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# Official Report of Debates (Hansard)

Wednesday 21 October 2015

Standing Committee on Regulations and Private Bills

# Journal des débats (Hansard)

Mercredi 21 octobre 2015

Comité permanent des règlements et des projets de loi d'intérêt privé

Chair: Indira Naidoo-Harris Clerk: Christopher Tyrell Présidente : Indira Naidoo-Harris Greffier : Christopher Tyrell

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LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Wednesday 21 October 2015

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

## COMITÉ PERMANENT DES RÈGLEMENTS ET DES PROJETS DE LOI D'INTÉRÊT PRIVÉ

Mercredi 21 octobre 2015

The committee met at 0900 in committee room 1.

**The Vice-Chair (Mrs. Kathryn McGarry):** Good morning, everyone. The Standing Committee on Regulations and Private Bills will now come to order.

This morning, we have three private bills to consider. We have a request, if that's okay with MPP Gélinas, to have a change in order so we would be dealing with Bill Pr26 first, as I think the sponsor has a committee meeting.

M<sup>me</sup> France Gélinas: Yes.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you.

#### 1170517 ONTARIO INC. ACT, 2015

Consideration of the following bill:

Bill Pr26, An Act to revive 1170517 Ontario Inc.

**The Vice-Chair (Mrs. Kathryn McGarry):** So this morning we'll call Norm Miller—I see him there—and the applicant forward to consider Bill Pr26, An Act to revive 1170517 Ontario Inc.

**Mr. Norm Miller:** Good morning. As you've just mentioned, this is Bill Pr26, An Act to revive 1170517 Ontario Inc. I have with me the applicant's solicitor, John Alousis, who is going to explain further what this is.

Mr. John Alousis: Good morning, honourable members. The company was—

The Vice-Chair (Mrs. Kathryn McGarry): Sorry, can I interrupt just for a second? Please introduce yourself for the purposes of Hansard. Thank you.

Mr. John Alousis: My name is John Alousis.

The Vice-Chair (Mrs. Kathryn McGarry): Please continue.

**Mr. John Alousis:** The company was dissolved voluntarily back in 2011. In actual fact, it was March 23, 2011. The company at that time still owned a piece of property. It had been intended to transfer that property prior to the dissolution. The transfer was prepared, it was signed and it was ready to be registered. Inadvertently, it wasn't actually registered until two months after the date of dissolution. So in order to deal with the property, we require that the company 1170517 Ontario Inc. be revived.

**The Vice-Chair (Mrs. Kathryn McGarry):** Are there any interested parties in the room that want to speak to this? Are you finished?

**Mr. John Alousis:** The principal of the company is 70 years old. She lives in Bracebridge. I would have had to wake her up at 3:30 today to get her down here. So I asked her if she wouldn't mind just staying home.

**The Vice-Chair (Mrs. Kathryn McGarry):** Okay. Thank you. Are there any interested parties to speak to this bill? Seeing none, are there any questions from the government side? MPP Mangat?

**Mrs. Amrit Mangat:** Thank you, Chair. Thank you for your presentation. Can you explain what the nature of the company was? Because all I know is, it's a numbered company.

**Mr. John Alousis:** All the company did was hold certain pieces of property. It was in the Port Carling area. The bulk of the properties had been sold and this was the last remaining property. It was being transferred into the names of the principals. Unfortunately, the husband has since passed away, and the wife wishes to complete the sale of her property. Her home and this property are being sold together.

**Mrs. Amrit Mangat:** So can you elaborate on the circumstances which led to the dissolution of the company?

**Mr. John Alousis:** It was a voluntary dissolution. The intent was that they actually complete the transaction back in 2011 and then go ahead and dissolve the company to wrap things up. It was all a matter of timing. The documents were actually signed on March 9 for the transfer. The registration of the voluntary dissolution occurred on March 23, 2011. The actual registration of the transfer didn't occur until May 2011. We did not discover the fact that the dissolution preceded the transfer until the spring of this year.

Mrs. Amrit Mangat: Thank you.

**The Vice-Chair (Mrs. Kathryn McGarry):** MPP Vernile?

**Ms. Daiene Vernile:** Thank you very much for getting up early and making the trip here this morning.

I just have a number of technical questions, out of curiosity. Why do you want to revive the company? For what purpose?

**Mr. John Alousis:** What happens is the property itself is automatically transferred to the crown unless it is revived. So in order to retain ownership in property transferred on to future generations, we need the corporation revived. **Ms. Daiene Vernile:** And the property itself, the piece of land, is there a building on it, a home?

