BUSINESS LAW ADVISORY COUNCIL

REPORT TO

MINISTER OF GOVERNMENT AND CONSUMER SERVICES

FALL 2016

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BUSINESS LAW ADVISORY COUNCIL

Executive Summary

The Business Law Advisory Council (the Council) was established by the Government of Ontario in 2016 to review Ontario's corporate and commercial legislation and to provide advice to Government on priorities to reform that legislation. At the end of its first six months, the Council is pleased to deliver its first report to the Minister of Government and Consumer Services (MGCS).

The Council is recommending changes to the Business Corporations Act (the OBCA) to encourage investors to choose Ontario as its jurisdiction of incorporation. Specifically, we are recommending that the requirement that 25% of directors of Ontario corporations be resident Canadians be eliminated, as it has been in other jurisdictions in Canada. We believe that the requirement creates a barrier to businesses incorporating in Ontario.

Two of our recommendations for amendments to the OBCA would enhance shareholder democracy by relaxing certain of the provisions governing shareholder proposals. Currently a shareholder may not put a proposal forward if it was made and defeated the previous year. We are recommending that a shareholder be entitled to put the same proposal forward if it received a prescribed level of support in the first year or received a prescribed increased level of support in subsequent years. We are also recommending that bylaws of non-offering corporations be permitted to provide that shareholders may submit proposals within a reduced period of time (no less than 10 days before the anniversary date of the last annual meeting).

In the area of commercial law, the Council is recommending a resolution to the stalemate on the treatment of cash collateral under the Personal Property Security Act (the PPSA). The amendments originally proposed by the Ontario Bar Association would enable security interests in cash collateral to be perfected by control, assuring secured parties first priority without the need for registrations or searches. However, one of the proposed amendments would have the effect of overriding the priority now accorded under the PPSA to pensioners and employees whose interests in deposit accounts would otherwise rank ahead of secured parties whose security interests are perfected by control. We are recommending that the definition of "account" be further amended to preserve the pension and employee priority for all deposit accounts except for those that function as collateral for derivatives contracts.

We are also recommending that: the PPSA and the Repair and Storage Liens Act (the RSLA) be amended to codify Ontario case law with respect to the identification of motor vehicles by vehicle identification numbers; that a technical issue in the PPSA relating to the location of debtor be rectified; and that the PPSA and RSLA registry system become entirely digital.

Finally, we are recommending certain amendments to franchising law in Ontario that would provide greater certainty for both franchisors and franchisees in key aspects of their relationship.

Recommendations

The Council's Fall 2016 Recommendations are set out below. Detailed reasons for these recommendations are set out in the Report. This Report also summarizes certain recommendations made by the Council in connection with Bill 27, the Burden Reduction Act, 2016.

Business Corporations Act

1. The current requirement under the OBCA that 25% of directors be resident Canadian should be eliminated. We further recommend that the written consent which directors provide in advance or within 10 days of their first election be accompanied by an agreement on the part of the prospective director that he or she will attorn to the laws of Ontario with respect to the corporation.

2. Shareholders should have the right to resubmit a proposal each year if it received a prescribed (and minimal) level of support in the first year or achieved a prescribed increased level of support in subsequent years.

3. The time period for shareholders of a non-offering corporation to submit a proposal should be set out in the corporation's by-laws (subject to certain limits).

Personal Property Security Act and Repair and Storage Liens Act

4. The PPSA should be amended to enable security interests in cash collateral to be perfected by "control", thereby assuring secured parties a first priority security interest in such collateral. However, to address concerns expressed by some stakeholders representing pension beneficiaries, we also recommend a further amendment that would preserve the s. 30(7) priority for all deposit accounts other than those that function as "financial collateral" for "eligible financial contracts" as defined in regulations to the Bankruptcy and Insolvency Act, which definition includes most forms of OTC derivatives.

5. The PPSA and RSLA should codify Ontario's case law to confirm as perfected, security interests and liens over a motor vehicle that is accurately described in the financing statement or claim for lien by its vehicle identification number (VIN), despite an error in the debtor's name.

6. Sections 7.2(7), 7.3(6) and 7(2) of the PPSA should be amended to rectify a technical issue in the location of debtor transitional rules proclaimed December 31, 2015 to preserve as properly perfected without further action existing PPSA registrations where the debtor's legal location is not changed by the new location rules.

7. The PPSA and RSLA registry system should become entirely digital for both filing and searching and should include updates to enhance efficiency and security of the system.

Arthur Wishart Act

8. Certain definitions in the Arthur Wishart Act (Franchise Disclosure) should be amended to:

   (a) clarify the types of intellectual property that may form the basis of a franchise and allow for the fact that the franchisor may be either the licensee or the owner of such intellectual property;

   (b) ensure that franchisors who have the right to exert significant control over, or to provide significant assistance in, the franchisee's method of operation are not exempted from the AWA merely by failing to exercise that right; and

   (c) clarify that only the agreement by which the franchise is actually granted (and not merely a deposit, confidentiality or other ancillary agreement) triggers a disclosure obligation on the part of the franchisor (and a potential rescission remedy for the benefit of the franchisee).

9. The exemption from the AWA in the case of a licence granted by a licensor to a single licensee should be clarified to state that the relevant geographic scope of the license be Canada.

10. U.S. GAAP and GAAS, as well as IFRS and IAASB auditing and review engagement standards as adopted by other countries, should be deemed to be acceptable bases for the preparation and auditing or review of financial statements required to be attached to a disclosure document delivered under Section 5(4) of the AWA.

11. A Form – Certificate of Franchisor should be added, applicable to the Statement of Material Change required to be delivered under Section 5(5) of the AWA.

12. The recommendations of the Ontario Bar Association should be adopted to (a) clarify that the former director/officer exemption ceases to be available on the expiry of a fixed period after the prospective franchisee has ceased to be an officer or director of the franchisor; and (b) confirm that the exemption should also apply where the prospective franchisee is a corporation owned by such an individual.

13. The fractional franchise disclosure exemption should be amended to clarify that the time period for measuring anticipated percentage of sales for the purposes of the exemption is the franchise's first year of operation.

14. The De Minimis Investment Disclosure Exemption's concept of "total annual investment" be replaced with the concept of an "initial investment" anticipated by the parties at the time of entry into the franchise agreement to clarify the timing and method of calculating the relevant investment amount for the purposes of the exemption.

15. The Large Investment Disclosure Exemption should be amended to improve consistency between the Large Investment Disclosure exemption and the De Minimis Investment Exemption.

Business Law Advisory Council

1. BACKGROUND

The Government of Ontario announced the establishment of the Business Law Advisory Council on March 2, 2016 as a result of recommendations set out in the Report of the Business Law Advisory Panel dated June 2015 (the Panel Report). The Panel Report recommended a reform agenda to: position Ontario as a leading business jurisdiction; encourage innovation and investment, job creation and economic growth; and support regulatory frameworks that are responsive, flexible and adaptable. In establishing the Council, the Government noted that regular updating of Ontario's corporate and commercial statutes supports a responsive legal framework, which helps maintain a dynamic business climate, fosters greater prosperity, strengthens Ontario's competitive advantage in a global economy and positions Ontario as the preeminent jurisdiction for business law.

The Council is comprised of eleven experts in corporate and commercial law (Schedule A). The Chair and Vice Chair have been appointed for three year terms. The other members of the Council have been appointed for 18 months and may be reappointed to serve three years in total. The Council operates pursuant to written terms of reference (Schedule B) prepared by government and adopted by the Council. Its mandate includes 19 statutes which fall within the responsibility of the Ministry of Government and Consumer Services (Schedule C) as well as reviewing corporate and commercial legislation under the responsibility of the Ministry of the Attorney General and the Ministry of Finance.

2. WORK OF THE COUNCIL TO DATE

The Council has established three working groups: the Commercial Law Working Group, the Entity Law Working Group and the Franchise Law Working Group. The constitution of each of these working groups is set out in Schedules D. Each of the working groups reported regularly to the Council and the recommendations of each of the working groups were approved by the Council.

The Council met six times between March 2 and September 30, 2016. Members of Council met with a number of organizations that have an interest in matters within its mandate (listed in Schedule E) and have also reached out to a number of other stakeholders to acquaint them with the Council and its mandate and to solicit their input.

An early draft of this report was provided for review to a committee of Assistant Deputy Ministers from the Ministry of the Attorney General, the MGCS and the Ministry of Finance who are responsible for consultation on the report within the government. Following that consultation, the Government provided feedback to the Council.

Fall 2016 Recommendations

The Council recommends that the Government make changes to the Business Corporations Act (the OBCA), the Personal Property Security Act (the PPSA), the Repair and Storage Liens Act (the RLSA) and the Arthur Wishart Act (the AWA):

1. Elimination of Residency Requirements for Boards of Directors

We recommend that the current requirement under the OBCA that 25% of directors be resident Canadian be eliminated. We further recommend that the written consent which directors provide in advance or within 10 days of their first election be accompanied by an agreement on the part of the prospective director that he or she will attorn to the jurisdiction of the courts of Ontario with respect to serving as a director of the corporation.

Ontario imposes residency requirements on boards of directors of corporations incorporated under the OBCA. 25% of the directors of Ontario corporations must be resident Canadians.

