

## Lecture 1: January 6th, 2020

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*Things break. How do you get out of it? What is the exit door?"*

You need to know the exact definitions word by word.

The Jian Ghomeshi files. Accused of sexual assault. Overcoming resistance by choking. 3 different women.

- Different allegations.
  - He gets a women to represent him in court. Woman from Egypt, immigrated to Canada. Costed him more than 3/4 of a million.
  - She says to Ghomeshi: do not talk to the media.
  - The 3 victims went to trial.
  - One of the victim comes and presents some emails they exchanged.
  - She asked her why she sent him a picture of her in a bikini. She asked the second one, why she was masturbating him in a park. The 3rd one, how do you have time to write down everything that happened.
  - He was declared not guilty because of reasonable doubt. The Crown did not appeal the case. The witness destroyed their own story.
  - She used the elements from the victims to turn them against themselves.
- Ghomeshi was destroyed in the media.
- Happened 2 years ago.

Unjustified termination of employment

Stage discovery: when the parties bring their evidence.

- Building facts that you cannot deny, to corner the opponent.
- Lots of questioning on facts they cannot deny.
- Asking about the legal aspect of the action you took. "do you know which rule you followed to fire that person?"
- Make a settlement: reintegrate the employee, plus compensation.
- File a complaint on the person and make sure it is public. (Harassment and abuse of power)
- Lawyers do not care about emotions. They only care about winning the case.

1. Always confirm everything by writing.
2. Get the authorization by your boss, in writing.
3. Take the legal steps to protect yourself.

Movie to watch: *Molly's Game* (Netflix)

- She did everything legally speaking. She was getting paid only by tips. She was declaring everything. She became the bank. She gets a commission in order to pay back the debt. They use the legislation of money laundering. They take all the assets and everything. She does not have anything to pay it back.
- In the US, they want to squeeze the person. They want to break her. They offer to do a clean slate if she snitches on the Russian mob, she denied and they came to beat her.

Small firms do criminal law. Larger firms will be very selective in order to preserve the status.

Show Suits

- Give up your soul to the company. The firm is the first priority.

Why are very few women in large firms with children? (journal article)

Read: Lean In, Sheryl Sandberg

- One thing she says in the book: act like men. Do the calls.

Midterm: what is covered in class.

Final exam: not cumulative. Topics from the midterm are not in the final.

Term Paper: studying a contract. Use the material in class and the textbook. No need for extra content/sources. You will interpret the clauses that are in the contract, and say what it means and what are the consequences. Due the last Monday of March.

The new trend on phones: health side. Fitbit, etc.

Apple and Samsung trade shares in order to pay themselves out. They don't have the time to go through law suits. You always need to have the edge. Be the first.

Bourgeois who live in the actual castles. What is bourgeois in English?

Capitalist: the usage of all the forms of capital for production (money, people, objects). The power to execute and transform that capital. You are the owner of that capital (property, capital, asset)

- The bad connotation came from people who abused of the capital power.
- Lawyers are always besides CEOs.

For next week's class: bring a sample of an agreement.

The Bachelor (tv show)

## 5 Fundamental principles that define our legal system in our country

1. **Law:** The rules established by a sovereign authority that defines and dictates the rights and obligations of persons in a given convectional situation.
  - Men and women are equal. A rule that is not negotiable.
  - Quebec says "We are a nation".
  - Conflict between individual rights (English Canada) and collective rights (French Canada). If you don't like it move.
  - Taylorism: By Frederick Winslow Taylor. The principles of scientific management
    - Aims to achieve maximum job fragmentation to minimize skill requirements and job learning time
    - Separates execution of work from work-planning
    - Separates direct labor from indirect labor
    - Replaces rule of thumb productivity estimates with precise...
  - There's a duty to people.
  - Sovereign authority:
  - Rights and obligations: duties are not to hurt someone and the obligation is to feed kids.
  - Example: you live in a condo and there is a child sleeping in a room. Is there a problem if I put a camera in his room. If something happens, what is your time reaction to resolve the problem? Is the door locked? Is the kid-safe? If I'm watching the kid do I have a direct vision on the kid.
  - In a given context: things change with the years.
    - Ex. In other countries, they have placentas so that men can have children. As long as people pay, there is no issue with the law.
    - An ethical lawyer always has to sign on the documents.
    - In a country, the guy received money for the effort of given semen. When he wanted to get married, he discovered his wife had the same father. They were told that they were doing incest by the law.
2. Constitutional individual rights in our charter right and freedom: as a Canadian wear the most individual constitutional rights as anywhere else in the world.
  - In Ukraine, there was an election. Canada had a council that was there to make sure it is kept democratic.
  - Many people from Ukraine would want to marry you in order to leave the country. (Tv series: Chernobyl)

- They do not have any individual rights.
  - 3. Based on a capitalist approach on property: the right to own the capital. The right to possess the capital and dispose of it. Individual selfishness that creates our economy. Selfishness generates our profits. Capitalism has been the savior of our world. Example of China: Mao who made this cultural revolution in China, more Chinese people died than in the second world war. How we handle the capital is the most important part. Capitalism saves people from a dead-end situation, not a perfect system, but more people are living better.
  - 4. Democracy in Canada is secured by the role of the courts.
    - The guardians of our society is the court. The stronger is the court, the stronger is the country.
    - America is going to be so powerful because they have a lot of immigrants coming in. They get the elite people to move in.
    - Bill Clinton, he has a relationship with Monika Levski. He was accused of having a lot of sexual abuse. He had an affair with her. He pledged on the Bible that he was saying the truth even though he was lying. Monika said that they did xxx in the white house. He never had vagina penetration with her, so in the law, he did not lie when he said he did not have sex with her.
    - Trump never pledged on the Bible.
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## Lecture 2.

### Term paper

- Ethics are issues we will see
- Objective
- Stakeholders of who is involved
- Page number count of a window for us
- Each phrase often becomes a clause **“OK”**

### Domination???

- Multinationals dominate their field so they can grow and make actual outcomes. If you don't understand how they think, you can't work with them. You need power.
- Heinz Kraft owns 900 different brands to have more power and dominate fields
- Merger Heinz Kraft. Brings you all your kitchen supplies, and food. They are here to dominate the world. They do this to link with google to develop new software to have your fridge to let you know when you are running low on food. Learn your patterns to be able to dominate people.
- Chat about dumb shit to people like the bachelor so you can make conversation. Lawyers are good at this.

- Multinationals never file for bankruptcy because the bank would take them if its a loss. They only do it if someone else wants to buy them out.

Fifth principle that defines our legal system in our society: The protection of individual rights is secured by the charter. Grants to the courts all the necessary powers to rectify the violation.

