

Index

BANKRUPTCY. *See* INSOLVENCY LAW

BUSINESS ASSETS

Protection of from equalization, techniques for, 493-494, 499-509

Protection of from sale or serious impairment, 271-277

Tax issues and, 381-384

Valuation of, 213-217

COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS

Canada Pension Plan credit splitting, 346-347

Constitutionality of exclusion of common law couples from equalization scheme, 348-356

Constructive trusts. *See also* Unjust enrichment, *infra* —

common law couples and, 300-304

development of law re, 295-300

proprietary remedy, as, 304-310

Family home, possessory rights re —

claim for interest in home, effect of, 340-341

domestic violence/restraining order, effect of, 341-343

exclusive possession as incident of spousal support, 339-340

married vs. unmarried cohabitants, 338

rental properties, 343-346

Intestacy of common law vs. married spouses, 347-348

Joint family venture. *See* Unjust enrichment, *infra*

Resulting trusts —

current law re, no role in family cases, 310-311

historical role of in family cases, 296-300

presumption of, 336-338

presumption of advancement, 336-338

Unjust enrichment. *See also* Constructive trusts, *supra*

establishing, summary of steps for in family cases, 320-322

joint family venture. *See* monetary remedies, *infra*

jurisprudence following Supreme Court of Canada's decision in *Kerr v.*

Baranow; Vanasse v. Seguin —

generally, 322

joint family venture, re, 325-334

mutual benefit conferral, re, 334-336

unjust enrichment, re, 322-324

Kerr v. Baranow appeal, 319-320

COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS —

Continued

Unjust enrichment — *Continued*

- monetary remedies —
 - generally, 311-312
- joint family venture —
 - actual intent, 315
 - economic integration, 314-315
 - generally, 313-314
 - mutual effort, 314
 - priority of family, 315
- monetary awards, 312
- quantum meruit, 312-313
- mutual benefit conferral, 316-317
- proprietary awards (constructive trust), 316
- reasonable or legitimate expectations, 317
- Vanasse v. Seguin* appeal, 318-319

COMMON LAW SPOUSES. *See* COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS

DISCLOSURE. *See* PRACTICE ISSUES

DIVISION OF PROPERTY. *See* COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS; EQUALIZATION

DOMESTIC CONTRACTS

- Dependants' support claims and, 162-165
- Disclosure and, 205-209
- Matrimonial home provisions in, 493
- Protection of family property from equalization, use of for, 483-494
- Setting aside, 151-153
- Shareholders agreement and, 504-505

ELECTION BY SURVIVING SPOUSE. *See* ESTATES ISSUES

ENFORCEMENT OF EQUALIZATION OBLIGATION

- Bankruptcy and. *See* INSOLVENCY LAW, Claims “provable in bankruptcy”
- Business, protection of under s. 11 of Family Law Act —
 - alternatives to order resulting in sale or serious impairment (s. 11(2)) —
 - generally, 274-275
 - share of profits (s. 11(2)(a)), 275
 - transfer of shares (s. 11(2)(b)), 275-276
 - generally, 271-272
 - jointly owned business or farm, 272-273
 - sale ordered, examples of, 276-277

ENFORCEMENT OF EQUALIZATION OBLIGATION — *Continued*

- Business, protection of under s. 11 of Family Law Act — *Continued*
 - sale refused, examples of, 277
- Farm, protection of. *See* Business, protection of under s. 11 of Family Law Act, *supra*
- Orders to satisfy equalization payment under s. 9 of Family Law Act —
 - availability of (s. 9(1)), 251
 - delayed payments (s. 9(1)(c)), 252-253, 259
 - generally, 249-250
 - instalments (s. 9(1)(c)), 252-253, 259
 - partition, sale or transfer of property (s. 9(1)(d)), 253-259
 - bankruptcy and, 255-258
 - considerations, 258-259
 - generally, 253
 - lump sum support order, not intended to satisfy, 255
 - mala fides* requirement, 254-255
 - pensions, enforcement against, 258
 - redistribution of property, not intended as, 253-254
 - power of court to make (s. 9(1)(a)), 251
 - security order (s. 9(1)(b)), 251
 - sale of property subject to, 284-285
 - variation or discharge of, 284-285
- Preservation order under s. 12 of Family Law Act —
 - considerations, 279-281
 - evidence required to establish entitlement, 281
 - extra-provincial assets, application to, 282
 - Mareva injunction, distinction from, 283-284
 - power of court to make, 277-278
 - purpose and effect of, 278-279
 - third parties, effect on, 282