Residency requirements have been common in Canadian corporate statutes for many years. These requirements were originally intended to ensure that a Canadian perspective was represented in the boardroom. We note that the Ontario statute does not promote an Ontario perspective, since the residence requirements are satisfied if 25% of directors are resident Canadian from any part of the country. In any event, the idea that Canadian directors represent Canadian interests has faded over time. Jurisdictions (including Ontario) that once required that 50% of a board be resident Canadians have reduced that requirement to 25%. Other jurisdictions have eliminated the requirement altogether. Today, the corporate statutes in British Columbia, the Yukon, Nova Scotia, Prince Edward Island, New Brunswick, Quebec, North West Territories and Nunavut have no residency requirements. The corporate statutes in Alberta, Manitoba, Saskatchewan, Newfoundland and Labrador and Ontario (as well as the federal corporate statute) require that 25% of directors be resident Canadians.

Businesses that wish to incorporate in a Canadian jurisdiction often prefer not to be restricted by the Canadian residency requirements in Ontario corporate law. For example, a U.S. business may wish to establish a Canadian subsidiary and to populate its board of directors with executives from its head office. Even if much of its business is in Ontario, it can incorporate in British Columbia, for example, as easily as it can incorporate in Ontario. It then carries on business in Ontario simply by registering as an extra-provincial corporation. Businesses that originally incorporated in Ontario can also continue out of Ontario (in other words, leave Ontario in favour of another governing jurisdiction) as they find that the residency requirements imposed under Ontario law impose unwelcome restrictions. We have reviewed data showing a number of public companies have in fact continued out of Ontario into British Columbia for a variety of reasons, in particular the absence of any requirement in British Columbia corporate law for any directors to be resident Canadians. ,

Ontario loses both income and influence when investors choose not to incorporate in Ontario or when they leave Ontario in favour of another jurisdiction. The Government foregoes filing fees. The corporation must retain counsel in its jurisdiction of incorporation for much of the advice that it requires and will often keep all of their legal work with their local counsel. Ontario lawyers and paralegals lose as a result. Litigation involving the corporation will most often be carried on in the jurisdiction which governs the corporation even if a significant portion of the operations is in Ontario. Since Ontario courts are not engaged on these matters, Ontario law and the jurisprudence of its courts do not determine key governance matters relating to the corporation.

We understand that investigations, prosecutions and enforcement actions against corporate directors may be easier for government authorities if at least some of the directors are resident in Canada. We note that a director who is a resident Canadian may not have assets, or may not have assets in Canada. Moreover, it is a simple matter for the shareholders of a private company to simply put a unanimous shareholder agreement in place, removing all authority from the directors. The shareholders are then in a position to exercise all of the authority of the directors. The shareholders may be corporate entities. Whether they are corporations or individuals, there is no requirement for them to be resident in Ontario.

However, to address the enforcement issue, we are recommending that when a person provides written consent to act as a director, that the consent be accompanied by an agreement by that director to submit and attorn to the jurisdiction of the courts of the Province of Ontario with respect to all matters relating to such person having served as a director of the corporation. We recognize that the attornment recommendation may not be a full answer to concerns about being able to access at least some directors for the purpose of investigations, for example. However, we note that no other entity form governed by Ontario law must include resident Canadians as members of their governing bodies. Partnerships, limited partnerships and trusts, for example, are not subject to any such requirement. We also note that U.S. state law does not require any percentage of the board to be resident in the United States (just as many Canadian provinces do not require any percentage of the board to be resident Canadians). Accordingly, we question whether the investigation, prosecution and enforcement concerns should outweigh the benefits of eliminating the residency requirement in Ontario corporate law.

The elimination of the residency requirement does not mean that Ontario corporations will routinely seek to populate their boards with non-Canadians. There are many capable individuals resident in Ontario who are prepared to serve on boards. Directors of private companies most often have some proximity to the business which they oversee. Even where this is not the case, if the corporation is carrying on business in Ontario, it will have assets and employees in Ontario. Tax considerations may also result in a proportion of directors being resident in Canada.

For the reasons discussed above, we believe that the requirement that 25% of directors of a corporation governed by the OBCA be resident creates a significant barrier to corporations being incorporated in Ontario and should be eliminated. We see little likelihood that this will result in the widespread recruitment of non-Canadians to serve

on the boards of Ontario corporations. We question the need for the residency requirement in order to facilitate investigations, prosecutions and enforcement. However, we believe that a requirement that directors attorn to the exclusive jurisdiction of the courts of the Province of Ontario with respect to such person having served as a director of the corporation provides at least a partial answer to concerns in this regard.

2. Allowing Shareholders to Continue to Advance Proposals if Support is Growing

We recommend that shareholders have the right to resubmit a proposal each year if it achieves a minimum level of support in previous years.

Shareholder proposals are a key tool for shareholders to raise issues on governance matters (for example) with their fellow shareholders for consideration. Majority voting and say on pay were first introduced as shareholder proposals before they became more widely adopted by public companies.

An important feature of the shareholder proposal process is that it provides access to the management information circular for the proposing shareholder - a means for shareholders to communicate with one another without incurring significant costs. Shareholders who put a proposal forward do not typically solicit proxies in favour of their proposal (unless the shareholder is also soliciting votes for another purpose, such as a proxy battle) since it would require them to issue a dissident information circular in connection with that solicitation. The preparation and distribution of a dissident circular and the solicitation of proxies would be prohibitively expensive for most shareholders. The costs to the corporation complying with its obligations in relation to a proposal are nominal.

Since proposing shareholders do not typically solicit proxies, it is not surprising that proposals often attract very low levels of support. Proposals that do not receive shareholder approval the first time they are presented may fare better after shareholders have had more time to consider the issue and become more familiar and comfortable with the substance of the proposal. Proposals often attract broader attention and engage the interests of the investment community only after the shareholder meeting at which they have first been presented.

The current provisions of the OBCA are designed to avoid the nuisance aspect of a shareholder putting forward a proposal over and over with little prospect of success. The provisions of the Canada Business Corporations Act (the CBCA) that allow a shareholder to put a proposal forward again if it is attracting increased support promotes shareholder democracy without facilitating nuisance proposals.

The CBCA prescribes a five year limit on the resubmission of a shareholder's proposal as set out in the CBCA. In order to resubmit a proposal, it must have received support of the shareholders at past meetings as follows:

- 3% of the total number of shares voted, if the proposal was introduced at an annual meeting of shareholders;

- 6% of the total number of shares voted at its last submission to shareholders of the proposal, if the proposal was introduced at two annual meetings of shareholders; and
- 10% of the total number of shares voted at its last submission to shareholders, if the proposal was introduced at three of more annual meetings of shareholders

We recommend that the OBCA be amended to mirror the CBCA.

3. Process for Submitting Proposals in Private Companies

We recommend that the time period for shareholders of a non-offering corporation to submit a proposal be set out in the corporation's by-laws (subject to certain limits).

The mechanics for calling a shareholder meeting for an offering corporation are different from the mechanics of calling a shareholder meeting for non-offering corporations. An offering corporation must provide a notice of meeting no less than 21 days before the meeting, must solicit proxies and must provide an information circular to the shareholders in connection with the meeting. A non-offering corporation must provide a notice of meeting no less than 10 days before the meeting, and is not required to solicit proxies or provide an information circular to the shareholders in connection with the meeting. However, because a proposal would constitute "special business", the corporation is obliged to provide to shareholders a statement of the nature of that business (in sufficient detail to permit the shareholder to form a reasoned judgement thereon) and the text of any special resolution or by-law to be submitted to the meeting.

Shareholders of all corporations (offering and non-offering) must submit proposals no more than 60 days prior to the anniversary of the last annual meeting. In our view, non-offering corporations and their shareholder should be permitted to specify in their bylaws, the time period within which shareholders must submit proposals. Management needs time to deal with any proposal submitted (including developing any management response and incorporating both the proposal and the response into the materials provided to shareholders in connection with the meeting). Accordingly, the time frame permissible in the bylaws should be no less than 10 days and no more than 60 days.

4. Cash Collateral

We recommend that the PPSA be amended to enable security interests in cash collateral to be perfected by "control", thereby assuring secured parties a first priority security interest in such collateral. However, to address concerns expressed by some stakeholders representing pension beneficiaries, we also recommend a further amendment that would preserve the s. 30(7) priority for all deposit accounts other than those that function as "financial collateral" for "eligible financial contracts" as defined in regulations to the Bankruptcy and Insolvency Act, which definition includes most forms of over the counter derivatives.

The Commercial Law Working Group of the Council held very helpful meetings with the affected Ministries to consider whether the PPSA should be amended to enable

perfection by control of cash used as collateral for a variety of secured obligations, as recommended in the Panel Report and by the OBA.

The need for reform of the cash collateral regime took on greater urgency in September, 2016 when the federal Office of the Superintendent of Financial Institution's (OSFI) Guideline E-22 - Margin Requirements for Non-Centrally Cleared Derivatives (the OSFI Guideline) took effect for the largest and most systemically important financial institutions, with similar requirements for smaller institutions to be phased in over the next four years. In fulfillment of Canada's G-20 commitments and consistent with U.S. and international standards, the OSFI Guideline requires counterparties to non-centrally cleared OTC derivatives to post initial and variation margin as security for their obligations. Although margin need not be in the form of cash, it is expected that as sources of other forms of collateral (such as high grade marketable securities) are exhausted due to increased demand, cash will become an increasingly important alternative.

The inability to perfect a security interest in such cash collateral by control could act as a significant disincentive to counterparties entering into OTC derivatives in Ontario because only control can give the assurance of a first priority security interest, which as a practical matter cannot be obtained through a PPSA registration. The absence of a cash collateral control regime could therefore put Ontarians at a competitive disadvantage compared to other jurisdictions that have such regimes in place, such as the U.S., the U.K., the EU, and most recently, the Province of Quebec, which amended its Civil Code to provide for control of cash collateral on January 1, 2016.