- 1. Anyone means you as a person. We are a physical person. A person has 20 different meanings. Know that it is an individual right. It's important to know there is a difference between the persons because it can mean different things. Anyone whose rights or freedoms, as guaranteed by this Charter, infringed or denied may apply to a court of competent jurisdiction to obtain such remedy as the court considers appropriate and just in the circumstances.
  - This is the clause of consequence. This is what makes our country unique. The Charter of Rights makes us unique and special. 1-20.
  - Bill Clinton and Monika would be thrown away in other countries but when he made a pledge he must hold true to that, trump never made a pledge.
- 2. Court concludes that evidence was obtained in a manner that infringed or denied any rights or freedoms guaranteed by this charter, the evidence shall be excluded if it is established that, having regard to all the circumstances, the admission of it in the proceedings would bring the administration of justice into disrepute.
  - We would rather have 10 criminals free than put an innocent in jail. Because we all pray the price of not respecting the price of people in our society. Regina versus you. Civil list, we pay for the Royal family. Millions every year. Needs a lot of consent to change a Monarchy. Not a discrimination element if you need to be bilingual. Its bonafide requirement for the government because it's in the constitution.
- Karla Homolka now a trans man and her husband got involved in sexual conduct. They drug these girls and one of them was Carla's sister. They perform their sexual fantasies and then kill them and chop them up. The family was asking about her sister and she was laughing because they killed her. Use to say her husband was beating her but they can't prove the murders or Bernado. She had to testify against Bernardo. Bernardo goes to jail. Cops spend time in the house but they were taping what they were doing. You have to fight for people even if they killed. Regina versus Smith. Regina represents society. Defense counsel must defend. They must make sure the police do their job correctly. Karla paid her time but no one wanted to give her a job. They paid for her facelift. New legal name its Tremble. She is now volunteering at an elementary school.
- Most cases are false allegations, it's important to be judged and have defense because it's everyone against you.

- A heart surgeon married to a lady who has an affair. Then he loses it and kills the kids and takes their hearts and gives it to her to show that if she takes his heart he will take theirs from her. He can still practice his profession because the court said he was not criminally responsible because of the stuff he took before he tried to kill himself affected him weird.

#### Four mechanisms to Resolve Conflict

1. Negotiation, deal with the following elements.
2. Desire to find compromise. Mediation, bringing the parties to compromise and make a settlement. The mediator does not have the authority for a sanction or decision. Mediate on key issues.
3. The actual techniques of the negotiation. Arbitration. Independent party that will rule on the rights of the parties.
4. The actual desire to win or lose.
5. Fourth one, the actual capacity to move to other areas, negotiation, close the file, prosecute. (the more you drag something in court, the more at the end of the day, you will close the file. The problem is that at the end sometimes it kills.) Supreme court Jordan; the whole process from the beginning to the end must be done in 18 months. Decisions and charges. If it's not done you go before the judge, you declare the Jordan. Indictable offenses, 30 months, driving drunk and smoking, you can't fight it unless you argue someone intoxicated you.
  - a. Drunken without consent
  - b. Forced to drink
  - c. Minor
  - d. lied/fake story

Once you cross the customs line you must follow the rules of the country.

Litigation - teachers were protesting and yadda yadda. After the break, we are going to talk about a free democratic society. We are allowed to be topless as long as it's not for sexual gratification. Both parties have breasts we are all equal.

Charter; November 15, 1976. First time in history we pick a Quebec party. Basic earthquake in the country because no one thought that would happen. Prime minister Pierre said if you vote no to independence it means a reform of our constitution. New charter that is a copy of the US bill of rights but put into a Canadian version. With Canadian content. 8 provinces out of ten were against the Charter of rights. Quebec was leading it. They decided to negotiate but exclude Quebec. 30,000 votes kept this country alive and together. Whoever has the power decides.

<https://laws-lois.justice.gc.ca/eng/const/page-15.html>

Fundamental Freedoms

2. Everyone has the following fundamental freedoms:

- Freedom of religion and conscience (Pastafarian, can wear spaghetti strainers on head, not harming anyone it's what they believe in.)
- Freedom of thought, belief, opinion and expression
- Freedom of peaceful assembly
- Freedom of association

#### Democratic Rights

3. Every citizen of Canada as the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

Maximum duration of legislative bodies

4. (1) No House of Commons and no legislative assembly shall continue for longer than five years from the

The rule of law: is the standard of how we actually create our democratic and \_\_\_ system.

- We believe in natural justice and fairness
- Everyone is equal before the law
- Everyone has the right to be heard before the courts

5. Shall look at link

#### Mobility Rights

6. (1) every citizen of Canada has the right to enter remain in and leave Canada  
(2) every

Must hire people in the province first

#### Legal Rights

The state and you

Are men and women equal in law

- enjoy the same benefits of the law
- are not the same
- Why are we allowed to say girls can't go to all boys schools
- The way we teach favour girls, boys process differently. Classes are built for boys to make sure they have a different education that taylor to them.

#### Lecture 3

Violation of the Charter

Guarantee of Rights and Freedoms

Rights and Freedoms in Canada

1. The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

#### Wet Markets in China

- Buy live animals and then slaughter in front of you. Bats, snakes, then drops onto the other animals. The bait was carrying the virus and then spread to the other animals. Then spread to the individuals and spread it to everyone else in other cities. Airports are now asked to check on these things. No one wants to trust China. Now spreading to other Asian countries. They are checking people flying around now to see if they are carrying the virus to put them in quarantine. Canada post is the link to everything, they carry all the vaccines they have special lockers. 1 out of 3 people get it. Canadians will take care of you if you take of Canadians.
- What to do for people that don't get it?
  - Berivale airport is the quarantine site.
  - 24 years ago the legislation was placed
  - What are your rights if people try to send you off for being sick
- SARS and MERS spread

#### OAKES Test

- Same process for any steps
  - Go through the test
  - Test by the supreme court in 1986. Reasonable limits clause.
  - [Oakes test](#) relationship between the state and you
  - David Oakes was trafficking drugs, and then said you are not guilty until you can approve otherwise. Charter got in.
1. Must be pressing and substantial objective for the law or government action
  2. The means chosen to achieve the objective must be proportional to the burden of rights of the claimant
    - a. The objective must be rationally connected to the limit on the Charter right
    - b. The limit must minimally impair the charter right
    - c. There should be an overly balance or proportionality between the benefits of the limit and its deleterious effects.
- If the state is not involved there is no relationship.
  - Ottawa and hospitals are not the state, nothing with the charter
  - Hospital is private, the charter does not apply
  - Why should hockey players get vaccines before us -
  - Trade war 1987 gave control over gas, wanted access through court system., trump is pushing that now too. Doesn't wanna go through courts but through international panel.

- We are required to still pump gas and electricity to Americans first before Canadians. Americans want security and we want free trade.
- Pregnant women are at ur door wanting to live there. You do not violate the Charter because it has nothing to do with the state relationship. Charter does not apply with handicap or anything. You apply Ontario human rights code.

#### Pressing and Substantial Objective

- Are racist groups allows to distribute their material to others. It's not allowed if its hateful against others or hurts others.
- You can promote anything you want, as long as it's not hateful or discriminatory

#### Rational Connection

- What is the rational that we are trying to establish. Can it be demonstrated through facts? Just because someone is flying on the airplane does not mean they have the virus.

#### Minimal Impairment

#### Proportionate Effect

- Balance between negative effects and the issues. Where do we draw the line when it comes to removal of foreskin for babies
- In Ontario you can say the religion requires that
- Quebec says there is no removal of foreskin, known as genital mutilation. Against the law to remove the clitorius.
- A guy tried to cut the foreskin of his own son and mulated the whole sausage. The guy didn't have the right to execute it himself, he needs to do it in accordance to society and the law.

