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Syllabus

Business Organizations

Revised September 2026

Candidates are advised that the syllabus may be updated from time-to-time without prior notice.

Candidates are responsible for obtaining the most current syllabus available.

Business Organizations

BASIC REQUIREMENTS

To succeed in this examination students must demonstrate that they are acquainted with the three most common forms of organization used to carry on business: the sole proprietorship, the partnership, and the corporation. Students must be able to explain the rules regarding (i) the formation, organization, nature, and operation of these three forms of business organization, (ii) the obligations of partners to each other as well as to creditors and others, (iii) the circumstances in which corporations are liable to creditors and others, (iv) the obligations of directors and officers to shareholders, and (v) shareholder rights and remedies. They must also be able to apply these rules to the simple fact situations.

METHOD OF EVALUATION

3 hour examination 100%

REQUIRED MATERIALS

J. A. VanDuzer, THE LAW OF PARTNERSHIPS AND CORPORATIONS 5th ed. (Toronto: Irwin/UTP, 2026) (referred to as "*VanDuzer*" in syllabus)*

CONSOLIDATED CANADA BUSINESS CORPORATIONS ACT AND REGULATIONS (Toronto: Carswell, latest edition)

CONSOLIDATED ONTARIO BUSINESS CORPORATIONS ACT, RELATED STATUTES AND REGULATIONS (Toronto: Thomson Reuters, latest edition) [contains Ontario partnerships legislation]**

* Please note that the corporate and partnership legislation may have been amended in some ways since the publication of *VanDuzer*. Students must review the relevant current provisions of the statutes for each section of the course. Where a statute has been amended, the provisions of the amended statute prevail over any description of the law in VanDuzer that is inconsistent with the amendment.

** Students taking this examination for qualification in provinces other than Ontario should refer to the corresponding provisions of the local provincial legislation wherever provisions of Ontario legislation are referred to. A table of concordance showing the provisions of each provincial corporate statute that correspond to the provisions of the Canada Business Corporations Act is provided in *CONSOLIDATED CANADA BUSINESS CORPORATIONS ACT AND REGULATIONS*. Provincial partnership statutes are generally similar to the *Ontario Partnerships Act*.

ANOTHER RESOURCE (not mandatory):

K. P. McGuinness and M. Coombs, *THE LAW AND PRACTICE OF CANADIAN BUSINESS CORPORATIONS*, 4th ed (Toronto: LexisNexis Canada, 2023)

*** The syllabus continues on the following page. **

COURSE SYLLABUS

I - INTRODUCTION

(a) What is a Business?

(b) Basic Forms of Business Organization

- *Sole Proprietorships*
- *Partnerships*
- *Corporations*
- *Other Methods of Carrying on Business*

Required Reading: VanDuzer pp. 1-28

II - PARTNERSHIPS

(a) What is a Partnership?

Required Reading: VanDuzer pp. 30-54

Statutory References: *Partnerships Act*, R.S.O. 1990, c. P.5 ("*P.A.*"), ss. 1-5, 45

Business Names Act, R.S.O. 1990, c. B.17 ("*Business Names Act*"), ss.1(1) ("business", "person"), 2, 6, 7, 10

(b) How Does a Partnership Carry on Business?

(i) Relations Between Partners

Required Reading: VanDuzer pp. 54-60

Statutory References: *P.A.* ss. 20-31

(ii) Relations With Third Parties

Required Reading: VanDuzer pp. 60-74

Statutory References: *P.A.* ss. 6-19, 44.1-44.4 (limited liability partnerships)

(c) Dissolution of the Partnership

Required Reading: VanDuzer pp. 75-77

Statutory References: *P.A.* ss. 26, 32-44

(d) Partnership Agreements

Required Reading: VanDuzer pp. 78-86

(e) Other Relationships

(i) Joint Ventures

Required Reading: VanDuzer pp. 86-90

Statutory References: *P.A.* ss. 2, 3, 32(b)

(ii) Limited Partnerships

Required Reading: VanDuzer pp. 90-98

Statutory References: *Limited Partnerships Act*, R.S.O. 1990, c. L.16, ss. 2-18, 21, 22, 24-6, 33

III - THE CORPORATION

(a) Introduction

(i) General

Required Reading: VanDuzer pp. 102-113

(ii) Constitutional Matters

- *Division of Powers*
- *The Charter*

Required Reading: VanDuzer pp. 113-131

(iii) Incorporation Process

Required Reading: VanDuzer pp. 131-135

Statutory References: **CBCA** ss. 5-9, 15, 19(2), 20, 21, 21.1-21.4 106(1)
Forms 1, 2
OBCA ss. 4-7, 15, 102, 140, 140.1-140.4, 141, 144, 145, 146, 258.1
Forms 5351E, 5351F, 5260E, 5260F