Much of the discussion of cash collateral has centred on how best to address the concern expressed by some stakeholders that the proposed cash collateral control regime would jeopardize the priority now enjoyed by pensioners and employees under subsection 30(7) of the PPSA, which provides that a security interest in an "account" is subordinate to the interest of a person who is the beneficiary of a deemed trust arising under the Employment Standards Act or the Pension Benefits Act (or also, under amendments that will soon be proclaimed, under the Pooled Registered Pension Plans Act, 2015).

The PPSA currently defines "account" in a way that would include deposit accounts whereas the amendments to that definition proposed by the OBA would in effect exclude all deposit accounts and subject them to the new control regime. The result would be that the deemed trusts referred to in s. 30(7) could rank behind a security interest in a deposit account of a pension plan sponsor or employer perfected by the new method of control.

By the same token, other stakeholders have voiced a concern that if deposit accounts continue to be subject to subordination under s. 30(7), much of the benefit sought to be achieved by the proposed control regime would be lost because a secured counterparty's security interest in cash collateral credited to a posting counterparty's deposit account could be subject to the deemed trust, including the often unascertainable and potentially very large amount of a defined benefit pension plan wind-up deficiency.

To address these two opposing concerns, a compromise was proposed that would preserve the s. 30(7) priority for all deposit accounts other than those that function as "financial collateral" for "eligible financial contracts" as defined in regulations to the Bankruptcy and Insolvency Act, which definition includes most forms of OTC derivatives.

The revised definition of "account" would continue to exclude deposit accounts, which in turn would be subject to the control perfection regime, but an additional definitional subsection would add back to the definition of "account" as used in s.30(7) all deposit accounts that do not serve as "financial collateral". The result would be that security interests in all deposit accounts except those that function as financial collateral would still be subject to subordination to the deemed trusts under s. 30(7) even if those security interests are perfected by control, which would otherwise ensure first priority. Only deposit accounts that serve as financial collateral for OTC derivatives would enjoy priority over the s. 30(7) deemed trusts. All other deposit accounts of the debtor would still be subject to potential subordination under s. 30(7), even if security interests in them were perfected by control.

This would give swap counterparties the assurance that they would have the benefit of a first priority position with respect to deposit accounts that serve as collateral for OTC derivatives as "eligible financial contracts" but preserve the s. 30(7) priority with respect to all other deposit accounts of the plan sponsor or employer that serve as cash collateral, including those in which a security interest has been granted to secure non-derivatives obligations.

It was noted that such an approach would be consistent with the special status given to "eligible financial contracts" in the bankruptcy and insolvency law of Canada and many other jurisdictions, which generally exempt enforcement of such contracts from the stays of proceedings that affect other obligations generally.

5. Perfection by VIN in the PPSA and RSLA

We recommend that Ontario codify the Ontario case law to amend the PPSA and Repair and Storage Liens Act (the "RSLA") to confirm as perfected, security interests and liens over a motor vehicle that is accurately described in the financing statement or claim for lien by its vehicle identification number ("VIN") despite an error in the debtor's name.

This recommendation comes from the Court of Appeal in Ontario in its decision in Re Lambert, which held that the subject registration perfected the security over the vehicle collateral because the VIN was correctly set out in the PPSA registration despite an error in the debtor's name where the vehicle collateral was used as "consumer goods". Other cases have extended this to registrations concerning a vehicle used as "equipment" by the business debtor.

Over 80% of all Ontario PPSA registrations describe a motor vehicle. It is very difficult to accurately name people in our diverse population with different cultural naming conventions, especially as people do not attend in vehicle dealerships or repair facilities

with their birth certificates or Canadian citizenship papers, the documents Ontario case law has held are to be used to accurately name people in the computer registry system.

This codification of the Ontario case law would make the PPSA and RSLA easier to use by registrants and reduce costs to lenders, lessors, and repairers who are now losing vehicle collateral to bankruptcy trustees or receivers appointed by secured parties by reason of debtor name errors.

This recommendation is consistent with the recommendation in the Panel Report that the RSLA be made more user friendly. This VIN change is a very helpful change for RSLA claimants who have little chance of naming people in their liens correctly.

6. Technical PPSA amendments – location of debtor rule change

We recommend that sections 7.2(7), 7.3(6) and 7(2) of the PPSA be amended to rectify a technical issue in the location of debtor transitional rules proclaimed December 31, 2015 to preserve as properly perfected, without further action, existing PPSA registrations where the debtor's legal location is not changed by the new location rules.

The issue is that the transition rules in sections 7.2(7) and 7.3(6) could be read to terminate the registration life of Ontario PPSA registrations made before December 31, 2015, on the expiry of the five year transition rule on December 31, 2020 even if application of the new debtor location rules would not result in a change to the debtor's location.

For example, a debtor created under the OBCA with its chief executive office in Ontario would be deemed to be located in Ontario under both the prior and new PPSA debtor location rules. Read literally, the transition rules in sections 7.2(7) and 7.3(6) would mean that a registration against this debtor with respect to intangibles or investment property that would not otherwise expire until, say, 2024 would be deemed to expire on December 31, 2020. This was almost certainly not intended by the 2006 drafters. A technical change to the present language would make it clear that this five year transition rule and expiry on December 31, 2020 would only apply if the new rules proclaimed on December 31, 2015 deemed the debtor to be located in another jurisdiction by operation of the new rules.

In addition we recommend a small wording amendment in section 7(2) to reflect the new debtor location rules. This recommendation would replace the words "If a debtor relocates to another jurisdiction" (implying a change in physical location, which was formerly a factor linked to the prior conflicts rule respecting the location of the chief executive office) with words denoting a change in the jurisdiction of the debtor after December 31, 2015 by reason of the application of the new debtor rules that were proclaimed in force on that date

7. Modernizing the PPSA and RSLA Computer Registry System and Processes

We recommend that Ontario make the PPSA and RSLA registry system entirely digital for both filing and searching and include updates to enhance the efficiency and security of the system.

Ontario has been unable to consider any updates to modernize or harmonize the PPSA and RSLA legislation if the change impacts the computer system, as that system is not capable of updating by reason of the age of the software (dating back to 1989 or possibly much earlier) and the lack of programmers able to deal with the aged architecture of this system.

This data base is too important for Ontario's business infrastructure to be left in a vulnerable condition. The PPSA and the RSLA computer systems should be kept modernized, efficient and secure, just as the land registry system has had its updates for e-registration, searching and more.

The existing registry system for the PPSA and RSLA is causing overhead costs to both the Province and users of the system by not being fully digital in its operations and processes.

Today, the data is sent to the computer data base by registrants using electronic means. The data is stored electronically. When a search is ordered the data is printed on paper which is either picked up by the searcher or mailed to the searcher. Many parties then scan these searches to turn them back into digital form for storage and future retrieval if needed.

The entire process should be made digital with the Province sending search results in PDF or other secure format to allow green initiatives by all involved in paper reduction and reduction in overhead costs in handling paper. We understand that Quebec has moved to send out search results electronically.

In addition we recommend the Province consider among other upgrades to the computer system and rethink its operating processes for the system, for among others, the following points:

(a) PDF search results should be made searchable

The existing PPSA paper based search certificate is not in a user friendly form that enables search summaries or extraction of specific data.

Making the PDF searchable would allow more accurate search reading of large volume search results for business transactions. It would reduce the cost of having clerks or articling students make summaries for due diligence and opinion requirements, or from having to buy an uncertified search summary from a third party agent, which uncertified summary has to be checked against a certified search.

(b) End the difference between verbal and overnight printed certified searches

Ending paper based searching and enabling electronic PDF searches should allow all searches to be certified results. The certified search would be the digital search report sent out by the Ministry.

(c) Real-time searching

This exists in other provinces now, and is very important for those engaged in vehicle and equipment financing to be able to get up to the minute searches before buying trade ins, making sales, auctions and vendors checking for repair liens (no RSLA registration time limit), due diligence on closing day, Used Vehicle Information Packages, and more. Over 80% of the PPSA and RSLA registrations contain a VIN in the registration.

And this search volume will increase if the PPSA and RSLA are expanded to permit more than motor vehicles to be described in the data base by year, make, model and serial numbers.

(d) Ending the check the box system and moving to word descriptions of collateral

This PPSA change was passed in 2006 but has not been proclaimed given the computer system has not been upgraded.

Word descriptions for collateral claimed by the registrant are used outside Ontario. Because of Ontario's check the box system (going back to when computer memory was expensive), great time and expense is involved in obtaining third party waivers or estoppel letters to have third parties clarify the collateral they claim when for example, they "X" the box for "equipment" or "inventory" and do not enter any word description. This is added cost to doing transactions and takes time to get the letters sent out and track the responses.

(e) Reduction of fraudulent discharges

Fraudsters have discharged secured parties' registrations to enable the apparent free and clear resale of the subject collateral. This is used for example by vehicle thieves to discharge the security filing as they go to export the stolen vehicle from Canada.

Saskatchewan provides secured parties with their own identification PIN. The PIN must be used to effect a discharge of that secured party's registration. Ontario has made several attempts at fraud reduction by way of curtailing use of credit cards to pay for making a one off registration. Adoption of a PIN or other security mechanism would assist in stopping fraud and collateral theft.

