
 Quebec, 3:20
 Saskatchewan, 3:20
 Yukon, 3:20
 Purchase of, restrictions re, 3:20
 Qualifications to hold, 4:5
 Sale of
 conflicts of interest and, 10:16
 Shareholder approval, 3:36
 Transfer restrictions, 13:10
 Trustee of shares, director as, 10:20

SHORT SALES

Insider trading, 2:78
 Offences re, 13:3
 Short sales, 2:78

SIGNATURES

Responsibilities under statutes, 11:10
 Unauthorized, 2:72

SOLICITING	TSE GUIDELINES
Customers	Mandate of board and, 1:66
corporate opportunity and, 10:65	
Employees	UNRELATED DIRECTORS
corporate opportunity and, 10:65	See also Directors
Proxies, mandatory, 13:13	Committees and, 7:18
Suppliers	VACANCIES
corporate opportunity and, 10:70	Generally, 4:76
SOLICITOR	Class, effect of, 4:86
Director acting as	Effect of, 4:77 to 4:80
conflicts of interest and, 10:24	if no directors remain, 4:89
SPECIAL COMMITTEE	Filling, 4:81 to 4:83, 4:86
Generally, 7:30 to 7:31	Quorum permitted to act, 4:77 to 4:80
STAKEHOLDERS	Removal, created by, 4:87
Directors' duty to other, 1:42	Shareholder meeting required, 4:84
Elections and, 4:48	Term of office and, 4:74, 4:88
STANDING COMMITTEES	VOTING
Function of, 7:13	See also Proxies
STATUTE, CORPORATE	Conflicts of interest and, 10:35
See also specific headings for individual	Disclosure and, 10:35
provinces	Meetings and, 6:31, 6:33
Breach of, 13:24	WAGES
STATUTORY PROVISIONS	Accountability for, 13:43
Generally, 1:62	Canada Pension Plan, 12:45
SUBROGATION	Controls, 12:48
Directors' right to, 12:15, 12:38	Employment insurance, 12:42
TAKE-OVER BIDS	director's liability, 12:43
Directors' right to receive circular, 17:127	employee accounts, 12:42
Responsibilities under statute, 11:85	Employment standards
TERMS	generally, 12:18 to 12:32
Directors, of	Alberta, 12:20
generally, 4:65	British Columbia, 12:21
bylaws and, 4:75	Canada, 12:18
cumulative voting, where, 4:73	case law, 12:32
decreased number, effect of, 4:72	Manitoba, 12:22
first directors, 4:66	New Brunswick, 12:23
incumbent directors, 4:67	Newfoundland and Labrador, 12:24
maximum, 4:69	Northwest Territories, 12:25
one year if not specified, 4:71	Nova Scotia, 12:26
presumed, 4:64	Nunavut, 12:27
staggered, 4:70	Ontario, 12:19
Vacancy-filling, 4:74, 4:88	Prince Edward Island, 12:28
TRUST INDENTURE	Quebec, 12:29
Responsibilities under statute, 11:11	Saskatchewan, 12:30
	Yukon, 12:31
	Income tax, federal
	generally, 12:33
	basis for liability, 12:33
	conditions precedent, 12:35

WAGES—Cont'd

Income tax, federal—Cont'd
contribution, right to, **12:38**
defences, **12:36**, **12:37**
director's liability, **12:34**
due diligence, **12:36**
offences, **12:39**
subrogation, **12:38**
Liability for
commissions, **12:8**
conditions precedent, **12:4**
contribution, right to, **12:15**
corporate statutes, **12:2** to **12:3**
damages, **12:11**
employee, who is, **12:5**
improper discharge, **12:13**
increases, guaranteed salary, **12:9**
limitations, **12:14**

WAGES—Cont'd

Liability for—Cont'd
lost wages, **12:13**
services performed, **12:6**
severance pay, **12:12**
subrogation, right to, **12:15**
termination pay, **12:12**
vacation pay, **12:7**
wrongful dismissal, **12:11**
Regular reporting, **12:48**
Resignation, **12:51**
Restructuring and, **12:50**
Source deductions, **12:33** to **12:45**
Trust funds, **12:49**

WINDING UP

Distribution of assets on (Quebec), **11:98**
Effect on directors' powers, **1:83**