EQUALIZATION

- Calculation of payment, 2-4
- Constitutionality of scheme, 348-356
- Election of surviving spouse. *See* ESTATES ISSUES, Family Law Act, recourse for surviving spouses under
- Enforcement of payment. *See* ENFORCEMENT OF EQUALIZATION OBLIGATION
- Net family property, determination of —
 - deductions —
 - debts and other liabilities —
 - contingent tax liabilities, 21-23
 - discounting, 19-21
 - disposition costs, 21-23

EQUALIZATION — *Continued*

Net family property, determination of — *Continued*

deductions — *Continued*

debts and other liabilities — *Continued*

generally, 19

intra-family loans, 23-27

generally, 18

marriage date, 18-19

excluded property —

definition of, 13-14

gifts, 14-16

“losing” exclusion —

common purposes of family, 17

joint names with spouse, 17-18

matrimonial home, 17

tracing, 16-17

included property —

employment-related benefits —

early retirement benefits, 13

severance pay, 12

sick leave, 11-12

stock options, 12

generally, 4-5

licences, 9-11

pensions, 8-9

trust interests, 5-8

onus of proof, 27

property, definition of, 4-5

standard of proof, 27-28

valuation date, definition of, 4

Purpose of scheme, 1-2

Unequal division of net family properties, 28-31

Unfairness, alternative remedies for —

Fraudulent Conveyances Act, 31-32

trusts, 33

ESTATES ISSUES

Common law property claims —

generally, 169-170

resulting trusts, 170-172

unjust enrichment/constructive trust, 172-180

Common law spouses, rights on intestacy of, 347-348

Equitable claims —

proprietary estoppel, 184-187

ESTATES ISSUES — *Continued*

Equitable claims — *Continued*

quantum meruit, 180-184

Family Law Act, recourse for surviving spouse under —

domestic contracts —

generally, 149

setting aside, 151-153

waivers of rights/releases in separation agreement, 149-151

election to take equalization entitlement or under will/intestacy —

bars to, 146

deadline for, 139-142

factors to consider in determining, 143-144

generally, 132-136

health issues and elderly spouses, impact of on, 136-137

notice of, 142-143

restrictions on distribution of estate, 140-142

revocation of, 144-146

survivorship rights and double recovery, 137-139

who can make, 139

spousal support —

competing claims for, 148-149

order for binds estate, 147-148

remarriages, impact of on, 148-149

Intestacy rules, remarriage and cohabitation, 165-169

“Predatory” marriage, 165-169

Succession Law Reform Act, recourse for surviving spouse under —

dependants’ support claims —

award for support, 161-162

deadline for bringing, 159-160

dependant, definition of, 154

failure to make adequate provision, 156-159

generally, 153

interim support, 160-161

spouse, meaning of, 154-156

who can make, 154

domestic contracts, impact of —

cohabitation agreements, 165

generally, 162-163

marriage agreements, 165

separation agreements with provision for support, 164-165

separation agreements with release of support, 163-164

Wills, impact of remarriage or cohabitation on, 165-169

EXPERTS. *See* PRACTICE ISSUES

GIFTS

Exclusion from net family property, 14-16
Presumption of advancement, 336-338
Protection of family property, as technique for, 494-498