(iv) Function of Corporate Law

Required Reading: VanDuzer pp. 135-146

(v) The Operation of Corporate Law Rules for Corporations of Different Scales

Required Reading: VanDuzer pp. 146-152

(vi) Corporate Law and Securities Law

Required Reading: VanDuzer pp. 566-579

(b) Nature of the Corporation

(i) Separate Existence and Limited Liability

Required Reading: VanDuzer pp. 152-157, 170-172

Statutory References: **CBCA** ss. 6, 10, 15, 45(1)
OBCA ss. 3.1-3.4, 5, 10, 15, 92(1)

(ii) Disregard of Corporate Legal Personality

Required Reading: VanDuzer pp. 157-170

Statutory References: **CBCA** ss. 45(1)
OBCA ss. 92(1)

(c) Incorporation

(i) Considerations and Process

Required Reading: VanDuzer pp. 177-178, 195-220

Statutory References:

CBCA ss. 2(1) (definition of "distributing corporation"), 2(6), 2(7), 2.1, 5-9, 15, 16, 19, 20, 21, 21.1-21.4, 22, 28, 45, 49(8)-(11), 102(2), 103-106, 109, 113-115, 132, 139, 140, 141, 149, 155, 160, 162, 163, 171, 172.1, 173(1)(b), 174(1), 187, 188, 250, 251, 254, 263

Forms 1, 2, 22

Canada Business Corporations Regulation, 2001, SOR/2001-512 ("*CBCA Reg*".) s. 2, Schedule 5

OBCA ss. 1(1) (definition of "offering corporation"), 1(6), 4-7, 14-17, 26, 42, 54, 56(8), 92, 93, 101, 103, 104, 111, 115-119, 122, 126, 127, 129, 138, 139, 140, 140.1-140.4, 141, 143-146, 148, 149, 153, 154, 156, 158, 160, 180, 181, 256-258, 263, 276(1)

Forms 5351E, 5351F, 5260E, 5260F

Business Names Act, ss. 2(1) and (6), 6, 7

Corporations Information Act, R.S.O. 1990, c. C.39, ss. 1(1) ("business", "corporation", "extra-provincial corporation"), 2-4, 13, 14, 18

(ii) Corporate Names

Required Reading: VanDuzer pp. 179-194

Statutory References:

CBCA ss. 6(1)(a), 10-13

CBCA Reg. ss. 17-32

OBCA ss. 8-12;

Names and Filings, O. Reg. 398/21, ss. 1-17

Business Names Act, s. 6

(iii) Pre-incorporation Contracts

Required Reading: VanDuzer pp. 220-228

Statutory References: **CBCA** s. 14
OBCA s. 21

(d) The Corporation in Action

(i) Liability of Corporation for Crimes and Torts

Required Reading: VanDuzer pp. 231-251

Statutory References: None

(ii) Corporate Agency (Liability of Corporation in Contract)

Required Readings: VanDuzer pp. 251-269

Statutory References: **CBCA** ss. 15-18
OBCA ss. 15-19

(e) Shares and Shareholders

(i) Introduction to Shares

Required Reading: VanDuzer pp. 273-277

Statutory References: **CBCA** ss. 20, 21, 21.1-21.4, 48-50, 140, 257
OBCA ss. 22, 53-57, 102, 140-146, 258(11), 258.1, 266

(ii) Characteristics of Shares

A. General

Required Reading: VanDuzer pp. 277-290

Statutory References: **CBCA** ss. 24, 42, 43, 107, 115, 118, 134, 173, 176, 183(3) and (4), 188(4), 189(6) and (7), 211(3), 241

OBCA ss. 22, 38, 95, 120, 127, 168, 170, 176(3), 181(3), 184(5), (6), 193(1), 248

B. No Par Value

Required Reading: VanDuzer pp. 290

Statutory References: **CBCA** ss. 24(1), (2)
OBCA ss. 22(1), (2)

C. Series of Shares

Required Reading: VanDuzer pp. 290-292

Statutory References: **CBCA** ss. 24(4), 27
OBCA ss. 22(6) and (7), 25

D. Pre-emptive Rights

Required Reading: VanDuzer pp. 292-294

Statutory References: **CBCA** s. 28
OBCA s. 26

(iii) Issuing and Paying for Shares and the Stated Capital Account

Required Reading: VanDuzer pp. 294-299

Statutory References: **CBCA** ss. 2.1, 21.1-21.4, 25, 26, 30, 38, 41, 115(3), 118, 123(4)
OBCA ss. 1.1, 23, 24, 28, 34, 37, 127(3), 130, 135(4), 140.1-140.4

