

Publisher's Note

2019 — Release 2

Previous release was 2019-1

From Your Library:

<input type="checkbox"/>	_____

Ellis

Fiduciary Duties in Canada

This service gives a comprehensive, up-to-date case law analysis of fiduciary responsibility. Separate chapters give specific analysis of fiduciary duty as it applies to each individual business and professional relationship. The updatable format ensures currency.

This release features updates to case law and commentary in Chapter 1 (The Fiduciary Concept), 2 (Trustees), 9 (Lawyers), 14 (Franchises), 14A (Commercial Contractual Relations), 15 (Directors), 16 (Employees), 19 (Governmental Authorities), 20 (Remedies), 20A (Equitable Claims Against a Bankrupt Estate); and 21 (Practice and Evidentiary Issues).

Highlights

- **Lawyers — Breach of Fiduciary Duty — Duty of Full Disclosure** — In *Warrack*, in addition to making illegitimate payments from corporate bank accounts to pay for personal expenses, the defendant vice-president, director and minority shareholder established a holding company with his wife to secretly purchase the business premises of the plaintiff corporation, only to subsequently sell it back to the shareholders of the plaintiff corporation at an inflated price. By failing to disclose the interest in the holding company of the vice-president and his wife to the shareholders of the corporation, the solicitor acting for both sides in the transaction was in

THOMSON REUTERS CANADA **Customer Support**

1-416-609-3800 (Toronto & International)

1-800-387-5164 (Toll Free Canada & US)

Fax 1-416-298-5082 (Toronto)

Fax 1-877-750-9041 (Toll Free Canada Only)

E-mail CustomerSupport.LegalTaxCanada@TR.com.

This publisher's note may be scanned electronically and photocopied for the purpose of circulating copies within your organization.

breach of the specific fiduciary duty to disclose all material information to his clients: *Metalworks Canada Ltd. v. Warrack*, 2018 ABQB 443, 2018 CarswellAlta 1136 (Alta. Q.B.).

- **Equitable Claims Against a Bankrupt Estate — Bankruptcy and Insolvency Act — Acting in a Fiduciary Capacity** — In *Carnevale*, the corporation obtained a judgment against its corporate controller for her misappropriation and diversion of corporate funds to her spouse and his company. The corporation applied for a declaration under s. 178(1)(d) that the controller breached her fiduciary obligations and accordingly the judgment survived the Order of discharge from bankruptcy: *Water Matrix Inc. v. Carnevale*, 2018 ONSC 6436, 2018 CarswellOnt 17943 (Ont. S.C.J.).