As soon as you demonstrate a violation, the state has the obligation to justify it.

- Ex: Chrissy teigen v-steaming

#### Quebec Legislation

##### Define Iaicity Bill 21

- Purpose of this bill is to confirm Iaicity of the state and know the things that follow it
- Justification for the bill
  - Supreme court will decide on this. Quebec says we don't decide federally, we are our own state. Harper passed a notation saying Quebec is a nation.
  - Civil law position
  - Different social values from the rest of Canada

- We put our money in people differently, like daycare.
- Sovereign in their powers. They are their own state.
- Ottawa is managing court challenge program.
- The state of Quebec is a lay state
  - Separation of state and religion
  - Religious neutrality of the state
  - The equality of all citizens
  - Freedom of I DIDNT GET It
- The person listed in schedule 2 are prohibited from wearing religious symbols in the exercise of their functions.
- Anyone with their face covered cannot receive public service. Cant take the bus if you are covering your face.

### Section 33:

Situation that is uncontrolled causing damages or predictable. How will we manage. Risk always comes up with change to how we operate and control things.

- Cost associated to the risk. Make a risk plan. How to manage the risk.
- Plan has to have 4 steps.
  - Define responsible parties; decision maker, authority they possess, protocol or policies to be followed, functional authority responsible.
  - Determine probability and severity. How plausible would it be to have that.
  - Management of the risk. We either remove the risk, reduce the risk by having security measures, alter the situation by transferring the risk to others, manage internally
  - Implement the plan, execute the plan, correct it

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International law prevails over domestic law

- You can say some people should be exterminated but
- Nuremberg trial, says you are not entitled to kill people
- How do you bring these killer leaders to trial
  - How many of you would like to register to get the killers, how do we bring them to court
  - They passed legislation to be able to do these things during the Nazi regime
  - Hitler was a minority government
- His book is hate propaganda
- No movies can ever end with nazis winning the battle, they always have to lose
- Evil must never win

- Just because it's out there doesn't mean it's legal
- Private relationship, allowed individual/private relationship, it's illegal when it becomes public
- Rape is a war crime in the Congo
  - Who is willing to wear a uniform and fight them
- Key leaders were hanged
- Because of the cold war, brushed to society, 36,000 other Nazi criminals that were supposed to stand for their crimes
- They didn't have to go to trial because of the cold war, they closed the file and brought them into the legal system, they were freed

#### Notion of Risk

- Identify the risk and authority for it
- What do we do for the Canadians that are in China
- Evaluate the liability and the risk and how to manage it
- Charter of rights for rules and norms

**Step One: Identify the legal risks.**

- ↻ Assess the organization's functional areas.
- ↻ Review the organization's business decisions.
- ↻ Examine the organization's business relationships.
- ↻ Analyze the organization's operations and transactions.

**Step Two: Evaluate the risks.**

- ↻ Assess the probability of loss.
- ↻ Assess the severity of loss.

**Step Three: Devise a risk management plan.**

- ↻ Avoid or eliminate the risk.
- ↻ Reduce the risk.
- ↻ Transfer the risk.
- ↻ Retain the risk.

**Step Four: Implement the plan.**

- ↻ Carry out the plan.
- ↻ Monitor and revise the plan.

## October Crisis

- RIA cells are different, cant talk to each other. They don't know cell a or cell b, all independent.
- Canadians had loss all civil rights after Pierre Trudeau filed for war measures
- Military and police were in charge
- Pierre brought the charter of rights - evokes peace order
- Constitution 1867 [section 91](#) - 91. It shall be lawful for the Queen, by and with the Advice and Consent of the Senate and House of Commons, to make Laws for the Peace, Order, and good Government of Canada, in relation to all Matters not coming within the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces; and for greater Certainty, but not so as to restrict the Generality of the foregoing Terms of this Section, it is hereby declared that (notwithstanding anything in this Act) the exclusive Legislative Authority of the Parliament of Canada extends to all Matters coming within the Classes of Subjects next hereinafter enumerated; that is to say,
- Income tax was used to fund world war 1 - paug will be used

- Protocols are being put into place
- Political prisoner - arrested for political views
- Margret Tacher dealt with Bobby Sands was part of the RIA. Died of starvation. Wanted to wear their own clothes, not clothes of criminal individuals. We are political prisoners and entitled to freedom of expression.
- Pierre Trudeau knew he was violating the fundamental rights, civil liberties and human rights. That's why he brought in the charter
- Where do you draw the line in protecting people and how do you do it. How far do you go. What are the safeguards.
- Section 24: when something goes wrong, the courts are the guardian over democracy

### Court System

- Mercy killing, is that allowed for an enemy in Canada?
  - No, it was not the enemy is no longer in a combat zone (no longer a threat). Help them become a prisoner, give them water, religious code, etc.
  - Kick away his weapon, so he can't kill himself.
  - Uniques about Canadians is the legal, court and fairness systems
- No cellphones in the courtroom only drawings. What is said is orally and everyone listens, we don't record anything unless it is done by an independent system.

### Court of Appeal for Ontario

- Rules on the "correctness" of judgements from the Ontario Court of Justice and the Superior Court of Justice
- 22 judges - 1,600 cases/year (2010)

<https://www.ontariocourts.ca/ocj/general-public/introduction-to-ontario-courts/>

### Superior Court of Justice

- All civil cases
- The more serious cases under the criminal code of Canada
- Divorce, separation, custody,
- Small claims court, increased to 35,000

### Ontario Court of Justice

- 590,000 criminal charges
- Police are allowed to follow you regardless if you tested under 0.5 because the alcohol might not have taken effect yet
- If you drink tonight, you must only enter the car from the passenger side otherwise you're done. Control the vehicle is the key element.

- Millions of provincial offences

### Limitations Act 2002

- S.O - Statute of Ontario
- There are three limitations periods in Ontario
- 1. Basic limitation period - unless provided otherwise a proceeding shall not be commenced in respect of a claim after the second anniversary of the day on which the claim was discovered - this is the norm unless you have the second or the third reason Discovery - a claim is discovered on the earlier. That the injury loss or damage had occurred, that the injury, loss or damage was caused against whom the claim is made, and (get more from link)
- 2. The ultimate limitation period seeks to balance the concern for the plaintiffs with undiscovered causes of action being foreclosed from proceeding after late discovery of a possible claim against the need to prevent the indefinite postponement of the commencement of proceedings.
- 3. No limitation Period - sexual assault, no time limitation. You're not always able to raise the issue, that's why there's no time limit. Example: young girl 4 years old and 18 year old boy told her to close her eyes and that he would put his thumb in his mouth, but its not his thumb.

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### ***February 3rd 2020***

- If you bring people into your house with the intention of making money it's not okay. Official bets and making it due payments, it's not okay.

### Freedom of Speech and where the line is Drawn

- Where do you draw the line in law when it comes to expressing your freedom of speech regarding the corona virus and china? Where do you draw the line for private circuits?
  - The court went after the individuals that were slandering by tracking their IP address and finding their identity. An organization needs to ensure that employees are not using any assets of the organization to express this hate speech.
  - Court issued a decision that there is damages and they are going to be held liable for their actions.
  - Your image belongs to the corporation.

