Property & Succession Update



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1. Court of Appeal on DRA Limitation Period

In <u>Zenyk v. Kowalyk</u>, 2007 MBCA 57 (CanLII) the court considered the interpretation of the limitation provision found in s. 6(3) of <u>The Dependants Relief Act</u> and gave it a liberal interpretation to allow the appellant's claim for support.

2. The Perils of Intestacy

The decision of the court in <u>Estate of Therese Marie Sutherland</u>, 2007 MBQB 70 (CanLII) illustrates "...the perils that may befall an estate where the deceased failed to make their wishes known by leaving a last will and testament." The court dealt with a multitude of issues from executor's fees to allegations of delay to legal fees in this contested passing of accounts on a relatively modest estate.

3. Capacity and Competence

Capacity and competence issues are a common theme in estate litigation. In Manitoba, these issues were recently considered in the following decisions:

- Bonin Estate, Re, 2007 MBCA 54 (CanLII)
- Bank of Nova Scotia Trust Company v. Forbes, et al. (Estate of Agnes Johnson), 2007 MBQB 101 (CanLII)

The upcoming Law Society CLE program, <u>Whose Decision Is It Anyway? Responding to Concerns of Client Capacity</u>, scheduled to take place on Monday, June 25 at 1:00 p.m. will review the current state of the law in this area and provide attendees with practical tips for dealing with capacity issues in their practise. The program is chaired by the Honourable Mr. Justice Schulman and features presenters John Neufeld, Q.C., Joanna Knowlton and Dr. Barry Campbell.

4. CAIS Proceeds Included in Bankrupt's Property: Q.B.

The court, in <u>Estate of Robert Ronald</u>, 2007 MBQB 102 (CanLII) found that CAIS (Canadian Agricultural Income Stabilization Program) proceeds do form part of a bankrupt's property under the provisions of the <u>Bankruptcy and Insolvency Act</u> and are:

...available for distribution among creditors only to the extent the proceeds exceed what is necessary for the bankrupt to maintain a reasonable standard of living in

accordance with s. 68. The balance of the proceeds fall into the hands of the trustee for distribution to the creditors at which time Cargill and CIBC may seek to enforce their security in priority to the other creditors in accordance with s. 136 of the *BIA*.

5. Estate Law Blog and Podcasts

For a regular fix on estate law issues and access to free podcasts on estate law topics while eLaw is on summer break, add the <u>Toronto Estate Law Blog</u> to your favourites or subscribe to their email updates or RSS feed to keep on top of recent additions to the site.

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