

## Publisher's Note

An Update has Arrived in Your Library for:

<b>Please circulate this notice to anyone in your office who may be interested in this publication.</b> <i>Distribution List</i>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

### THE ANNOTATED BUSINESS CORPORATIONS ACT OF ALBERTA

Brenda-Jean Currie  
Release No. 6, June 2022

THOMSON REUTERS CANADA®

**Customer Support**

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

1-800-387-5164 (Toll Free Canada & U.S.)

Fax 1-416-298-5082 (Toronto)

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

E-mail [CustomerSupport.LegalTaxCanada@TR.com](mailto:CustomerSupport.LegalTaxCanada@TR.com)

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

This looseleaf service provides complete coverage of Alberta corporations law including: full text of the Alberta *Business Corporations Act* and Regulations as amended, clear and concise summaries of key reported and unreported decisions interpreting the Act, tables of cases and statutes, relevant case law from other jurisdictions, and a thorough index. This publication also includes forms and a comprehensive table of concordance relating to the Alberta *Business Corporations Act*. This publication features useful materials such as Words and Phrases, Legal Issues in Focus, and Extra-Provincial Corporations Summaries.

This release features updates to the *Business Corporations Act*, R.S.A. 2000, c. B-9 - Amended by S.A. 2021, c. 18. This release also features updates to the case law under Part 1 (s. 1(1)), Part 5 (s. 43), Part 9 (ss. 122, 122(1), 123(3)), Part 17 (ss. 215, 220(1)(b)), Part 18 (s. 231) and Part 19 (ss. 240, 242, 242(2)).

### New Binder

- Please note that a new binder is included with this release. Please redistribute the pages as indicated in the filing instructions and consult the Contents Checklist for reference.

#### **Section 122 — Duty of Care of Directors and Officers —**

The defendants argued that they could not be held liable for any breach because the party to whom they owed the duty, the general partner, was different than the party that suffered the loss, the limited partnership. It would be an anomalous result if the law offered no remedy for the breach of a director’s fiduciary duty in circumstances where the limited partnership suffered the resulting loss. If that were the case, directors could act with impunity to damage the interests of the limited partnership, including by engaging in self-dealing, and there would be no remedy for such a breach of fiduciary duty. The law of fiduciary duties, which is based in equity, should not brook such a lacuna in its remedies (decided under Ontario Business Corporations Act, R.S.O. 1990, c. B.16, s. 134(1); same wording): *EXTREME VENTURE PARTNERS FUND I LP v. VARMA*, 2019 ONSC 2907, 2019 CarswellOnt 7501, 94 B.L.R. (5th) 38 (S.C.J. [Commercial List]); additional reasons 2019 ONSC 4459, 2019 CarswellOnt 11923, 148 O.R. (3d) 360, 94 B.L.R. (5th) 119, 46 C.P.C. (8th) 148 (S.C.J. [Commercial List]); additional reasons 2020 ONSC 651, 2020 CarswellOnt 1320 (S.C.J. [Commercial List]); reversed in part on other grounds (2021), 2021 ONCA 853 (Ont. C.A.); additional reasons at 2022), 2022 ONCA 5 (Ont. C.A.); reconsideration refused (2022), 2022 ONCA 57 (Ont. C.A.).

#### **Section 215 — Other Grounds for Liquidation and Dissolution pursuant to Court Order —**

The court acknowledged that the “shotgun” process is not the “default” or “presumptively appropriate” order, but noted that it has generally been recognized as being an efficient means of arriving at a fair sales price in the event of a deadlock (decided under British Columbia Business Corporations Act, S.B.C. 2002, c. 57, s. 324; different wording): *SONDERHOFF v. ELLESMERE FARM CORPORATION* (2021), 2021 BCSC 2311 (B.C. S.C.).

#### **Section 242 — Relief by Court on the Ground of Oppression or Unfairness —**

The court rejected the argument that the petition was out of time. The petitioners did not rest their claim on any single oppressive act which occurred prior to the execution of a Tolling Agreement, but argued that the entire context of the relationship — including conduct after the Agreement was signed — was such that their interests had been harmed by the respondents’ oppressive conduct. It was not open to the respondents to rely on the Tolling Agreement to insulate themselves from judicial intervention for allegedly oppressive conduct which continued today (decided under British Columbia Business Corporations Act, S.B.C. 2002, c. 57, ss. 227; different wording,

324; different wording): *BECK v. 0973415 B.C. LTD.* (2021), 2021 BCSC 2323 (B.C. S.C.).

## **ProView Developments**

Your ProView edition of this product now has a new, modified layout:

- The opening page is now the title page of the book as you would see in the print work
- As with the print product, the front matter is in a different order than previously displayed
- The Table of Cases, Table of Statutes and Index are now in PDF with no searching and linking
- The Table of Contents now has internal links to every chapter and section of the book within ProView
- Images are generally greyscale and size is now adjustable
- Footnote text only appears in ProView-generated PDFs of entire sections and pages