8. Changes to Definitions in the AWA

We recommend the following changes to the following definitions in the AWA:

(a) Paragraph 1(1)(a)(i) – Definition of "franchise" – Trade-Mark License

We recommend the following amendments to clarify the types of intellectual property that may form the basis of a franchise and to allow for the fact that the franchisor may be either the licensee or the owner of such intellectual property.

(i) Remove the term "service mark"

Subparagraph (i) of the definition refers to the grant of a right to engage in a business where:

> "the franchisor grants the franchisee the right to sell, offer for sale or distribute goods or services that are substantially associated with the franchisor's, or the franchisor's associate's, trade-mark, service mark, trade name, logo or advertising or other commercial symbol[.]"

This portion of the definition was based largely on the U.S. Federal Trade Commission Franchise Rule and is intended, broadly speaking, to capture the sale or distribution of branded products and services. Since, unlike the United States, we do not have "service marks" in Canada, the Council recommends removing the words "service mark" from the definition.[1] We note that each other Canadian Province that has enacted franchise legislation subsequently to that of Ontario does not refer to service marks in its definition; the only Province that retains the reference being Alberta, whose franchise legislation pre-dates that of Ontario.

(ii) Allowing for the fact that the franchisor may, itself, be a licensee of the marks.

The above portion of the "franchise" definition also implies that the trade-mark or other intellectual property in question is owned by either the franchisor or its associate. That may not, however, always be true, such as in the case of a master franchisee who sublicenses the IP to unit (sub-)franchisees. In order to capture such situations, the OBA has recommended (and the Council agrees) that subparagraph (i) be further amended to provide that the intellectual property may be owned by or licensed to the franchisor. The amendment might be effected as follows:

> "the franchisor grants the franchisee the right to sell, offer for sale or distribute goods or services that are substantially associated with a trade-mark, trade name, logo or advertising or other commercial

[1] There would be corresponding changes in s. 1(1)(b)(i), the definition of "franchise system", s. 2(3)(5), and elsewhere in the Act.

> symbol, that is owned by or licensed to the franchisor or the franchisor's associate[.]"

(b) Paragraph 1(1)(a)(ii) – Definition of "franchise" – Significant Control or Assistance

We recommend amending this provision to ensure that franchisors who have the right to exert significant control over, or to provide significant assistance in, the franchisee's method of operation are not exempted from the AWA merely by failing to exercise that right.

This paragraph requires that, in order to be considered a "franchise", the franchisor (or the franchisor's associate) must exercise significant control over, or offer significant assistance in, the franchisee's method of operation, including building design and furnishings, locations, business organization, marketing techniques or training. We recommend that this paragraph be amended to clarify that actual control or assistance by the franchisor with respect to the franchisee's method of operation should not be required to bring a given relationship within the ambit of the AWA, as long as the franchisor has the right to exert such control or provide such assistance. This amendment might be effected as follows:

> "the franchisor or the franchisor's associate has the right to exercise or exercises significant control over, or has the right to provide or provides significant assistance in, the franchisee's method of operation, including building design and furnishings, locations, business organization, marketing techniques or training[.]"

(c) Paragraph 1(1)(a)(i) – Definition of "franchise agreement" – Related Agreements

We recommend clarifying that only the agreement by which the franchise is actually granted (and not merely a deposit, confidentiality or other ancillary agreement) triggers a disclosure obligation on the part of the franchisor (and a potential rescission remedy for the benefit of the franchisee).

The definition of "franchise Agreement" is currently drafted very broadly to mean, "any agreement that relates to a franchise between, (a) a franchisor or franchisor's associate, and (b) a franchisee." Since the inception of the AWA, there has existed uncertainty in the franchise industry as to whether the definition properly captures any of the various ancillary agreements that franchisors typically enter into with their franchisees, such as deposit agreements, territory reservation agreements and non-disclosure agreements; many of which are entered into before the actual "franchise agreement" (i.e., the agreement that actually grants the license to operate the business in question) is signed.

This uncertainty relates specifically to whether and when the relevant disclosure document must be presented to the prospective franchisee, since s. 5(1) of the AWA requires that it be provided not less than 14 days before the earlier of "the signing by the

prospective franchisee of the franchise agreement or any other agreement relating to the franchise" and "the payment of any consideration by or on behalf of the prospective franchisee". Put simply, if ancillary agreements, such as deposit agreements, reservation agreements and NDAs, are "franchise agreements" or other agreements "relating to" the franchise, does their execution by the prospective franchisee not trigger a prior disclosure obligation on the part of the franchisor, and are they not subject to rescission if the franchisor fails to meet that disclosure obligation?

All of the other Provinces, who have enacted franchise legislation subsequently to Ontario, have attempted to deal with this issue in some fashion. Most commonly, deposit agreements (for fully-refundable deposits not exceeding a prescribed amount), territory reservation agreements and confidentiality agreements (with some exceptions) are expressly stated to be excluded from the relevant legislation's disclosure requirements. In addition to this express exclusion, the OBA has recommended that the AWA be further clarified to recognize that the term "franchise agreement" should only cover the agreement pursuant to which the franchise is actually granted, and that a separate definition of "related agreements" be introduced to deal with the aforementioned ancillary agreements, particularly where they are entered into before the actual "franchise agreement" is signed. The Council agrees with this approach, both to provide certainty and to bring the AWA substantively in line with the subsequent enactments of other Provinces.

9. Non-application of the AWA – Single License Exemption

We recommend that the exemption from the AWA in the case of a license granted by a licensor to a single licensee be clarified to state that the relevant geographic scope of the license be Canada.

Subsection 2(3) contains a list of exemptions from the AWA. There has been considerable confusion and debate as to the geographical scope of the "single licence" exemption contained in paragraph 5 of that section:

> "(3) This Act does not apply to the following continuing commercial relationships or arrangements:
>
> [...]
>
> 5. An arrangement arising from an agreement between a licensor and a single licensee to license a specific trade-mark, service mark, trade name, logo or advertising or other commercial symbol where such licence is the only one of its general nature and type to be granted by the licensor with respect to that trade-mark, service mark, trade name, logo or advertising or other commercial symbol."

The general consensus amongst franchise practitioners and stakeholders is that the relevant geographic scope for the licence in question is (or should be) all of Canada: if it were just Ontario, then an unacceptably large number of Ontario start-up franchises would arguably be exempted from the AWA in respect of their first franchise grant; on the other hand, if it were to include jurisdictions outside of (i.e., in addition to) Canada,

the exemption condition would in most instances be so onerous as to render the availability of the exemption meaningless, especially for established franchisors in other jurisdictions who seek to expand their systems to Ontario or elsewhere in Canada.

Accordingly, the Council recommends inserting the words "in Canada" after the word "licensor" in the second-last line of the paragraph, so that the paragraph would read, in relevant part, "where such licence is the only one of its general nature and type to be granted by the licensor in Canada with respect to that trade-mark [...]".

We further note that each Province, that has enacted franchise legislation subsequently to Ontario, has included the above qualification in its own legislation, and so the above amendment would have the added advantage of promoting consistency across Canada.

10. Financial Statement Disclosure under the AWA

We recommend that U.S. GAAP and GAAS, as well as IFRS and IAASB auditing and review engagement standards as adopted by other countries, be deemed to be acceptable bases for the preparation and auditing or review of financial statements required to be attached to a disclosure document delivered under Section 5(4) of the AWA.

Paragraph 5(4)(b) of the AWA requires that each disclosure document contain financial statements as prescribed. Paragraphs 3(1)(a) and 3(1)(b) of the general regulation made under the AWA (the AWA Regulation) in turn require that such statements be prepared in accordance with generally accepted accounting principles (GAAP) that are "at least equivalent to" Canadian GAAP and that they be either audited or subjected to a review engagement using standards that are "at least equivalent to" Canadian auditing or review and reporting standards.

The purpose of the above financial disclosure is to give prospective franchisees recent information regarding the financial soundness of the franchisor, that has been prepared on the basis of accounting principles that are either understandable on their face by Canadian investors or readily translatable by their accountants, and that are independently reviewed or audited in accordance with standards that are at least as rigorous as those that would be applied in Canada.

Many of the franchisors operating in or considering entry into Ontario are U.S. entities. Since the promulgation of the AWA Regulation there has been uncertainty as to the meaning of the words "at least equivalent to" and, therefore, as to whether financial statements prepared in accordance with U.S. GAAP and audited or reviewed in accordance with U.S. auditing or review engagement standards are sufficient to meet the AWA's financial disclosure requirements. This uncertainty has caused both delay and increased cost for many U.S. franchisors, as they are forced to obtain legal and accounting opinions on the matter and/or engage Canadian accountants to reconcile their U.S. GAAP statements to Canadian GAAP (which is now either International Financial Reporting Standards (IFRS) or Accounting Standards for Private Enterprises (ASPE)).

It is generally understood and agreed that the main purpose of the AWA is to ensure that prospective franchisees in Ontario are given sufficient information to allow them to make a fully-informed decision whether to acquire a given franchise on the terms on which it is being offered. Both the Ontario Bar Association and the Council are of the view that the provision of financial statements prepared in accordance with U.S. GAAP and audited or reviewed in accordance with U.S. auditing or review engagement standards would meet that objective. Accordingly, the Council recommends that the provision of such statements be expressly recognized as being compliant with the AWA's financial statement disclosure requirement, and that the AWA Regulation be amended accordingly.