INSOLVENCY LAW

Administration of bankrupt's estate —
 generally, 421-422
 meetings of creditors, 422
 proofs of claim, 423
 voting by creditors, 422
Administrative officials —
 inspectors, 419
 Registrar in Bankruptcy, 418-419
 Superintendent of Bankruptcy, 417-418
 trustee in bankruptcy, 416-417
Annulment of bankruptcy, 466-468
Bankruptcy and Insolvency Act —
 businessperson's statute, as, 409-410
 consumer aspects of, 410-411
 generally, 408
Bankruptcy, methods of achieving —
 application by creditor for bankruptcy order, 420-421
 failed proposal to creditors, 421
 voluntary assignment by debtor, 420
Claims "provable in bankruptcy" —
 costs awards in family law proceedings, 468-473
 discharge of bankrupt, effect of, 425-426
 equalization claims, release of —
 generally, 430-438
 mitigating effect of, suggestions for, 439-440
 timing of bankruptcy in relation to separation date, 438-439
 generally, 424-425
 release of, 425-426
 stay of proceedings, 425
 support —
 arrears, preferred status of, 427, 440-441
 claims, exemption from release, 425-426
 claims, exemption from stay of proceedings, 427-428
 garnishment proceedings, use of to enforce, 428-430
 trust. *See* Trust claims and, *infra*
Equalization and. *See* Claims "provable in bankruptcy", *supra*

INSOLVENCY LAW — Continued

- Equitable doctrines to assist non-bankrupt spouse —
 - equitable accounting, 452-453
 - equitable charge, 451-452
 - equity of exoneration, 449-451
 - estoppel, 453-455
 - Family law, interaction with, 407-408, 441-442, 481-482
 - Family Orders and Agreements Enforcement Assistance Act, effect of, 466
 - Jurisdiction of courts, 419-420
 - Matrimonial home, effect of bankruptcy on —
 - partition and sale application, 443-445
 - possession rights of non-titled, non-bankrupt spouse, 445-447
 - set-off, 447-449
 - severance of joint tenancy, 442-443
 - Personal property, rights to —
 - chattels, 455-456
 - choses in action, 456-459
 - equalization payment, interest in, 456-459
 - pensions, 460-466
 - Registered Education Savings Plans (RESPs), 462
 - Registered Retirement Income Funds (RRIFs), 460-462
 - Registered Retirement Savings Plans (RRSPs), 460-462
 - support payments, interest in, 459-460
 - Provincial legislation —
 - Creditors' Relief Act, 2010, 413-414
 - Execution Act, 412-413
 - Mortgages Act, 414-415
 - Personal Property Security Act, 411-412
 - Purposes of, 409
 - Support and. *See* Claims “provable in bankruptcy”, *supra*
 - Trust claims and —
 - constructive trusts, 477-479
 - express trusts, 473-475
 - generally, 473
 - joint family venture, 479-481
 - resulting trusts, 475-477
 - Vesting of property on bankruptcy, general rule re, 423-424
- JOINT FAMILY VENTURE. *See* COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS**
- MATRIMONIAL HOME**
- Bankruptcy, effect of on, 442-449
 - Domestic contracts, provisions in to protect, 493
 - Exempt from deduction in net family property calculation, 19