### Car Insurance

- When you renew your car insurance you know what to look for
- Insurance is a contract, its an agreement

- A contract has to be in writing outlining risks and obligations and damages including compensation when a specific risk occurs either associated to life, health or property.
- Needs to be confirmed in writing for every single thing
- The day you know how to get divorced is the day you get married
- This lady bought a car but then she lost her job and can't pay for it but they signed the contract.
- Dealing with risks. Hockey players can't go skiing or ride motorcycles because they can really hurt themselves.

Key thing is that if there are doubts, you can't issue the death certificate.

- No electrical connection to the brain is when a person is legally dead.
- Use to bite the big toe to determine death
- Use to bury people at night so they can pull the bell (saved by the bell) to know if they're still alive. You can't hear during the day.

### **Trade Centre**

- People were vaporized when the centre collapsed. No evidence if they were there physically.

### **Fire in Lac Megantic**

- Break system became derailed
- A few rail carts detached and collided
- People were vaporized
- When in law, declared absent, you have to wait 7 years till you get the benefits of life insurance. The people that are dead, you can't find anything left of them.
- How do you account for these people?
- Supreme court judge Michel Bastarache
  - His kids were born without brains or spinal cords
  - Latimer case
    - Kills his disabled daughter
    - Courts at original stage find him not guilty of mercy killing
    - Michel removes himself from the file, he can't disassociate from his private life
    - What would i tell my kids - book
      - What it is to be a father that can't communicate with his kids
    - There is no mercy killing in this country, its murder

- Making decisions while you are conheret to choose what kind of service you want to happen later when it comes to death

### 3 types of insurance

- **Life insurance**
  - Determination of yourself or someone else. If we can properly access their health.
- **Property/fire insurance**
  - Minimum required when you buy a property.
    - Very hard to get fire insurance once it's gone. Car insurance is not good if you get rid of it.
    - They triple your car insurance
- **Liability insurance**
  - Dealing with faults or mistakes, wrong doings.

### Special Clauses in insurance contracts

- **Ryder** - clause that deals with the amendment of an agreement.
- **Insurable interest** - in order to have insurance on a property or asset, you need to have that link. Business/property relationship. You can insure anyone if you have the right to do so.
- Cannot take advantage of a crime in order to benefit an insurance. Forfeiture rule; you cannot benefit off of a crime.
  - People fake robberies to get benefit of insurance
  - People take advantage of these situations, it's considered a criminal offence
  - Notion of reinsurance; several insurance companies will transfer the risk to another to get reinsurance
- **Deductible** is a legal loss that is covered by the policyholder
- **Coinsurance** - involves a mechanism of compensation and coverage based on the minimum market value of the property requested. Need to maintain 90% coverage. If you have coverage underneath 90% value, they will compensate you in proportion to the market value of the house.
  - Example: House value is 500 gets fire insurance for 250, fire occurs, claims 100k of damages, you only claimed 250 of the market value of the house, so they only pay for 50% of the market value of the house.
  - They don't cover natural disasters unless you have the act of god insurance.
- What does the insurance exclude?
- Cash, jewelry, coins, stamps, assets basically, \$2000. Additional coverage you have to pay more.

- **Subrogation** - means a party is entitled to exercise your rights upon a claim against the other faulty party. Out there there's insurance for cars. You make a claim at a car dealer for repair. An insurance company requires deductible. Once you pay insurance will take over and exercise your rights against the other party against the other party.
  - Tow trucks, write the cheque for you and then sell it for parts or auction the car.

### Auto Insurance Changes Ontario **MEMORIZE ALL OF THIS FOR EXAM FML**

- Lawyers when it comes to liability always comes to catastrophic injuries because they pay the most.
- Key thing insurers can no longer use a minor at fault accident to increase your premiums when certain criteria are met
- Ask for full coverage health wise

### **Agency**

- When a principle is represented by an agent pursuant to the authority granted in the relationship with outsiders or third parties.
  - Example: while you're here, could someone be representing you in negotiating your next lease agreement
- **Define the authority**
  - How far it goes
- **Third parties**
  - Someone outside that relationship
    - Example: Landlord, medical institution
- **Formal agency**
  - Grant specific powers to an agent, either actual (mom book an appointment for me), speak for me when you are negotiating the lease or implied, as it relates to the actual function or activities (lawyer will speak for you but will fill all the forms, accountant is doing the work for you, you don't tell them how to do it, they are employed.)
- **What's in toothpaste?**
  - Animal fat extracts, they give you the final product, but not the specific ingredients

**Notion of authority:** actual authority or implied.

**Agency by ratification:** agent exceeds its authority, and the principal ratifies the success. You ask mom for one appointment and she makes three

**Agency by estoppel:** principle by his words or conduct, exceeds the authority of the agent with third agents. The guy just wants to do accounting but then the other guy says he can do accounting and marketing.

**Agency by necessity:** if there is an emergency, the person who had the power in the past gets the power again

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Feb. 10. 2020

### **Proxy**

- Less than 150 companies run this country.
- Small companies get bought by the bigger ones.
- They only care about profits and nothing else.

### **Example of Agent by Necessity**

- The dad has a stroke in 2007
- Bring the dad to the trauma room
- In the first couple hours, there's a medication that can reverse the brain damage, but it makes you behave crazy
- Trauma in room 1, a lady was trying to commit suicide in the other room from the dad
- She jumped from a certain story trying to die
- This man appears claiming to be her boyfriend and starts giving information about the lady, then 30 minutes later the husband appears
- Then the guy starts telling the truth about why she tried to kill herself, and they kicked him out, and he came back trying to proclaim his love once again.
- Then he finds out his wife is pregnant.
- This is an agency by necessity. He is the spouse and since she's not able to talk for herself, he is able to dictate what is going to happen.

### **Obligation of the Agent**

- Role of the agent is to speak on behalf of the principal
- **Actual authority;** the power of an agent that derives from either express or implied agreement
  - Express authority is the written or oral authority granted by the principal to the agent and is an authority that the agent has.
  - Implied authority is also an authority that the agent actually has, but is present by implication only.
- How much authority do you give someone? How do you trust them?
- Trust is repeated past patterns that confirms expected conduct.