Furthermore, we note that similar issues and arguments arise with respect to franchisor entities based in other countries that have, like Canada, adopted IFRS as (at least part of) their local GAAP and have adopted the generally accepted auditing standards (GAAS) and generally accepted standards applicable to review engagements put forth by the International Auditing and Assurance Standards Board (the IAASB) as their local GAAS and review engagement standards. Indeed, the aforementioned disclosure objective could similarly be met by deeming the GAAP, GAAS and review engagement standards of such countries to be "at least equivalent to" Canadian GAAP, GAAS and review engagement standards, as well, and the Council recommends that the AWA Regulation be further amended to do so.

Interestingly, the Government of British Columbia has announced that it is taking a similar approach in the recently-published regulations under BC's own Franchises Act. Specifically, under the new BC regulations, franchisors will be permitted to attach to their disclosure documents financial statements prepared in accordance with the GAAP of their home jurisdiction, as long as the statements have been audited either in accordance with Canadian GAAS or the GAAS set by the IAASB, or reviewed either in accordance with Canadian review engagement standards or those set by the IAASB. The Council is not currently recommending that the Ontario Government similarly allow foreign franchisors to attach local GAAP financial statements unless the local GAAP is either IFRS or U.S. GAAP. IFRS and U.S. GAAP are both sufficiently well-known to and understood by Canadian accountants that franchisees should be readily able to obtain financial advice regarding statements prepared in accordance with either of those sets of accounting principles. The same may not hold true for other local GAAP variants.

11. Statement of Material Change in the AWA

We recommend that a Form – Certificate of Franchisor be added, applicable to the Statement of Material Change required to be delivered under Section 5(5) of the AWA.

While the AWA currently mandates (in Section 7 of the AWA Regulation) the content of the franchisor's certificate that must be included in each disclosure document delivered in accordance with Section 5(4) of the AWA, the same is not true of the statement of material change that must be delivered under Section 5(5). Accordingly, there has arisen both uncertainty and a range of practice in respect of the form and content of

certificate that must accompany a statement of material change. In order to ensure that consistent information is provided to franchisees and to make it easier for franchisors to comply with s. 5(5) of the AWA, the Council recommends that either the content of the statement of material change or the form, itself, be prescribed to correspond to the prescribed content in the disclosure document certificate.

12. Officer/Director Exemption under Subsection 5(7)(b) of the AWA

We recommend the adoption of the recommendations of the Ontario Bar Association to (a) clarify that the exemption ceases to be available on the expiry of a fixed period after prospective franchisee has ceased to be an officer of director of the franchisor; and (b) confirm that the exemption should also apply where the prospective franchisee is a corporation owned by such an individual.

The exemption is based on the fact that the officer or director has sufficient knowledge with respect to the franchisor, the relevant business and the franchise offering. The paragraph should be amended to clarify, inter alia, that after a period of time of not being an officer or director of the franchisor, much of that knowledge ceases to be current (and therefore relevant), such that the exemption should cease to apply. We recommend that the fixed period of time be 120 days. The exemption should also apply to a corporation owned by a person who was an officer or director of the franchisor.

13. Fractional Franchise Disclosure Exemption -Subsection 5(7) (e) of the AWA

We recommend that the Subsection be amended to clarify that the time period for measuring anticipated percentage of sales for the purposes of the exemption is during the first year of operation of the franchise.

Paragraph 5(7)(e) of the AWA provides that the disclosure requirement of the AWA does not apply to:

> "the grant of a franchise to a person to sell goods or services within a business in which that person has an interest if the sales arising from those goods or services, as anticipated by the parties or that should be anticipated by the parties at the time the franchise agreement is entered into do not exceed, in relation to the total sales of the business, a prescribed percentage[.]"

Currently, Section 8 of Part III of the AWA Regulation prescribes the relevant percentage to be 20%.

This paragraph provides an exemption from disclosure in the case of a "business within a business" where the franchise is a relatively small part of the overall enterprise. The exemption, as currently worded, requires the determination of that relative size to be calculated on the basis of anticipated percentage of sales, but does not say over what time period those anticipated sales are to be calculated. There is general consensus in the franchise industry that the appropriate time period is the first year of operation, and in the view of the Council, this should be made explicit in the AWA to ensure

consistency of approach and certainty in respect of compliance. This amendment could be effected as follows:

> "the grant of a franchise to a person to sell goods or services within a business in which that person has an interest if the sales arising from those goods or services during the first year of operation of the franchise, as anticipated by the parties or that should be anticipated by the parties at the time the franchise agreement is entered into do not exceed, in relation to the total sales of the business during such period, a prescribed percentage[.]"

14. De Minimis Investment Disclosure Exemption – Subsection 5(7)(g)(i) of the AWA

We recommend replacing the concept of a "total annual investment" with the concept of an "initial investment" anticipated by the parties at the time of entry into the franchise agreement, to clarify the timing and method of calculating the relevant investment amount for the purposes of the exemption.

Under paragraph 5(7)(g)(i) of the AWA, a franchisor would be exempt from disclosure if, "the prospective franchisee is required to make a total annual investment to acquire and operate the franchise in an amount that does not exceed a prescribed amount[.]" Currently, Section 9 of Part III of the AWA Regulation prescribes the relevant amount to be $5,000.

The purpose of this exemption is to relieve the franchisor of its disclosure obligation when the amount it receives from the prospective franchisee (and hence the amount the prospective franchisee has at risk) is so low that it is far outweighed by the cost of disclosure.

The term "total annual investment" is not defined in the AWA or AWA Regulation and so there exists uncertainty as to how, and as of what time/date, to calculate this amount in determining whether the exemption is available. It is particularly difficult to determine what an "investment" to "operate" a franchise means. The Council recommends (in substance, consistent with the recommendation of the OBA) that paragraph 5(7)(g)(i) be amended in order to alleviate this uncertainty. This amendment could be achieved as follows:

> "the prospective franchisee is required, by contract or otherwise, to make an initial investment to acquire and set up the franchise in an amount, as anticipated by the parties or that should be anticipated by the parties at the time the franchise agreement is entered into, that does not exceed a prescribed amount[.]"

15. Large Investment Disclosure Exemption – Subsection 5(7)(h) of the AWA

We recommend amending the Subsection to improve consistency between this exemption and the De Minimis exemption discussed above.

In accordance with paragraph 5(7)(h), a franchisor need not disclose in respect of the grant of a franchise, "where the prospective franchisee is investing in the acquisition and operation of the franchise, over a prescribed period, an amount greater than a prescribed amount." Section 10 of the AWA Regulation in turn provides that the prescribed period is one year and the prescribed amount is $5,000,000.

The purpose of this exemption is to allow a franchisor to dispense with disclosure where the prospective franchisee is investing such a large amount that they may be assumed to be a sophisticated party, capable of evaluating and negotiating the terms of the opportunity without the need for a disclosure document – in other words, not the type of entity that the AWA is designed to protect.

As with the De Minimis investment exemption, discussed above, there is uncertainty as to how and when to calculate the relevant amount. To alleviate this uncertainty, the OBA has recommended that paragraph 5(7)(h) be amended to clarify that the relevant investment is an up-front amount, calculated at the outset of the franchise relationship, rather than an amount that is contributed over an initial period of operation. This amendment might be effected as follows:

> "where the prospective franchisee is required, by contract or otherwise, to invest in the acquisition and set-up of the franchise an amount, as anticipated by the parties or that should be anticipated by the parties at the time the franchise agreement is entered into, greater than a prescribed amount."

In addition, since the amended paragraph would only deal with acquisition and set-up costs (and not operations for an initial period), the OBA further recommends that the $5,000,000 threshold be lowered to $3,000,000.

Bill 27, Burden Reduction Act, 2016

The Council reviewed certain proposals to the OBCA being considered by the Ministry at the time the Council was formed. The following are the proposals which the Council agreed should move forward. These proposed amendments were included in Bill 27, the Burden Reduction Act, 2016 (Bill 27). At the time of this report, Bill 27 was in second reading debate.

1. Quorum at shareholder meetings

The CBCA (s. 139(1)) provides that (unless the by-laws provide otherwise) a quorum of shareholders is present at a meeting of shareholders, *irrespective of the number of persons actually present at the meeting*, if the holders of a majority of the shares entitled to vote at the meeting are present in person or represented by proxy. The OBCA currently does not include the words "irrespective of the number of persons actually present at the meeting". By adding those words, the OBCA would eliminate the potential abuse that can result if dissident minority shareholders who will be outvoted at a meeting, walk out of the meeting, leaving only one shareholder in attendance.

2. Place of director meetings

The OBCA provides that meetings of directors must be held at the place the registered office is located (subject to a provision in the bylaws that states that the meetings may be held anywhere, but even then, a majority of the meetings of the board must be held in Canada). This would be amended to provide that directors may meet at any place, unless the articles or by-laws provide otherwise (s. 126(1) and (2) would be repealed and replaced; s. 126(14) would be repealed).

3. Quorum at directors' meetings

The OBCA provides that a quorum for a board meeting cannot be less than two-fifths of the number of directors or minimum number of directors, as the case may be (s. 126(3)).

The CBCA allows a corporation to set the quorum for board meetings at any number through the articles or bylaws. If the articles and bylaws are silent, then quorum is a majority of directors or minimum number of directors required by the articles. (s. 114(2)).

The Bill proposes that the OBCA be amended to provide that, subject to the articles or by-laws (and s. 126(4)), a majority of directors or minimum numbers of directors required by the articles constitutes a quorum at any meeting of directors.

This amendment would also conform the OBCA to the ONCA (s. 34(2)).

4. Email addresses on securities register

The OBCA currently requires a corporation to record the names and addresses of its securities holders. It does not require a corporation to record email addresses of its

security holders. The OBCA (s. 141) would be amended to require a corporation to record email addresses of its security holders.