MATRIMONIAL HOME — *Continued*

Exempt from exclusion from net family property calculation, 17

Partition and sale of, 265-270

Possessory rights re —

declarations, 260

married vs. unmarried cohabitants, 338

rental properties, 343-346

Principal residence deduction, 376

NET FAMILY PROPERTY. *See* EQUALIZATION

**OWNERSHIP AND POSSESSION - DETERMINATION OF ISSUES
BETWEEN SPOUSES**

Business, protection of, 271-277

Compensation after sale of property, 265

Declarations of court —

ownership, 260-261

possession, 260

trust interests —

cases decided after Supreme Court of Canada's decision in *Kerr v.*

Baranow, 264-265

constructive trusts, 261

quantifying monetary remedy, 263-264

remedies, 262-263

unjust enrichment, 261-262

Farm, protection of, 271-277

Partition and sale —

interim sale, 268

Partition Act and Family Law Act, interaction of, 265-266

right of first refusal for spouse, 269-270

sale to spouse, 269-270

sale under Partition Act, 266-267

sale under s. 10(1)(c) of Family Law Act, 268

Powers of court re, 260

Security for performance of order, 284-285

PARTITION AND SALE. *See* ENFORCEMENT OF EQUALIZATION

OBLIGATION, Orders to satisfy equalization payment under s. 9 of

Family Law Act; OWNERSHIP AND POSSESSION -

DETERMINATION OF ISSUES BETWEEN SPOUSES

PENSIONS

Bankruptcy and rights to, 460-466

Enforcement of equalization payment against, 258

Net family property calculation, inclusion in, 8-9

Tax deferral available for transfers to and from, 378-380

PENSIONS — *Continued*

Valuation of, 217

PRACTICE ISSUES

Application for equalization, rules for filing, 189-190

Expert evidence. *See* Valuation issues, *infra*

Disclosure —

domestic contracts and —

failure to provide as ground to set aside contract, 205-206

requirement to provide during negotiations, 206-209

financial statements —

lawyer's obligations re, 203-205

requirement to provide, 201-203

non-disclosure. *See* Non-disclosure, sanctions for, *infra*

obligations of experts, 219-222

obligations of parties, 190-192

process for gathering —

affidavit listing documents, 192-194

documents in non-parties' control, 194-198

request to admit, 198-201

Non-Disclosure, sanctions for —

contempt motions —

generally, 240-241

orders subject to contempt, 242-243

procedural requirements, 243-247

test for finding of contempt, 241-242

failure to file financial information, 231-234

failure to follow rule or obey order, 235-237

need for, 227

non-compliance with court orders, 228-231

reinstatement of pleadings, 239-240

striking pleadings, 237-239

Valuation issues —

business assets —

Chartered Business Valuator —

description of, 213

independence of, maintaining, 215-216

issues requiring use of, 216

report of. *See* expert evidence, *infra*

retainer process, 214-215

selection of, 214

when to retain, 213-214

methodologies, 216-217

PRACTICE ISSUES — *Continued*

Valuation issues — *Continued*

- expert evidence —
 - admission of, 224-225
 - Chartered Business Valuator. *See* business assets, *supra*
 - cross-examination of expert, 225-226
 - examination of expert in-chief, 225
 - number of experts, 223
 - opinion evidence vs. fact, 224
 - qualifications of expert, 222
 - qualifying the expert at trial, 223-224
 - reply examination of expert, 226-227
- report —
 - disclosure obligations re, 219-222
 - requirements for, 219
 - service of, 222
 - time for service of, 223
- interim disbursements and costs, order for, 211-213
- obligation to value assets, 209-210
- pensions, 217
- personal property, 219
- real estate, 217
- valuation date, determination of, 210-211

PRESERVATION ORDER. *See* ENFORCEMENT OF EQUALIZATION OBLIGATION

PROPERTY DIVISION. *See* COHABITANTS' PROPERTY RIGHTS AND OBLIGATIONS; EQUALIZATION

PROTECTION OF FAMILY PROPERTY TECHNIQUES

Business-specific protections —

- estate freeze —
 - control issues, 509
 - generally, 505-506
 - net family property estate freeze, 506-507
 - net family property estate freeze plus gift back, 507-509
- giving children option to purchase shares in certain circumstances, 509
- shareholders Agreement —
 - articles of incorporation, 504
 - buyout provisions, 500-502
 - funding buyout, 502
 - generally, 499
 - other possible provisions, 503-504
 - relationship between domestic contract and, 504-505