- **Click on's**, Google legal terms, as use as you use your services, you are agreeing. This is how these companies are able to escape

### **Duties of the Agent**

- **Fiduciary duty**; work in the best interest of the principal. A duty imposed on a person who has a special relationship of trust with another
  - Execute the task pursuant to the authority
  - **Fiduciary**; a person who has a duty of good faith toward another because of their relationship
  - If we do share capacity, we always work with the notation that we are serving the principal. Avoid conflicts, we can't serve ourselves and serve the principle.
    - Example: You're a real estate agent, there's a good deal on a house, do you take it or give it to your principal.
    - Full disclosure of all material information that affects the principle.
    - Avoid working for two principles. Only serve one.
    - Avoid using the assets of the principle for personal needs. Property, money, vehicle.
1. Make full disclosure of all material information that may affect the principal's position
  2. Avoid any conflict of interest that affects the interests of the principal
  3. Avoid acting for two principals in the same transaction
  4. Avoid accepting or making a secret commission or profit
    - a. Avoid conflict of interest including secret commissions. Why? Sometimes we may be judging based on the circumstances

### **Obligation of the Principal**

#### **Duty of the Principle**

1. the agent a specified fee or percentage for services rendered unless the parties have agreed that the agent would work for free
  - a. McDonalds Proxy Statement; paid by performance. The Salary of the CEO is not more than 11%. Its performance is based. Lots of stock options, that's how they get their millions.
2. Assist the agent in the execution described in the contract
  - a. Provide documents, contacts, etc. provide the tools or instruments for the job.
3. Reimburse the agent for reasonable expenses associated with carrying out his agency duties
  - a. You need policies in place because everyone has a different idea of standards.
4. Indemnify against losses incurred in carrying out the agency business

- a. When you are the agent and the principal doesn't have money to give you, what do you do? Make sure people have the cash flow to reimburse you and indemnify you

### **Contract Liability in the Agency Relationship**

#### **Liability of the Principal to the Outsider**

It is the principal, not the agent who is ordinarily liable on the contract.

#### **Liability of the Agent to the outsider**

An agent who acts without authority and contracts with an outsider is liable to the third party for breach of warranty of authority


- **Warranty of authority;** a representation of authority by a person who purports to be an agent
- Agent also be bound when he contracts on his own behalf to be a party to the contract along with his principal

When there is apparent authority or agency by estoppel, the principle by his conduct, creates an extension of the authority of the agent. In this case, the principle is estopped from changing his version. The principle is then liable for the conduct.

When the principal ratifies the excessive authority of the agent.

[Power of Attorney:](#)

**Detach Card: You may wish to complete and detach this card and keep it on your person for easy access in case the information is needed in an emergency.**

 Ontario  
Office of the Public Guardian and Trustee

**IMPORTANT INFORMATION**

**(This is not a power of attorney.)**

I \_\_\_\_\_ have appointed the following as my power(s) of attorney for:

**PROPERTY**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Date appointed: \_\_\_\_\_

**PERSONAL CARE**

Same as above, or

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Date appointed: \_\_\_\_\_

Persons name act

**Partnership:**

- People who have failed or have bankruptcies are the worst because they know how to get out of there. If you know how to get divorced once, you know how to do it again.

[Partnership Act Ontario](#)

- Definitions
- Notion of business: oral or written agreement. If it's oral, it's how to prove the terms. What does it mean compensation in this term? Two parties have different ideas for compensation.
- Looking at this concept between persons.
  - Joint venture are partnerships in law
- Carrying on business in common. When you put things in common, it is owned by the partnership. Make a profit and generate a surplus.
  - Wedding story
- Rules for determining existence for partnership. If these conditions, you are presumed to not be a partnership

1. Joint tenancy, tenancy in common, joint property, common property, or part of owner does not itself create a partnership as to anything sp held or owned
2. The sharing of gross returns does not itself create a partnership
3. The receipt by a person of a share of the profits of a business is proof in the absence of evidence to the contrary that the person is a partner in the business but the receipt of such a share or payment contingent on or varying with the profits of a business does not of itself make him or her a partner in the business and in particular,
  - a. The receipt by a person of debt
  - b. A contract for the remuneration of a servant
  - c. A person who
    - i. Is married to a deceased partner immediately before the deceased partner died

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#### MIDTERM FEB 24

- What is covered in class? If it's covered in midterm, not in final.
  - Five conditions or rules of defining legal system
  - Charter of rights and process that defines free democratic society. Oaks tests
  - The mechanisms of resolving conflicts
  - Legal conflicts and issues, list of them
  - Court administration, the whole court system outline
  - Notion of limitations statutes
  - How to deal with that issue
  - Insurance
  - Risks elements
  - Agency
  - Partnership
  - 1, 2, 3, 4 13 14 and 28
  - Development questions always start with definitions.
  
  - Be concise, make your point, and then explain.
  - Class examples.
  - 3 questions with sub elements
  - 2 hours. Take time to write.
  - Every concept, class example for it.
-

March. 03. 2020.

## Corporations

### Shares (Think it involves something to do with shares)

**Example:** Big profits for this company; Zoom Video Communications Inc - does video conferencing. People cash in on capital gain. Zoom has never made a profit but shares are going up because people have the notion that there will be profit. Worth more than the top 4 airlines combined and they don't have any assets.

**Example:** Uber never made a profit, they lost 4 billion. Market value is 56 billion. They never made a profit.

**Example:** Shopify. This company is worth more than all other companies in Ontario in the stock market. No assets.

**Example:** Tesla. Tesla never made a profit but has a market value of 136 billion. Tesla can survive recession because they are in their own market niche.

- Looking at these trends, will determine shares.

### Guide Federal Incorporation

**Example:** Tim Hortons and USA; Tim Hortons, buying food for franchisees, takes food and sells directly to stores. When you sign an agreement for supplies, for ABC it has to be ABS. Tim Hortons bought supplies and then sold it to Wholesale company and then to stores. Wholesale company is also owned by Tim Hortons. Tim Hortons lost claim and now they are trying to make more products. (I don't know what this example has to do with anything)

**Company:** to show they are a corporation. Another term is body corporate. Or Corporation.

### 1.1 Benefits of Incorporating

#### Separate Legal Entity

- It can acquire assets,
- go into debt
- can be sued
- can be guilty of committing a crime
- Enter into contracts
  - **Example:** Gaddafi & SNC Lavalin; pleads guilty to fraud and pays fine of \$280 million. In five years from now, no one will remember.

#### Limited Liability

- Only liable for what shareholders invest. If I put money in the business and the business goes bankrupt, you lose your money. You are not liable in any way. The catch is this, unless the shareholder has provided personal guarantees for personal debts. Personally sign for non execution. Get people to sign in case something goes wrong.

- Bought subway in Quebec. A Police officer bought a building in place for a low price. Gets financing to buy a building at 90%. Hires himself to do a project. Broke the company into different ones. Whoever buys the business has to do business with this guy now. If you don't have a plan for you someone else does.

### **Lower Corporate Tax Rates**

- Yes you pay corporate tax and dividend tax. The taxes you pay are very low compared to if you were a single individual.

### **Greater access to capital**

0.8% controls 67% of the assets in Canada

Canadian Club is the number 1 drink served

- Belongs to Brofman family vivendi
- Vivendi acquired the Bronfmans for \$49-5 billion. They lost everything after because they made no money.

### **Continuous existence.**

- Selling ownership of shares, trying to buy shares of

### **Documents to File with Corporations in Canada**

- Articles of incorporation
- Initial registered office address and first board of directors form
- **You must pay prescribed fees:**
  - Online filing 200
  - Or
  - By email, tax, or mail 250
- **If you are seeking approval of a corporate name, you must also provide:**
  - A [NUANS](#) Name Search Report. The report must not be dated more than 90 days prior to the filing date.
  - Information about the proposed name.

### **Articles of Incorporation**

- Once you file the form, it's in cement

#### **2.3.1 The Corporation Name**

- Indicate the proposed corporations name
- Or
- If you want a numbered name:
- Online: chose the option "request an assigned numbered name" and follow the instructions

- On paper form: leave a blank space, write in the word “Canada,” and add the legal element of your choice, such as Inc., Ltd., Corp., etc
- Example: \_\_\_\_\_ CANADA Inc.
- NUANS search is to see what names are trademarked.
  - Name search is 20 dollars.