5. Repeal of the Bulk Sales Act (the BSA)

Ontario is the last jurisdiction in Canada to have a bulk sales statute, which statute applies where a sale of assets occurs out of the ordinary course of the vendor's business. It is very difficult for vendors and purchasers to comply and it raises the costs of doing transactions for small and large business parties alike.

Council recommended that this statute be repealed and this recommendation is included as a proposed amendment in Bill 27.

Council also provided further recommendations on some consequent amendments to the PPSA that would be required upon repeal of the BSA. Those are being considered by the Ministry.

6. Amend the PPSA provision concerning copies of registrations to be provided to debtors

Ontario's PPSA is the only PPSA statute in Canada that requires the secured party to provide a copy of each PPSA registration, amending registration and discharge registration to debtors. The other jurisdictions allowed debtors to waive receipt of these copies. If the debtor does not agree, a copy must still be provided.

Council recommended that Ontario harmonize its PPSA provisions to the other eleven PPSA statutes in Canada. This recommendation was reflected as a proposed amendment in Bill 27.

Council reviewed and commented on the Government's amendment to the regulation under the AWA which permits delivery of franchise disclosure documents and notices of rescission via electronic transmission and prepaid courier. This amendment came into effect on July 1, 2016.

Issues for Future Consideration

Following the release of our report for comment, a number of issues were proposed to the Council for consideration, three of which we discuss briefly below.

1. Board Diversity

Gender diversity on boards and in the ranks of senior management has been an issue in the Canadian business community for many years. It has been under the spotlight in Ontario since May 2013 when the provincial government announced in its budget that it "strongly supports broader gender diversity on the boards and in senior management of major businesses, not-for-profit firms and other large organizations". The Ontario Securities Commission subsequently issued a consultation paper that ultimately led to an amendment to National Instrument 58-101 *Disclosure of Corporate Governance Practices* to require non-venture issuers in participating jurisdictions (which includes Ontario) to disclose certain information regarding women on boards and in executive positions. The federal government is now proposing to impose disclosure requirements relating to gender balance on public company boards governed by the CBCA.

There are different views about whether disclosure requirements are effective in promoting gender diversity on public company boards. Some members of the business community in Ontario are discussing whether gender quotas should be legislated if further progress isn't evident in the short to medium term. The Council is considering this issue, including whether requirements relating to gender diversity (if any) would be more appropriate in corporate law or securities law.

The Council has also heard from stakeholders about the importance to effective corporate decision making of diversity more generally (ie beyond gender diversity). The Council is also considering the role for corporate and securities law in promoting more effective governance through diversity of all kinds.

2. Majority Voting

Under the OBCA (and most other Canadian corporate statutes), shareholders do not have the right to vote against a candidate for election to the board of directors. Majority voting is a work around that requires a public company to give shareholders the ability to vote for or withhold their votes (the only options under the OBCA) from individual directors and to have the numbers voted for and withheld made public. In its current form in Canada, directors who did not receive a majority of votes cast in favour of their election must tender their resignations to the board. It is then for the board to determine whether or not it is in the best interests of the corporation for the board to accept the resignation of any director.

Majority voting in various forms has been adopted by Canadian public companies since 2006. In 2014 the Toronto Stock Exchange made majority voting mandatory for its listed issuers.

There are many who do not believe that the TSX requirement is enough. Among other things, it leaves with the board of directors the authority to decide whether a director who has not received a majority of votes in favour of his or her election should remain on the board. Moreover, the TSX provisions do not apply to public companies that are listed on the TSX Venture Exchange. In September 2016, the federal government introduced proposed amendments to the CBCA which would result in director candidates who have not received a majority of votes cast in favour of their election not being elected (subject to certain exceptions).

Majority voting is an important priority for the Council. We are reviewing the approach in the proposed amendments to the CBCA and whether improvements could be made to this approach in developing proposals for the OBCA.

3. Benefit Corporations

Benefit corporations are for profit corporations that have a broad purpose to create value for all stakeholders. The directors and officers of these entities are required to consider the impact of their decisions on shareholders, but also on employees, society and on the environment. In the U.S. 30 states (as well as the District of Columbia) have adopted legislation that provides for the creation of benefit corporations. Legislation providing for benefit corporations exists or is under discussion in other jurisdictions around the world as well.

Benefit corporations are different from social enterprise legislation currently in force in British Columbia and Nova Scotia. The legislation in those provinces provide for forms of "hybrid corporations" which are similar in form to not-for-profit corporations, but which also have a limited ability to engage in business activities (and are subject to a number of restrictions not imposed on for-profit organizations). The Ontario government has also explored the introduction of legislation to facilitate hybrid corporations as part of its social enterprise strategy.

The Council has received input on the value of and demand for benefit corporation legislation in Ontario and will consider this issue further.

SCHEDULE A
MEMBERS OF THE COUNCIL

Chair - Carol Hansell (Partner, Hansell LLP)

Carol Hansell is the founder and Senior Partner of Hansell LLP, an independent firm dedicated to advising boards, management teams, institutional shareholders and regulators in connection with legal and governance challenges.

Over the past 25 years while in practice, Ms. Hansell has served on boards of organizations across a variety of sectors - public companies, Crown corporations, healthcare, not-for-profit and arts organizations. She currently serves on the boards of Munich Reinsurance Company of Canada and the American College of Governance Counsel. She has also served on the boards of the Bank of Canada, the Public Sector Pension Investment Board, the Global Risk Institute in Financial Services, the International Corporate Governance Network, Toronto East General Hospital and SickKids Foundation, among others.

She was inducted as a Fellow of the Institute of Corporate Directors in 2013 and received the Lifetime Achievement Award in Investor Relations in 2015. Ms. Hansell is a Founding Trustee and Fellow of the American College of Governance Counsel.

In addition to her board service, Ms. Hansell has been involved in governance education and leadership throughout her career. Most notably, she served as the only non-American Chair of the Corporate Governance Committee of the American Bar Association (ABA - Business Law Section) and continues to serve as Special Canadian Advisor to the Corporate Laws Committee of the ABA. She also taught more than 5,000 directors in the ICD-Rotman Directors Education Program offered in Toronto and Vancouver. Ms. Hansell was a member of the Ministry of Government and Consumer Services' Business Law Agenda Stakeholder Panel.

Vice-Chair – E. Patrick Shea (Partner, Gowling WLG (Canada) LLP)

E. Patrick Shea is a Partner in Gowling WLG's Toronto office, practicing in the area of commercial law with a particular focus on the areas of bankruptcy and insolvency. A Certified Specialist in Bankruptcy and Insolvency Law, Mr. Shea has acted for a variety of clients regarding large and small corporate restructuring and insolvency matters in the entertainment, retail, automotive, airline, food and beverage sectors. He acted for Justice Canada in connection with amendments to Canadian insolvency legislation, and for the Government of Jamaica and the Inter-American Development Bank in connection with the adoption by Jamaica of new insolvency legislation.

Mr. Shea is a member of the Executive of the Ontario Bar Association's (OBA) Bankruptcy and Insolvency Section. He is past Chair of the Canadian Bar Association's (CBA) National Bankruptcy and Insolvency Section, and is currently an Executive

Member of the CBA National Sections Council and a Member of the CBA Legislation and Law Reform Committee.

Mr. Shea served on the Board of St. John Ambulance Council for Ontario and is currently Vice-Chair of the St. John Canada Foundation. He is also a director and officer of a not-for-profit foundation created to support the Canadian Rangers and the Junior Canadian Rangers in Ontario. In 2015, he was awarded the Law Society Medal (Law Society of Upper Canada - LSUC) for his work to memorialize LSUC articling students killed in the First World War.

Jennifer Babe (Partner, Miller Thomson LLP)

Ms. Babe practices in the area of corporate/commercial law, focusing on secured transactions, the securing of sales and leases of significant products and the purchases of businesses, assets and shares. She has special expertise in personal property law, as governed by personal property security legislation and is an active member of the OBA's Personal Property Security Law Section Committee of the OBA's Business Law Section. Ms. Babe is a Fellow of the American College of Commercial Finance Lawyers, the past Chair of the CBA's National Business Section, the past Chair of the Commercial Law Strategy Committee of the Uniform Law Conference of Canada. She also has written Sale of a Business and co-authored Creditors' Remedies in Ontario. Ms. Babe also was a member of the Ministry of Government and Consumer Services' Business Law Agenda Stakeholder Panel.

Andy Chan (Partner, Miller Thomson LLP and Managing Partner of the Markham and Vaughan office)

Mr. Chan's specialized global practice includes providing counsel to international and domestic clients on corporate law, mergers and acquisitions, investments, structurings and financings. He is also Co-Chair of the International Business Transactions Group, and National Chair of the firm's Asia Practice. A recipient of the Queen Elizabeth II Diamond Jubilee Medal for outstanding contributions to Canada, he was also named Leading Canadian Corporate Lawyers to Watch by Lexpert magazine and is a past winner of the Lexpert Rising Star Award - Top Canadian Lawyers under 40. Mr. Chan's areas of focus include business law, related corporate and regulatory matters, financial services and strategic business immigration in a variety of sectors, including manufacturing, real estate, natural resources, healthcare, technology and insurance. Early in his career, Mr. Chan practiced as a commercial litigator.