(iv) Redemption and Repurchase of Shares

Required Reading: VanDuzer pp. 299-304

Statutory References: **CBCA** ss. 30-40
OBCA ss. 28-36

IV - MANAGEMENT AND CONTROL OF THE CORPORATION: THE BASIC LEGAL FRAMEWORK

(a) Introduction - Shareholders, Directors, and Officers

Required Reading: VanDuzer pp. 307-310

Statutory References: **CBCA** ss. 102, 115, 121
OBCA ss. 115, 127, 133

(b) How Shareholders Exercise Power- Shareholder Meetings and Resolutions

- *Annual and Special Meetings*
- *Calling Meetings*
- *Notice of Meetings*
- *Proxies and Proxy Solicitation*
- *Shareholder Proposals*
- *Quorum*
- *Voting*
- *Access to Information - Auditors and Financial Disclosure*
- *Signed Resolutions*

Required Reading: VanDuzer pp. 311-330

Statutory References: **CBCA** ss. 20-21, 22, 103(5), 132-44, 147-159, 161-163, 172.1, 173, 175, 183, 188, 189, 247, 252.1-252.5, 252.7

CBCA Reg. ss. 33-34.1, 43-69

OBCA ss. 93-106, 109-114, 116(5), 139-146.1, 148-152, 154-7, 159, 168, 169, 170, 176, 181, 184, 253

General, RRO 1990, Reg 62 ("*OBCA General Reg*") ss. 23.4, 27-38

(c) Directors and How They Exercise Power

(i) Qualifications

Required Reading: VanDuzer pp. 331-332

Statutory References: **CBCA** ss. 2(1) (definition of "director" and definition of "resident Canadian"), 105, 108(1)(c), 116
CBCA Reg. ss. 13, 16
OBCA ss. 1(1)(definition of "director"), 118, 121(1)(c), 128
OBCA General Reg. s. 26

(ii) Election and Appointment of Directors

Required Reading: VanDuzer pp. 333-336

Statutory References: **CBCA** ss. 102, 106, 108, 109, 111, 113, 116
OBCA ss. 115, 119, 121, 122, 124, 128

(iii) Number of Directors

Required Reading: VanDuzer pp. 336-337

Statutory References: **CBCA** ss. 6(1)(e), 102(2), 107(a), 112
OBCA s. 115(2)

(iv) Directors' Meetings

Required Reading: VanDuzer pp. 337-340

Statutory References: **CBCA** ss. 110, 114, 115(3)
OBCA ss. 117, 123, 126, 127(3)

(d) Officers

(i) General

Required Reading: VanDuzer pp. 340-342

Statutory References: **CBCA** ss. 102(1), 104(1)(d), 115, 116, 121, 122
OBCA ss. 115(1), 117(1)(d), 127, 128, 133, 134

(ii) Delegation

Required Reading: VanDuzer pp. 342-344

Statutory References: **CBCA** s. 115
OBCA s. 127

(e) Remuneration and Indemnification

Required Reading: VanDuzer pp. 344-352

Statutory References: **CBCA** ss. 120(5)(a) and (b), 124, 125
OBCA ss. 132(5)(a) and (b), 136, 137

(f) Shareholders' Agreements and Unanimous Shareholders' Agreements

Required Reading: VanDuzer pp. 352-363

Statutory References: **CBCA** ss. 2(1) (unanimous shareholder agreement"), 49(8), 146, 247
OBCA ss. 1(1) (unanimous shareholder agreement"), 56(8), 108, 253

V - CORPORATE CHANGES

(a) Amendment of Articles, By-laws, and Changes to Stated Capital

Required Reading: VanDuzer pp. 366-374

Statutory References: **CBCA** ss. 38, 39, 43, 103, 173-80, 190, 241
Form 4
OBCA ss. 34, 35, 38, 116, 168-173, 185, 248
Forms 5261E, 5261F

(b) Continuation under the Law of Another Jurisdiction

Required Reading: VanDuzer pp. 374-378

Statutory References: **CBCA** ss. 187-188, 190(1)(d)
Form 11
OBCA ss. 180-1, 185(1)(d) and (d.2)
Forms 5264E, 5264F, 5265E, 5255F

(c) Amalgamation

Required Reading:	VanDuzer pp. 379-387
Statutory References:	**CBCA** ss. 181-186, 190(1)(c) Form 9 **OBCA** ss. 174-179, 185(1)(c) Forms 5262E, 5262F

(d) Arrangements and Reorganizations

Required Reading:	VanDuzer pp. 387-391
Statutory References:	**CBCA** ss. 191-192 Forms 14, 14.1 **OBCA** ss. 182, 183, 186 Forms 5266E, 5266F, 5267E, 5267F

(e) Sales of All or Substantially All of a Corporation's Assets

Required Reading:	VanDuzer pp. 392-393
Statutory References:	**CBCA** s. 189(3)-(9), 190(1)(e) **OBCA** s. 184(3)-(9), 185(1)(e)