### **What's in its name?**

#### **A corporate name contains three elements:**

1. Distinctive element (surname or other unique term)
2. A descriptive element (e.g. manufacturing, consulting, trading)
3. A mandatory legal element (e.g. Corp., Inc., Ltd)

#### **1. Is the name acceptable?**

- Several criteria
  - **Example:** Sweet Jesus. Lightning bolt, with Jesus is offensive.

#### **2. If your name is not approved?**

#### **3. Number Name**

- **Example:** 1234567 Canada Ltd.

### **Business Names Act**

Ontario Regulation 122/91

Restrictions Respecting Names

Consolidation Period: From June 1, 2005 to the e laws currency data

General

1. The first character of a name shown must be a letter of the Rorman alphabet or arbrabic numeral

### **2.3.2 Registered Office**

- Where you register is where you declare your income tax
- A POX is not a registered office'
- Generally have three inherent rights:

#### **1. Classes of Shares**

- Right to vote
- Right to receive dividends (if the board of directors has declared any); of profit to declare
- The right to receive remaining property of the corporation after it is dissolved.

### **2.3.4 Restrictions on Shares**

- You wanna make sure you control who comes in and comes out

### **2.3.5 Number of Directors**

- Indicate the minimum and maximum number of shareholders

### 2.3.6 Restrictions on Business Activities

### 2.3.7 Other Provisions

### 2.3.8 Sign your Articles

Form

Form 1. Going through each element.

**March 2nd, 2020 (Ana's Notes)**

### **Corporation**

**How do corporation work in real life?**

- **People often don't think about what can go wrong.**

### **EXAMPLE: Company Zoom**

- System that allows us to see how we do movies.
- Having people in video conferences, people don't need to meet up = no virus transmitted.
- Shares increase
- How do we calculate taxation on a share?
  - Price earning ratio: how much you pay for the stock versus how much you get for it.
  - Company did no profits, but people have the expectation that there will be profits because it's about technology.
    - Uber example, market value of the shares, is higher than top 4 airlines.
    - Price earning ratio for Uber = 0, they did not make any profit. Last year they lost 4 billion. Market value is 56 billion.
    - Shopify example, market value = 75 billion. Worth more than any other companies on the stock market. They have no assets, but they have a huge market value and made no profit.
    - Tesla example, market value of Tesla= 136 billion, they never made a profit. It's worth more than Mercedes, GM, etc. They make more than all of the automobile companies together. March 2: The shares went up by 11.32%

**Many companies are not doing well in the market because of the virus, therefore they start focusing on their own market more and reposition themselves.**

**Show to watch: Big Little Lies**

**Guide to federal incorporation Canada**  
(<http://www.visascanada.com/wp-content/uploads/2014/10/Guide-Federal-Incorporation.pdf>)

**It is important to copy what's in the guide, as it lets you get started faster.**

**Example of Tim Hortons:**  
(<https://globalnews.ca/news/6611289/tim-hortons-us-franchisee-lawsuit/>)

- Tim Hortons face US lawsuit.

- They bought supplies and sell it to the wholesale companies, then the wholesale company sells it to franchises. However, the wholesale company is owned by Tim Hortons.
- You cannot go to Costco to buy the straws, it has to be from Tim Hortons.
- The franchisees pay as much as 50% more than competitors. The price doesn't meet the market standards.
- This is why Tim Hortons came out with more products because they lost against the franchisees.

**Random Example of China** did not take care of the debts that happened before 1949:

Trump's new trade war tool might just be antique China article (<https://www.bloomberg.com/news/articles/2019-08-29/trump-s-new-trade-war-weapon-might-just-be-antique-china-debt>)

### Benefits of Incorporating

#### 1. **Separate legal entity:**

(Word to use instead of company: body corporate or corporation)

1. Acquire assets
2. Go into debt
3. Enter into contracts
4. Sue or be sued
5. Be found guilty of committing a crime

**Example of SNC Lavalin and Gaddafi** (<https://business.financialpost.com/news/fp-street/snc-lavalin-pleads-guilty-to-fraud-will-pay-a-280m-fine-for-libyan-work>)

When the prosecutor says that we need to prosecute, there cannot be any political influence from it.

**SNC Lavalin is on the bid for the second phase of the LRT.**

#### 1. **Limited liability:** incorporation limits the liability of a corporation's shareholders.

1. Unless the shareholder has provided personal guarantees for the corporation's debts.
  1. When you buy a new home, check the legal name on the contract. There might be an affiliate to cover the main company.
  2. **Little story:** 6 years ago, a police officer came to class all dressed up and he said he wanted to learn how to do the legal documents for a corporation. The guy bought the rights for Subway

(somewhere in quebec). He has his business plan done. He went to BDC (bank for entrepreneur) and goes to city A and looks for this building that is no longer functional. He buys it at a lower price. Financing a 90% BDC did that. Then built a second corporation that did the renovation of the first one. The third one is an accountant/consultant to review the project of the second one. He then gets a fourth one to own the subway. The person who will buy the subway will have an agreement with 3 of his companies and made a lot of money out of it. He purchased 6 subways.

1. **Lower corporate tax rates:** because corporations are taxed separately from their owners, and the corporate tax rate is generally lower than the individual tax rate, incorporation may offer you some fiscal advantages.
  1. You pay two taxes but because of the deductions, you end up paying less taxes.
1. **Greater access to capital:** easier for corporations to raise money than it is for other forms of business.
  1. You don't start a business with the idea that it will fail.
  2. 0.8% control 67% of the assets of Canada, two years ago. 400 billion.
  3. **Example:** drink that we serve the most in business meetings: Canadian Club (Canadian Whiskey). Why is it called Canadian Club? Because the US wanted to know where the drink came from. It is part of the whole image.



1. Bronfman family  
(<https://www.theglobeandmail.com/report-on-business/bronfman-family-sells-stake-in-vivendi/article23005845/>) They had a business that was generate a net profit of over 1 billion dollars per year. Bronfman acquired the Seagram company. They lost billion of dollars because the shares went down. (Vivendi). Seagram

owns many products such as Crown Royal, Canada Dry, etc. Their reputation was built and made. They wanted to save the family. They are now trying to rebuy everything to rebuild Seagram.

**5. Continuous existence:** While a partnership or sole proprietorship ceases to exist upon the death of its owner(s), a corporation would continue to live on even if every shareholder and director were to die.