Doug Downey (Partner, Downey Tornosky Lassaline and Timpano Law)

Mr. Downey is designated as a specialist in Real Estate Law by the Law Society of Upper Canada. He was Treasurer (2010-2014) and Secretary (2009-2010) of the OBA. He has been a Professor for Laurentian University at Georgian College and taught for the Real Estate Bar Admission Course. Mr. Downey is currently the host of Politically Speaking, Orillia, a current events show on Rogers TV. He is the Ontario Bar Association Lead for the development of the innovative Law Practice Program (alternative to articling) in a strategic alliance with Ryerson University. At the request of the Treasurer of the Law Society, he sat on the Library and Information Support

Services Committee developing recommendations that led to reforms across Ontario. Mr. Downey was a member of the Ministry of Government and Consumer Services' Expert Panel on the Regulation of Home Inspectors and on the Business Law Agenda Stakeholder Panel.

John Ground, Q.C. (J.D. Ground Commercial Resolutions Inc.)

Mr. Ground is an arbitrator and mediator with Amicus Chambers. His focus is on commercial and corporate matters. He was appointed to the Ontario Superior Court in 1991 where he spent half his time presiding over cases on the Commercial List and for some time was the supervising judge of the Commercial List. He moved to the Bench after more than 30 years with Osler, Hoskin & Harcourt LLP, where he practiced corporate and commercial law, and served as a member of the firm's Executive Committee. Mr. Ground was a Bencher of The Law Society of Upper Canada from 1975 to 1991, and served as Chair of the Finance Committee, Legal Education Committee, Professional Conduct Committee and Admissions Committee, and was President of the Federation of Law Societies of Canada. He is currently a Life Bencher. He was a member of the executive of the CBA - Ontario and of the CBA National Council. From 1989 to 1994, he was a Member of the Ontario Law Reform Commission Advisory Board, and a member of the Commodity Futures Advisory Board of the Ontario Securities Commission from 1979 to 1983.

Andrea Johnson (Partner, Dentons LLP)

Ms. Johnson's practice focuses on corporate and securities law, with an emphasis on technology and emerging growth companies. She has extensive experience in the private equity and venture capital area, and has acted as lead counsel on many of the largest venture capital financings in Canada. Ms. Johnson also advises TSX-listed companies on IPOs, financings, mergers and acquisitions, stock-based compensation and corporate governance. Ms. Johnson was recognized by The Legal 500 Canada in the area of Corporate and M&A (2015), by Best Lawyers® in Canada 2015 as one of Canada's leading lawyers in the areas of Corporate Law (2010-2015), Securities Law and Technology Law (2014, 2015) and named one of the Top 25 People of Ottawa by Ottawa Life Magazine.

Sheila Murray (President, CI Financial Corp)

Ms. Murray has recently been appointed President, CI Financial Corp. She has been the Executive Vice-President, General Counsel and Secretary of CI Financial since 2008. In this position, she provided strategic, securities regulatory and governance advice to the company and it's Board of Directors. Ms. Murray joined CI in 2008 after a 25-year career at Blake, Cassels and Graydon LLP, where she practiced securities law with an emphasis on mergers and acquisitions, corporate finance and corporate reorganizations. She has been a member of the Securities Advisory Committee to the Ontario Securities Commission and was a member of the team of Blakes' partners that advised the Canadian securities regulators on the reformulation of securities regulation and the creation of new rules and policies. She currently teaches Securities Regulation and Corporate Finance at University of Toronto's Global Professional LLM in Business

Law Program. Ms. Murray was a member of the Ministry of Government and Consumer Services' Business Law Agenda Stakeholder Panel.

Arlene O'Neill (Partner, Gardiner Roberts LLP

Ms. O'Neill has expertise in corporate/commercial law, with a focus on technology-based companies and assets including software, media and green technology. While she maintains a mix of practice areas in commercial law, she has focused her practice on mergers and acquisitions and technology law. Ms. O'Neill is the past Chair of the OBA's Business Law Section Executive. She is familiar with tax and technology law, and represents public/private companies, venture capital companies and large member organizations in corporate governance and board matters, non-residents in establishing businesses in Canada and Canadian-based companies in structuring their domestic and international operations.

Rob Scavone (Counsel, McMillan LLP)

Mr. Scavone practices business and financial services law in the Financial Services Group, and is its Co-Chair, Securitization, Structuring and Derivatives committee. He advises major corporations, financial institutions, mining companies, investment dealers and government agencies on structured finance, derivatives, securitization, secured debt financing, P3 infrastructure financing and personal property security law, in addition to general corporate commercial matters. As a member of the firm's Opinion Committee, he provides opinions on complex and novel legal issues.

Mr. Scavone was a key advisor on the development of Ontario's Securities Transfer Act, and is an acknowledged authority on reform of the law of securities transfers. He is also an active member of the Personal Property Security Law Committee of the OBA's Business Law Section.

Peter Viitre (Partner, Sotos LLP)

Mr. Viitre is a corporate/commercial lawyer with significant expertise in both franchise law and mergers and acquisitions. For over 20 years, Mr. Viitre has advised both domestic and international clients on matters relating to the expansion of their businesses through franchising and other means, and on the purchase and sale of businesses involved in the areas of franchising, distribution, manufacturing and financial services, among others. He is the Secretary of the OBA's Franchise Law Section and a member of the International Franchise Association's Legal/Legislative Committee. He is also active in the ABA Forum on Franchising and the Canadian Franchise Association. Mr. Viitre was recently recognized as Best Lawyers® 2015 Franchise Lawyer of the Year for Toronto and is ranked in Chambers Canada, Lexpert and the International Who's Who of Franchise Lawyers 2015 as a leading franchise law practitioner.

SCHEDULE B
TERMS OF REFERENCE

1. Preamble

Regular updating of Ontario's corporate and commercial statutes supports a responsive legal framework, which helps maintain a dynamic business climate; fosters greater prosperity; strengthens Ontario's competitive advantage in a global economy; and positions Ontario as the preeminent jurisdiction for business law.

The Government recognizes the value of the public service work done by legal practitioners to provide recommendations on potential reforms to corporate and commercial legislation.

The Government recognizes the need for government and non-government experts to work in close collaboration in developing advice on business law reforms.

It is resolved that a business law advisory council (advisory council) be established with the following Terms of Reference:

2. Context for Advisory Council

The 2015 Budget and 2014 Minister of Government and Consumer Services' mandate letter commit the government to undertake a comprehensive review of the Province's corporate and commercial statutes to ensure Ontario has modern laws that facilitate an efficient market and prosperous business climate.

As part of that commitment, the Ministry of Government and Consumer Services (MGCS) created a Business Law Stakeholder Panel. The panel was asked to review the corporate and commercial legislation primarily under the responsibility of MGCS and to provide advice to government on priorities to reform the legislation.

The panel's report, submitted June 5th, 2015, developed recommendations to government including to:

> "establish a regular formal process to promote the continuous review and updating of corporate and commercial statutes.
>
> The process should use the insights and opinions of experts who work with the relevant legislative schemes and support collaboration between government and non-government experts.
>
> The process should produce evidence-based recommendations on an ongoing basis for a responsive and efficient business law framework"

The government is committed to re-establishing Ontario as the pre-eminent business law jurisdiction. In support of this goal, the government is establishing a short-term

advisory council with a term not exceeding three years to provide advice and recommendations on potential business law reforms.

Consistent with the principles of Open Government, the advisory council's work will support collaboration between government and non-government experts for the review of the Business Corporations Act (OBCA), and other corporate and commercial legislation under the responsibility of the Ministry of Government and Consumer Services, the Ministry of the Attorney General and the Ministry of Finance.

The advisory council will report to an Assistant Deputy Minister's Committee representing MGCS, the Ministry of the Attorney General and the Ministry of Finance.

The Assistant Deputy Minister's committee will oversee a formal process for consultation on the recommendations from this council, and bringing any final recommendations forward to decision makers.

3. Mandate

The advisory council's overall mandate is to develop consensus advice on ongoing policy reform using an evidence-based approach. The advisory council will be open in its deliberations and seek input from key stakeholders and experts.

3.1 Key Roles and Responsibilities

The key roles and responsibilities of the advisory council will be:

(a) to provide a forum for members to develop and recommend priority proposals, including for potential changes/amendments to legislation and regulations;

(b) to engage with stakeholders in an open and collaborative way in developing advice to government; and

(c) to provide a report, either annually or on an as needed basis, to the government with recommendations on priority reforms.

The key roles and responsibilities of the Assistant Deputy Minister's Committee will be:

(a) to oversee a cyclical process of receiving advice, bringing forward recommendations for Cabinet decision and government action;

(b) to foster alignment of positions across government on advice to Cabinet;

(c) to liaise with the advisory council to ensure transparency and collaboration between affected ministries and the advisory council;

(d) to receive a draft report, either annually or on an as needed basis, from the advisory council for consideration, and to work collaboratively with that council, affected ministries and external stakeholders where appropriate to develop a final report to be submitted to the appropriate Minister(s);

(e) to bring the report forward to decision-makers for consideration in a timely manner; and

(f) to champion the timely implementation of recommendations adopted by government.

3.2 Key Roles and Responsibilities – Chair and Vice-Chair of advisory council

A chair and vice-chair will be responsible for:

(a) creating an open and collaborative environment to foster constructive dialogue among all members;

(b) facilitating consensus-based decision making to achieve progress on the issues being discussed;

(c) ensuring that stakeholders not represented on the advisory council are enabled to provide meaningful input and comment on advice to government;

(d) representing the advisory council in presenting progress and other reports;

(e) providing advice on and recommending candidates for appointment to the advisory council;

(f) establishing protocols for meetings, decision-making and related matters; and

(g) liaising with and communicating advice and recommendations to the Assistant Deputy Minister's committee and to the appropriate Minister and/or the Attorney General.