PROTECTION OF FAMILY PROPERTY TECHNIQUES — *Continued*

Business-specific protections — *Continued*

shareholders Agreement — *Continued*

spouse as party to, 499-500

Domestic contracts —

clauses to consider including in —

business interests, 493-494

compensation for release of equalization payment, 490

dispute resolution, 490-491

exclusion of certain assets from security for or satisfaction of claim,
491-492

formula for valuation, 492

matrimonial home, 493

enforceability of —

fairness, 487-489

financial disclosure, 486-487

generally, 485

independent legal advice, 485-486

generally, 483-484

property models in —

complete release - “separate as to property”, 489

exclusion of certain (categories of) assets, 490

exclusion of marriage date assets and future growth, 490

graduated equalization scheme, 489-490

Fraudulent Conveyances Act, application of, 511-512

Gifts or bequests —

excluded from net family property, 494

gifts to children —

ensuring exclusion —

formalities and record keeping, 496-497

loans, 495-496

request particular use, 495

generally, 494-495

purchase of property with, 497-498

Improvident depletion concerns, 510-512

Joint ownership, 498-499

Trusts, 498

Unconscionability issues, 510-512

TAX PRINCIPLES

Interest paid for financing, deductibility of, 386

Joint and several tax liabilities, 385-386

Legal fees, deductibility of, 386

Life insurance policies, transfers of, 384-385

TAX PRINCIPLES — *Continued*

- Minimization of tax, strategies for —
 - business interests, transfer of, 383-384
 - Canada Pension Plan credit splitting, 383
 - capital gains exemptions —
 - general, 382
 - small business corporation, 381-382
 - capital loss utilization, 376-377
 - pensions, transfers to and from —
 - Locked-In Retirement Accounts (LIRAs), 380
 - Registered Pension Plans (RPPs), 379-380
 - Registered Retirement Income Funds (RRIFs), 379
 - Registered Retirement Savings Plans (RRSPs), 378-379
 - summary of available tax deferrals, 378
 - principal residence deduction, 376
 - Registered Education Savings Plan (RESP) contributions, 381
 - RRSPs with unused contribution room, 381
 - spousal RRSP withdrawals, 381
 - summary of basic, 375-376
 - Tax-Free Savings Account (TFSA) contributions, 382-383
 - trust interests, transfer of, 383-384
- Property —
 - Income Tax Act, types of under, 360-361
 - matrimonial, examples of, 357-359
 - rollover. *See* transfers between spouses and common law partners, *infra*
 - taxation of, basic —
 - calculations —
 - depreciable capital property, 365-367
 - listed personal property, 367-368
 - non-depreciable capital property, 364-365
 - personal use property, 367-368
 - classification of matrimonial property, 362-363
 - transfers between spouses and common law partners —
 - common law partner, definition of, 369-370
 - separated, definition of, 369-370
 - spouse, definition of, 369-370
 - tax-free rollover under s. 73 of Income Tax Act —
 - attribution rules for income and capital gains, 374-375
 - capital property, meaning of, 372
 - election to have not apply, 372-373
 - equalization payments, transfers of, 373
 - generally, 370-371
 - mechanics of, 372
 - non-residents, 375

TAX PRINCIPLES — *Continued*

Property — *Continued*

transfers between spouses and common law partners — *Continued*

tax-free rollover under s. 73 of Income Tax Act — *Continued*

qualification criteria, 372

spousal trust, transfers to, 373

United States real estate, transfers of, 375

Support rights, lump sum cash settlement of, 385

TRUSTS

Bankruptcy and, 473-481

Constructive. *See* COHABITANTS' PROPERTY RIGHTS AND
OBLIGATIONS

Protection of family property, as technique for, 498

Resulting. *See* COHABITANTS' PROPERTY RIGHTS AND
OBLIGATIONS

Taxation and, 383-384

UNJUST ENRICHMENT. *See* COHABITANTS' PROPERTY RIGHTS
AND OBLIGATIONS

VALUATION. *See* PRACTICE ISSUES