(f) Going Private Transactions

Required Reading:	VanDuzer pp. 393-397
Statutory References:	**CBCA** ss. 2(1) (definition of "squeeze-out"), 193-194 **OBCA** s. 190

(g) Termination of the Corporation's Existence

Required Reading:	VanDuzer pp. 397-403
Statutory References:	**CBCA** ss. 207-228 Forms 15, 17, 19, 20 **OBCA** ss. 191-244 Forms 5268E, 5268F

VI - DIRECTORS' AND OFFICERS' DUTIES

(a) Fiduciary Duties

(i) Introduction

Required Reading: VanDuzer pp. 407-415

Statutory References: **CBCA** ss. 122(1)(a), (1.1), (2) and (3), 123
OBCA ss. 134(1)(a), (2) and (3), 135

(ii) Conflicts of Interest - Transactions with the Corporation

Required Reading: VanDuzer pp. 415-424

Statutory References: **CBCA** ss. 120, 122(1)(a) and (3)
OBCA ss. 132, 134(1)(a) and (3)

(iii) Corporate Opportunities

Required Reading: VanDuzer pp. 424-434

Statutory References: **CBCA** s. 122(1)(a)
OBCA s. 134(1)(a)

(iv) Competition

Required Reading: VanDuzer pp. 434-436

Statutory References: **CBCA** s. 122(1)(a)
OBCA s. 134(1)(a)

(v) Takeover Bids

Required Reading: VanDuzer pp. 436-446

Statutory References: **CBCA** s. 122(1)(a)
OBCA s. 134(1)(a)

(vi) Other Breaches of Fiduciary Duty

Required Reading: VanDuzer pp. 446-448

(vii) Reliance on Management and Others

Required Reading: VanDuzer pp. 448

Statutory References: **CBCA** s. 123(4) and (5)
OBCA s. 135(4)

(viii) Sanction by Shareholders of Fiduciary Breach

Required Reading: VanDuzer pp. 449-450

Statutory References: **CBCA** ss. 120(7.1), 122(3), 239, 241, 242(1)
OBCA ss. 132(5.2) and (8), 134(3), 246, 248, 249(1)

(b) Duty of Care

Required Reading: VanDuzer pp. 413-422

Statutory References: **CBCA** ss. 122(1)(b), 123(4) and (5), 239, 241, 242(1)
OBCA ss. 134(1)(b), 135(4), 246, 248, 249(1)

(c) Other Statutory Duties and Oppression

Required Reading: VanDuzer pp. 460-466

Statutory References: **CBCA** ss. 118, 119, 122(2), 123(4), 238, 241, 242
OBCA ss. 130, 131, 134(2), 135(3), 245, 248, 249

(d) Liability of Corporate Managers for Torts

Required Reading: VanDuzer pp. 467-483

VII - SHAREHOLDERS' REMEDIES

(a) Introduction

Required Reading: VanDuzer pp. 489-491

(b) Personal Action

Required Reading: VanDuzer pp. 491-494

(c) Derivative Actions on Behalf of the Corporation

Required Reading: VanDuzer pp. 494-501

Statutory References: **CBCA** ss. 238-240, 242
OBCA ss. 245-247, 249

(d) Oppression

Required Reading: VanDuzer pp. 502-551

Statutory References: **CBCA** ss. 238, 241, 242
OBCA ss. 245, 248, 249

(e) Compliance and Restraining Orders

Required Reading: VanDuzer pp. 552-553

Statutory References: **CBCA** s. 247
OBCA s. 253

(f) Rectification of Corporate Records

Required Reading: VanDuzer p. 553

Statutory References: **CBCA** ss. 243, 257
OBCA ss. 250, 266

(g) Investigations

Required Reading: VanDuzer pp. 553-555

Statutory References: **CBCA** ss. 229-237
OBCA ss. 161-167

(h) Corporate Purchase of Shares of Dissenting Shareholder (dissent and appraisal)

Required Reading:	VanDuzer pp. 555-560
Statutory References:	**CBCA** s. 190 **OBCA** s. 185

(i) Winding Up and Dissolution

Required Reading:	VanDuzer pp. 560-562
Statutory References:	**CBCA** ss. 207-228 **OBCA** ss. 192-244

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Online Resources

The majority of case law and legislative resources needed by NCA students are available on CanLII, the free legal information resource funded by the Federation of Law Societies of Canada (www.canlii.org). That includes all decisions of the Supreme Court of Canada, and all federal, provincial, territorial and appellate courts.

Your exam registration fee also includes free access to the Advance Quicklaw resources of LexisNexis. Your ID and password will be arranged and emailed to your email address on file a few weeks after the end of the registration session.

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