## Documents to file with Corporations Canada

### 1. Articles of Incorporation

1. Once it is registered, you need 2/3 voting rights to change it.
  1. For example, you are with your spouse and you say let's start selling more shares, and your spouse says no. You need to either buy out the other person or let it go.
2. Initial registered office address and first board of directors form
3. Must pay online filing \$200 or by email, fax, mail \$250
4. A NUANS (Name Search Report) Report

## Articles of Incorporation

### Form 1: form to fill up to get incorporated:

#### 1. Corporation's Name or a Numbered name (123456 Canada Inc.).

1. Should contain:
  1. Distinctive element (unique)
  2. Descriptive element (Manufacturing, Consulting, etc.)
  3. Mandatory legal element (Corp., Inc., Ltd., etc.)
2. Is it acceptable? Is it obscene? Is it too general? Similar to the trade-mark?
  1. **EXAMPLE:** Sweet Jesus (ice cream store). The "T" in Sweet was upside down which represents Satan. The fact that Jesus was used is inappropriate. The "S" in Jesus was a lightning bolt. It was related to the Nazi's lightning bolt. Some for some people it is offensive.
  2. **EXAMPLE:** many current companies in Germany built, sold items to create the concentration camps.

## 1. NUANS Name Search Report:

[https://www.nuans-canada.ca/?gclid=EAlalQobChMIzfnt\\_pz95wIVB4XVCh0huQDS EAAyAAEgKw1\\_D\\_BwE](https://www.nuans-canada.ca/?gclid=EAlalQobChMIzfnt_pz95wIVB4XVCh0huQDS EAAyAAEgKw1_D_BwE)

1. **EXAMPLE:** Canada Tire Decarie. It is not Canadian Tire. They had their name since 1928, and Canadian Tire did not exist in that region at that time. They deal with tires.
2. The name search costs \$20 for 90 days.

## Ontario Regulation 122/91 - Restrictions Respecting Names

**"The first character of a name shown in a registration must be a letter of the Roman alphabet or an Arabic numeral."**

- **EXAMPLE:** the Super bowl numbers, when you get to 50, it's not in Roman alphabet.
- Arabic numeral: 0 to 9. It comes from Persia, Iran. The mythical side of how to write numbers. For Europeans the numbers have angles, and the number 10 is perfect because there is no angle and god put the shadow on the 0 with the 1.

## 1. Registered office

1. Province or territory in Canada where the corporation's registered office will be located.
2. A PO box cannot be a registered office, because you cannot legal serve any documents.
3. Classes of shares:
  1. Right to vote
  2. Right to receive dividends (what the board declares)
  3. Right to receive the remaining property of the corporation after it is dissolved. (usually there's nothing left)

## 1. Restrictions on shares

1. Indicate the restrictions on share transfers, if any.

## 1. Number of Directors

1. Indicate the minimum and maximum number of directors
2. They run the business.
3. Who do you want to run your business. Trust.

## 1. Restrictions on Business Activities

1. Indicate any limits imposed on a corporation's business activities.

2. **EXAMPLE:** Italian Restaurant, put shark meat in Italian cuisine. Is that okay?
  1. Sharks were scaring the fish away when the prof was trying to fish. <https://www.cbc.ca/news/canada/prince-edward-island/pei-rustico-shark-sighting-1.4262618>
  2. Do you put the sauce and the meat on the spaghettis? In Italy you put it on the side. (**example of restriction**)

### 1. Other Provision

1. Indicate other applicable provisions, if any.

### 1. Sign Your Articles of Incorporation

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**March 9th, 2020**

**Discussed last class was the articles of corporation. 8 of them.**

### **Stock Market**

- Dropped 8%
- The market is always 6 months ahead of the economic model
- We are going into a recession soon but when it hits its going to be brutal since trade will be blocked
- Why did the stock market drop?
  - Saudi arabia dropped its price of oil
- Russia needs to sell oil at 60 to repay their debt
  - Can't sell at 30 they won't have enough to pay their soldiers
- Warren buffett pulls out of investment for natural gas.

### **By laws model for corporations**

- Created by Canada and 4 million companies have copied. Not plagiarism, they want the companies to use their models.
- Corporations will have 40 or 60 by laws maybe even more, every area has regulations that cover certain things
- Small business have 2 or 3
- Simple model

## Model by-Laws - Business Corporations

**By law No.** (Indicate the number of the by-law) (Indicate the name of the corporation)

A by-law relating generally to the transaction of the business and affairs of (indicate the name of the corporation) (hereinafter referred to as the "Corporation")

### Directors

1. **Calling of notice of meets:** meetings of the board shall be held at such place and time and on such day as the President, Vice President or Secretary or any two directors may determine. Notice of meetings of the board shall be given to each director not less than 48 hours before the time when the meeting is to be held. Each newly-elected board may without notice hold its first meeting for the purposes of organization and the appointment of officers immediately following the meeting of shareholders at which such board is elected.
2. **Votes to govern:** at all meetings of the board, every question shall be decided by a majority of the votes cast on the question; and in case of an equality of votes, the chair of the meeting (shall/ shall not [indicate one option]) be entitled to a second or casting vote.  
**Votes count for those that show up, unless you provide for electronic voting. You need to make sure your by laws cover for that stuff.**
3. **Interest of directors and officers generally in contracts:** No director or officer shall be disqualified by his/her office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with any director or officer or in which any director or officer is in any way interested be liable to be voided nor shall any director or officer so contracting or being so interested be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such director or officer holding that office or of the fiduciary relationship thereby established, provided that the director or officer shall have complied with the provisions of the Canada Business Corporations Act. **Being also an employee of the corporation, does not disqualify you from doing these contracts for the business. By having that situation where what you're saying is that you are not disqualified being that you are a director of a corporation shows you are good to go.**

**BMO meeting at Chateau Laurier: if it takes 50 minutes you are lucky. They were having an AGM. Went to the meeting and brought his mom. Objective 1, eat shrimp, objective 2, wanted to see who is in the back row of the meeting. Why? The back row is where he wants to connect with people who represent the trust funds. All the shopping malls are owned by trust funds. The government of Quebec owns bayshore. 400 billion tomatoes. 125 million buying the credit union Meridian. The guys in the back elect the board of directors.**

### Shareholders' Meetings

4. **Location and quorum:** Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is located

or, if the board shall so determine, at some other place in Canada or, if all the shareholders entitled to vote at the meeting so agree, at some place outside Canada. At any meeting of shareholders, a quorum shall be (any number you decide) persons present in person and each entitled to vote thereat [and holding or representing by proxy not less than (any number you decide) percent of the votes entitled to be cast thereat].

## **Indemnification**

5. **Indemnification of directors and officers:** the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his/her heirs and legal representatives to the extent permitted by the Canada Business Corporations Act. **when you get sued, the corporation will take on the cost. The company needs to have money to pay you. If it goes bankrupt who will pay the legal bills. You do. The corporation goes under, it cant indemngify you because no money. What will you do?**
6. **Indemnity of others:** Except as otherwise required by the Canada Business Corporations Act and subject to paragraph 5, the Corporation may from time to time indemnify and save harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed activity, suit or proceeding, whether civil, criminal, administrative or investigative (other than an activity by or in the right of the Corporation) by reason of the fact that he or she is an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of or participant in another body corporate, partnership, joint venture, trust or other enterprise, against expenses (including legal fees), judgments, fines and any amount actually and reasonably incurred by him/her in connection with such activity, suit or proceeding if he/she acted honestly and in good faith with a view to the best interests of the Corporation and, with respect to any is enforced by a monetary penalty, had reasonable grounds for believing that his/her conduct was lawful. The termination of any activity, suit or proceeding by judgment, order, settlement or conviction shall not, of itself, create a presumption that the person did not act honestly and in good faith with a view to the best interests of the Corporation and, with respect to any criminal or administrative activity or proceeding that is enforced by a monetary penalty, had no reasonable grounds for believing that his/her conduct was lawful. **Must be done in good faith and honesty. They can say it was not done in good faith, so we are not covering you. Putting pig grease on shawarmas to keep it greasy. Another issue is that they put horse meat and pork in lean meat.**
7. **Right of indemnity not exclusive:** The provisions for indemnification contained in the by-laws of the Corporation shall not be deemed exclusive of any other rights to which

any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to activity in his/her official capacity and as to activity in another capacity, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and legal representatives of such a person.