3.3 Agenda Setting and Reporting

The advisory council, in consultation with the Assistant Deputy Minister's committee will identify and seek consensus on the priority agenda items for the advisory council to consider.

The advisory council will report to the Assistant Deputy Minister's Committee through the chair and vice-chair as requested or required.

3.4 Appointment Process

Appointments of the chair, vice-chair and up to ten council members will be made by Minister's letter, at pleasure.

4. Membership

4.1 Composition of Advisory Council

The advisory council will be comprised of the chair, vice-chair and up to ten council members. It will consist of members of the Ontario Bar Association and other expert members of the legal community whose background and expertise is expected to make a significant contribution to the work of the advisory council.

The chair and the vice-chair would each be appointed by the Minister of Government and Consumer Services for a term not exceeding three years following a selection process through expressions of interest requested by and submitted to MGCS. The members of the advisory council will be selected by the Minister of Government and Consumer Services in consultation with the chair, vice-chair, Attorney General, the Minister of Finance, and other stakeholders, with a view to including a wide array of expertise and perspectives.

Advisory council members, the chair and vice-chair are appointed in their individual capacity, and will not advocate on behalf of any client or organization with which they are associated.

The advisory council will review this Terms of Reference, and the chair will submit the Terms of Reference to the Minister of Government and Consumer Services for approval.

4.2 Term of Membership

The chair and vice-chair of the advisory council will be appointed for a term not exceeding three years.

The remaining members of the advisory council will be appointed for an initial term not exceeding eighteen months, and may be reappointed for additional terms, the total of the initial and additional terms not exceeding three years.

4.3 Remuneration and Expenses

Advisory council members will not receive any remuneration but will be reimbursed for approved, reasonable work-related expenses incurred as a result of their work on the advisory council, in accordance with provincial government Travel, Meal and Hospitality Expenses Directive and any other applicable directives.

4.4 Ethics, Governance and Accountability

Advisory council members are accountable to the Minister of Government and Consumer Services. The advisory council will report to the Minister of Government and Consumer Services on such matters and at such times as the Minister may request.

Advisory council members will be required to fulfill the duties of their appointment in a professional, ethical and competent manner and avoid any real or perceived conflict of interest. In particular, and without limiting the generality of the foregoing obligations, a member of the advisory council shall:

- Not use or attempt to use his or her appointment to benefit himself or herself or any person or entity;
- Not participate in or influence decision-making as an appointee if he or she could benefit from the decision;
- Not accept a gift that could influence, or that could be seen to influence, the appointee in carrying out the duties of the appointment;
- Not use or disclose any confidential information, either during or after the appointment, obtained as a result of his or her appointment for any purpose unrelated to the duties of the appointment, except if required to do so by law or authorized to do so by the responsible Minister/Premier;
- Not use government premises, equipment or supplies for purposes unrelated to his or her appointment; and
- Comply with such additional requirements, if any, established by the advisory council itself and / or the responsible Minister/Premier.

Confidential information means information that is not available to the public.

The advisory council members will comply with the applicable Government of Ontario directives and principles with respect to ethics and accountability. Advisory council members will keep their work on the advisory council separate and independent from any other work that they may be undertaking.

It is the responsibility of the advisory council members to identify any actual or potential conflicts of interest that may arise during the term of their appointment. A member of the advisory council must declare a personal or pecuniary interest that could raise conflict of interest concerns to the responsible Minister or Minister's designate at the earliest opportunity.

5. Meetings and Advisory Council Support

5.1 Frequency of Meetings and location

The advisory council will meet periodically, as determined by the chair and vice-chair, and at least four times a year. Delegates are not permitted.

5.2 Decision-making

Decision-making by the advisory council will be achieved through consensus.

5.3 Advisory Council Support

The advisory council will be supported by MGCS in fulfilling its responsibilities in accordance with government directives and policies. Support by MGCS will include providing input to the advisory council on government priorities and processes and supporting internal consultations and stakeholder engagement on the advisory council's recommendations.

6. Ad-hoc Subject Matter Expert Committees

In addition to the need to acknowledge the key roles played by Ontario's business sector ministries, and the need for sector specific expertise, the chair and vice-chair may designate individuals or organizations as ad-hoc subject matter experts or ad-hoc subject matter expert committees to attend one or more advisory council meetings, or portions thereof and to provide information and support the development of recommendations related to a specific issue(s).

6.1 Roles and Responsibilities

Ad-hoc subject matter expert roles and responsibilities include:

(a) receiving advisory council meeting agendas and materials on an as needed basis;

(b) identifying issues of interest for discussion with the advisory council; and

(c) providing presentations, documentation and feedback to the advisory council.

6.2 Confidentiality

Ad-hoc subject matter experts are subject to the confidentiality provisions in paragraphs 4 and 6 of section 4.4 above.

SCHEDULE C
STATUTES

The table below lists the 19 statutes that provide framework legislation governing corporations, businesses and commercial transactions.

Business Law Statutes	**Description**
1. Apportionment Act	• Provides for the accumulation of payments such as a dividends, rent or annuities.
2. Arthur Wishart Act (Franchise Disclosure), 2000	• Sets out certain rights and obligations of franchisors and franchisees, including: o Requirement of franchisor to provide to a franchisee a detailed disclosure document prior to entering into a franchise agreement. o The right of franchisees to associate with other franchisees. o Imposition of a "duty of fair dealing" on both parties in the performance or enforcement of a franchise agreement, including the duty to act in good faith and in accordance with reasonable commercial standards.
3. Assignments and Preferences Act	• Invalidates the transfer of property (e.g. by gift), made with the intent to defeat or prejudice creditors when a person is insolvent.
4. Business Corporations Act	• Establishes a basic legislative framework governing business corporations in Ontario. It provides for the incorporation, internal governance and dissolution of business corporations.
5. Business Names Act	• Provides for the registration of business names generally to provide public notice of the owner or principal behind the name.
6. Business Regulation Reform Act, 1994	• Facilitates, simplifies and streamlines existing registration and reporting processes for businesses in Ontario.

7. Corporations Act	• Establishes a basic legislative framework governing not-for-profit corporations in Ontario. It provides for the incorporation, internal governance and dissolution of not-for-profit corporations, including charities. It also governs other types of corporations such as Ontario insurance corporations.
8. Corporations Information Act	• Provides for the filing of returns and information notices by corporations for the public record.
9. Discriminatory Business Practices Act	• The purpose of the act is to prevent discrimination on the basis of race, creed, colour, nationality, ancestry, place of origin, sex or geographical location for persons employed in or engaging in business. The act prohibits discriminatory business practices and allows a person to sue for loss or damage that result from a contravention of the act.
10. Electronic Registration Act (Ministry of Consumer and Business Services Statutes), 1991	• Permits persons who are required to file information under certain legislation to file it in a prescribed electronic format
11. Extra-Provincial Corporations Act	• Provides for the licensing of corporations incorporated under the laws of a jurisdiction outside Canada and carrying on business in Ontario.
12. Factors Act	• Makes a disposition (e.g. sale) of goods by an agent, who possesses the goods with the consent of the owner, valid whether or not the owner consented to the disposition.
13. Limited Partnerships Act	• Provides a statutory framework governing limited partnerships created in Ontario or carrying on business in Ontario, and provides for a central public registry of information.
14. Not-for-Profit Corporations Act, 2010 (not yet in force)	• Provides a legislative statutory framework to govern not-for-profit corporations in Ontario. The act received Royal Assent on October 25, 2010, but is not yet in force. Once in force, it will provide for the incorporation, internal governance and dissolution of not-for-profit corporations.

15. Partnerships Act	• Provides the legislative framework governing partnerships in Ontario, including formation and dissolution, as well as the relationships among partners and between partnerships and the public
16. Personal Property Security Act	• Provides a legislative framework governing security interests in personal property and a registration system with information accessible to the public.
17. Repair and Storage Liens Act	• Governs the rights to a lien of persons that maintain or increase the value of certain personal property (e.g., a vehicle) through repair and/or storage services. Priority rules are set out to resolve disputes between persons claiming a lien and other persons with an interest in the property.
18. Retail Business Holidays Act	• Specifies certain days of the year as public holidays during which retail businesses are to be closed. This requirement is subject to certain exceptions such as for businesses located in a tourist area that have been exempted by a municipality; there is also an exemption for pharmacies.
19. Securities Transfer Act, 2006	• Establishes rules relating to the transfer of investment property (e.g., securities) that reflects current commercial practices, and deals with securities directly held by an investor or indirectly held for an investor.

SCHEDULE D
WORKING GROUPS OF COUNCIL

Commercial Law Working Group

Jennifer Babe (Chair)
Doug Downey
Patrick Shea
Rob Scavone

Entity Law Working Group

Carol Hansell (Chair)
Andy Chan
Jack Ground
Andrea Johnson
Sheila Murray
Arlene O'Neill

Franchise Law Working Group

Peter Viitre (Chair)
Patrick Shea

SCHEDULE E
ORGANIZATIONS CONSULTED

Canadian Bankers Association
Canadian Coalition of Good Governance
Canadian Finance and Leasing Association
Canadian Investor Relations Institute
Canadian Market Infrastructure Committee
C.D. Howe Institute
Institute of Corporate Directors
LawPRO
Ontario Chamber of Commerce
Ontario Securities Commission
PPSA Committee of the Ontario Bar Association
Standing Committee of the Ontario Bar Association
Toronto Opinions Group