**Mr. John Alousis:** No. It was more of a recreational property across the street from their main home.

**Ms. Daiene Vernile:** Do you know what the value might be on that property?

Mr. John Alousis: Probably about \$30,000.

**Ms. Daiene Vernile:** So it's just an empty lot sitting there.

Mr. John Alousis: Yes.

Ms. Daiene Vernile: Okay. Thank you very much.

**The Vice-Chair (Mrs. Kathryn McGarry):** Any further comments? MPP Gélinas?

**M<sup>me</sup> France Gélinas:** I think you've answered my question, but I just wanted to put it on the record: This is the only piece of property left to this company?

Mr. John Alousis: Yes.

M<sup>me</sup> France Gélinas: Thank you.

**The Vice-Chair (Mrs. Kathryn McGarry):** Any further questions or comments from committee members?

Are the members ready to vote? Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Carried. Thank you.

#### 422504 ONTARIO LTD. ACT, 2015

Consideration of the following bill:

Bill Pr23, An Act to revive 422504 Ontario Ltd.

**The Vice-Chair (Mrs. Kathryn McGarry):** The next sponsor we have is MPP Gélinas. I'll have you introduce your applicant.

**M**<sup>me</sup> **France Gélinas:** Good morning, everyone. I'm France Gélinas, MPP for Nickel Belt. With me is solicitor Alesia Sostarich. You have to practise that name to pronounce it correctly, Madam Chair, let me tell you. She has made the trip all the way from Sudbury-Nickel Belt to represent one of my constituents, who is in a very similar situation to the previous case you just heard. I will let Ms. Sostarich explain that to us.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. You may proceed.

**Ms. Alesia Sostarich:** My name is Alesia Sostarich and I'm here on behalf of the applicant, who is my client, Mrs. Joan Giroux.

The purpose of this bill is to revive a corporation, 422504 Ontario Ltd., which was dissolved in 1985. It was originally incorporated in 1979, and it was dissolved in 1985 for non-filing of returns.

The company was incorporated by my client's husband. The intention was a real estate holding company. He had acquired three pieces of real estate early on. For whatever reason—my understanding is because the company was not making any money, they believed they did not have to file the necessary tax returns, which led to the dissolution for non-filing.

My client's husband passed away in October 2008. He was the sole shareholder of the corporation. Following the passing of her husband, my client wanted to deal with the properties that were owned by the corporation. When she came to our law firm, she came to realize that the corporation had been dissolved and therefore she could not deal with the properties held in the corporation. The corporation holds one apartment building with seven units in Sudbury, which is vacant, and it holds two residential homes that are both being occupied by other family members, by sisters or other relatives.

At this point in time, my client would like to be able to sell the apartment building, which is vacant, and be able to transfer the two residential homes to the family members who currently occupy those homes. Those are the circumstances that led to this. My client, obviously, became aware that she would need to revive this corporation in order to deal with the real estate. That is why I'm here today.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you. Are there any interested parties who wish to speak to Bill Pr23, An Act to revive 422504 Ontario Ltd.? Seeing none, I move to any questions from the government side. Seeing none, any interested party from the others? MPP French?

**Ms. Jennifer K. French:** I don't know that I'm an interested party, but I do have a question. According to the compendium, it had originally been dissolved due to non-filing. Is everything in order, then, in terms of: Everything has been appropriately filed so that we're—

Ms. Alesia Sostarich: It has been. Yes, it has.

Ms. Jennifer K. French: Just making sure.

**The Vice-Chair (Mrs. Kathryn McGarry):** Any further questions? Are the members ready to vote?

Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Carried. Thank you very much.

**M<sup>me</sup> France Gélinas:** Thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Committee members, we're going to have a two-minute recess just prior to the next bill being heard.

*The committee recessed from 0911 to 0917.* 

#### LARRY BLAKE LIMITED ACT, 2015

Consideration of the following bill:

Bill Pr27, An Act to revive Larry Blake Limited.

**The Vice-Chair (Mrs. Kathryn McGarry):** We'll now continue dealing with Bill Pr27, An Act to revive Larry Blake Limited. Thank you, MPP Walker.

**Mr. Bill Walker:** I'd like to introduce Christopher John Clapperton, who is the solicitor for the estate.

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#### Interjections.

The Vice-Chair (Mrs. Kathryn McGarry): The sponsor will be Gila Martow.

**Mrs. Gila Martow:** A bill to revive Larry Blake Limited: The name, address and telephone number of the applicant is Estelle Gotfrit, being the estate trustee of the estate of Ida Bleistift, also known as Ida Blake, the "estate." The applicant's address is 9 Bayview Forest Lane, Thornhill, Ontario, L3T 7S4 and her telephone number is 905-882-4445.