8. **No liability of directors or officers for certain matters:** To the extent permitted by the by-laws, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or body corporate with whom or which any moneys, securities or other assets belonging to the Corporation shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever that may happen in the execution of the duties of his/ her respective office or trust or in relation thereto unless the same shall happen by or through his/ her failure to act honestly and in good faith with a view to the best interests of the Corporation and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate that is employed by or performs services for the Corporation, the fact of his/her being a director or officer of the Corporation shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

#### **Banking Arrangements, Contracts, etc.**

9. **Banking Arrangements:** The banking business of the Corporation, or any part thereof, shall be transacted with such banks, trust companies or other financial institutions as the board may designate, appoint or authorize from time to time by resolution and all such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more officers and/or other persons as the board may designate, direct or authorize from time to time by resolution and to the extent therein provided.
10. **Execution of Instruments:** Contracts, documents or instruments in writing requiring execution by the Corporation shall be signed by any (indicate a number) officers or

directors, and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board is authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation to sign and deliver either contracts, documents or instruments in writing generally or to sign either manually or by facsimile signature and deliver specific contracts, documents or instruments in writing. The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, charges, conveyances, powers of attorney, transfers and assignments of property of all kinds (including specifically but without limitation transfers and assignments of shares, warrants, bonds, debentures or other securities), proxies for shares and other securities and all paper writings. **who has authority to create documents and sign off on things.**

### **Miscellaneous**

11. **Invalidity of any provision of this by law:** the invalidity or unenforceability of any provision of this by law shall not affect the validity or enforceability of the remaining provisions of this by law.
12. **Omissions and errors:** The accidental omission to give any notice to any shareholder, director, officer or auditor or the non-receipt of any notice by any shareholder, director, officer or auditor or any error in any notice not affecting the substance thereof shall not invalidate any activity taken at any meeting held pursuant to such notice or otherwise founded thereon. **sometimes when doing admin, you might not be properly noticed. Sometimes we make errors, by your actions you can't invoke the error to evoke your meeting.**

### **Interpretation:**

13. **Interpretation:** In this by-law and all other by-laws of the Corporation, words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders; words importing persons shall include an individual, partnership, association, body corporate, executor, administrator or legal representative and any number or aggregate of persons; "articles" include the original or restated Articles of Incorporation, Articles of Amendment, Articles of Amalgamation, Articles of Continuance, Articles of Reorganization, Articles of Arrangement and Articles of Revival; "board" shall mean the board of directors of the Corporation; "Canada Business Corporations Act" shall mean Canada Business Corporations Act, R.S.C. 1985, c. C-44 as amended from time to time or any Act that may hereafter be substituted therefore; and "meeting of shareholders" shall mean and include an annual general meeting of shareholders and a special meeting of shareholders. **He/she approaches how will that change in legislation, etc. Fruit machine test to see if you were a homosexual. If you worked for the federal government or RCMP you**

could be fired on the spot. This was done at Carleton University Lobe Tower, 7th floor. When the professor died who was doing this, they shredded every single document he had. 2016, Carleton sent an email apologizing for the research of the Cold War, and 9000 people. No one can find the names so they got rid of them. Robert Frank way.

## Repeal

14. **Repeal:** By-laws No. (indicate the number of the by-law) of the Corporation are repealed as of the coming into force of this by-law, provided that such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.

All officers and persons acting under any by-law so repealed shall continue to act as if appointed by the directors under the provisions of this by-law or the Canada Business Corporations Act until their successors are appointed.

- Dated: (indicate the day, month and year)
- President: (signature)
- Secretary: (signature)

Resolution of the directors and shareholders of (indicate the name of the corporation)

**By laws are there to govern the business**

## Incorporation Legislation

You're building your business whereas in law school you are taught to serve the demand of a client.

- Articles of incorporation

## Capacity and Powers

- 15 (1) A corporation has the capacity and, subject to this Act, the rights, powers and privileges of a natural person. **(natural person, is alive)**

## Idem

(2) A corporation may carry on business throughout Canada

## Extra Territorial Capacity

(3) a corporation has the capacity to carry on its business, conduct its affairs and exercise its powers in any jurisdiction outside Canada to the extent that the laws of such jurisdiction permit.

## Powers of a Corporation

16 (1) it is not necessary for a by-law to be passed in order to confer any particular power on the corporation or its directors.

### **Restricted business or powers**

(2) a corporation shall not carry on any business or exercise any power that it is restricted by its articles from carrying on or exercising, nor shall the corporation exercise any of its powers

### **Capacity and powers continued**

#### **Authority of directors, officers and agents**

18 (1) NO corporation and no guarantor of an obligation.etc

- If you are a third party of good faith you cannot oppose those things.
- LOOK AT THE WEBSITE HE ON LOOK AT F

### **Corporate Finance**

#### **Shares**

24 (1) shares of a corporation shall be registered form and shall be without nominal or par value.

- (nominal) When you create your corporation you cannot predetermine shares. The board of directors will be doing that.
- Can't take away powers of directors. Must always have class has rights.

Belinda and Dad

He sues daughter Belina and then she sues him again

### **Stated Capital Account**

26 (1)

### **Corporate Finance**

#### **Shares in series**

27 (1) the articles may authorize, subject to any limitations set out in them, the issue of any class or shares in one of more series and may do either or both of the following:

- a) Fix the number of shares in, and determine the designation, rights and privileges, restrictions and conditions attaching to the share of, each series, or
- b) Authorize the directors to the fix

NORTEL HISTORY OF SHARE

- Went high up and then down. Sold at the peak.

**TORT: A tort is an act or omission that gives rise to injury or harm to another and amounts to a civil wrong for which courts impose liability.**

- There has to be damage
- No damage = no consequences

- **Example: the bride goes down the aisle and starts crying because someone said she looked fat in a dress. Everyone is entitled to their own opinion; it did not cause damage.**

### **Occupiers' liability act**

1 in this act

“Occupier” includes,

- (a) A person who is in physical possession of premises, or
- (b) A person who has responsibility for and control over the condition of premises or the activities there carried on, or control over persons allowed to enter the premises, despite the fact that there is more than one occupier of the same premises

Common law duty of care superseded

2 Subject to section 9, this act applies in place of the rules of the common law that determine the care that the occupier of premises at common law is required to show for the purpose of determining

- **Example: the lady fell on ice, didn't have gloves nothing, kid sliced her hand with his skates but the kid did not cause damage because she didn't take the precautions.**

Occupiers duty

3 (1) an occupier of premises owes a duty

Risks Willing Assumed

4 (1) the duty of care provided for in subsection