The name, address and telephone number of the applicant's solicitor or parliamentary agent, if any: The applicant's solicitor is Christopher John Clapperton of Clapperton Munro Law, Barristers and Solicitors, 305-2489 Bloor Street West, Toronto, Ontario, M6S 1R6. His telephone number is 416-443-1200.

Citations of any precedents used in the drafting of the bill and an up-to-date consolidation of existing legislation that is amended by the bill, see standing order 86(c)—

**The Vice-Chair (Mrs. Kathryn McGarry):** Excuse me, Ms. Martow?

Mrs. Gila Martow: We're good?

The Vice-Chair (Mrs. Kathryn McGarry): Yes, we're good. You can ask the applicant to carry on with any comments. Thank you.

Mrs. Gila Martow: Great. Thank you very much.

**Mr. Christopher Clapperton:** Good morning. My name is Chris Clapperton. I am the solicitor counsel for Estelle Gotfrit, and Estelle Gotfrit is the daughter of Mrs. Blake, who we're talking about, and the sole estate trustee of her mother's estate.

The bill is to revive a holding company that this family had had for many years. The company was originally—all the shares were owned by Lawrence Bleistift, who went by the name Larry Blake. He changed his name when he came to Canada. He ran an operating business for some years—I believe it was in the garment district, in the garment industry—for about 40 years.

When he retired, the company became essentially a holding company. All it held were mutual funds and some other securities, administered by CIBC Wood Gundy. Mr. Blake, or Mr. Bleistift, passed away January 31, 2010. When he died, all the shares then passed to his surviving wife, his widow, Ida. Ida then subsequently passed away on February 11, 2013.

I was consulted by the four children. They were all named as estate trustees of her estate, but because they were spread all over Ontario, three of the children renounced their right to be appointed as estate trustee and my client Estelle Gotfrit, one of the daughters, went on on her own. All of her siblings consented. We got a probate or the certificate of appointment. In the course of administering the estate—they came to me in the spring of 2013. About a year later, then, we had the certificate and we were administering the estate.

One of the assets of the estate of the mother, Ida Bleistift or Ida Blake, were the shares of this holding company. So I approached CIBC Wood Gundy to liquidate everything, and we were going to wind up the company. CIBC Wood Gundy asked us for a certificate of status and a form 1. They just wanted to, for compliance purposes, make sure the company existed and that we had all appropriate directors and officers signing off.

Well, lo and behold, we find out that two months earlier, on January 24, 2014—and we were doing this in March 2014—one of the sons, who had been a director of the company but was not an estate trustee of the estate, thought he was going to be helpful and he voluntarily dissolved the company, thinking that he was cleaning things up.

So, unfortunately, we were not able to get our certificate of status, and for the last couple of years, \$249,965.10 of cash has been sitting in a cash account with CIBC Wood Gundy.

So that's where we're at. There are no other assets of this company. All tax filings are up to date. They weren't able to get the dissolution through without having all of the tax returns up to date. They got tax clearance from both federal and provincial governments, but unfortunately, the son wasn't talking to the daughter and through inadvertence, this company got dissolved.

We're looking to revive it for the short period of time to liquidate, take the money out of the company and then they're going to voluntarily dissolve it again. That's where we're at.

The Vice-Chair (Mrs. Kathryn McGarry): Thank you very much. I see no interested parties in the room, so I'm going to move to questions from committee members on the government side. MPP Vernile.

**Ms. Daiene Vernile:** Thank you very much for coming in. May I ask you: Is everyone in the family in agreement with this? Is there any acrimony among the siblings or family members?

**Mr. Christopher Clapperton:** None whatsoever. The rest of the estate has been fully administered at this point in time. They're a very close family; they just happen to be scattered all over.

Ms. Daiene Vernile: Okay, thank you.

The Vice-Chair (Mrs. Kathryn McGarry): Any other questions from the opposition members? Seeing none, we will move to vote, if the members are ready? Good.

Shall section 1 carry? Carried.

Shall section 2 carry? Carried.

Shall section 3 carry? Carried.

Shall the preamble carry? Carried.

Shall the title carry? Carried.

Shall the bill carry? Carried.

Shall I report the bill to the House? Thank you, members. It's carried.

Congratulations.

Mr. Christopher Clapperton: Thank you very much.

The Vice-Chair (Mrs. Kathryn McGarry): Committee members, with no further business, the meeting stands adjourned.

The committee adjourned at 0924.

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