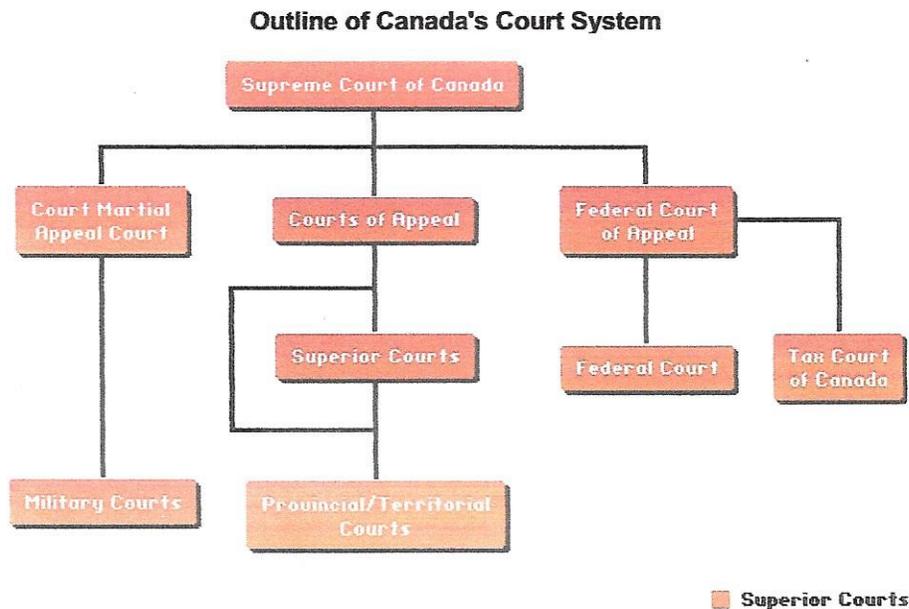


Structure of the Courts



Supreme Court of Canada: The Supreme Court of Canada, our highest court, is based in Ottawa and consists of nine judges chosen to represent the country's regions. The Supreme Court has the power to review lower-court rulings on any legal issue but limits its docket to about 100 cases a year that involve issues of national importance.

Superior Courts: Each province and territory has two levels of superior court, one to hear trials and the other to hear appeals. Superior courts handle criminal offences, divorces, civil cases involving large amounts of money and Charter challenges, and review the decisions of administrative tribunals and some lower courts. The trial court has various names - it is the Superior Court in Quebec and the Superior Court of Justice in Ontario, but is known as the Court of Queen's Bench in Alberta, Manitoba, New Brunswick and Saskatchewan, and as the Court of Justice in Nunavut. In all other provinces and territories, it is called the Supreme Court. Rulings made by judges at the trial level can be appealed to the appellate level, either called the Court of Appeal or the Appeal Division, which is the highest court within the province or territory.

The Federal Court and the Federal Court of Appeal handle issues that arise under federal laws and appeals from the decisions of federal tribunals. The Tax Court deals specifically with disputes between taxpayers and the federal government over tax assessments. The Court Martial Appeal Court of Canada hears appeals from military courts which are known as "courts martial."

Judges on each of these courts are eligible to become members of the Canadian Superior Court Judges Association. Judges of the Supreme Court of Canada have declined to join since cases involving judicial organizations like the Association may come before their court.

The federal government appoints and pays the superior court judges. Provinces and territories, however, provide courthouses and other facilities and support staff for the trial and appeal divisions of their jurisdiction's superior court.

Provincial and Territorial Courts: The provinces and territories appoint and pay judges who serve in the courts that form the lower tier of the court system. These courts have the power to deal with every criminal offence except the most serious offences, such as murder and piracy, and conduct pre-trial hearings, called preliminary hearings, in criminal cases destined for trial in superior court. They also handle violations of provincial laws. In Quebec, this level of court also deals with civil matters involving up to \$70,000 and disputes over provincial taxes. Provinces and territories have established Small Claims Courts to resolve civil actions

BIA - TABLE OF CONTENTS

3 pages
1/3

BIA	Interpretation and Defined Terms	1 to 3
Part I	Administrative Officials	4-41
Part II	Receiving orders and assignments	42-49
Part III	Proposals	50-66.4
Part IV	Property of the bankrupt	67-101.2
Part V	Administration of estates	102-157
Part VI	Bankrupts	157.1-182
Part VII	Courts and procedure	183-197
Part VIII	Offences	198-208
Part IX	Miscellaneous provisions	209-216
Part X	Orderly payment of debts	217-242
Part XI	Secured creditors and receivers	243-252
Part XII	Securities firm bankruptcies	253-266
Part XIII	International insolvencies	267-275

Bankruptcy and Insolvency Act		
	Short title	1
	Interpretation	2-4
	Her Majesty	4.1
Part I	Administrative Officials	4-41
	Superintendent	5-11
	Trustees	
	Licensing of trustees	13-13.2
	Conduct of trustees	13.3-13.6
	Appointment and substitution of trustees	14-14.07
	Corporations as trustees	14.08-14.1
	Official name	15
	Status of Trustee	15.1
	Duties and powers of trustees	16-38
	Remuneration of trustee	39
	Discharge of trustee	40-41
Part II	Receiving orders and assignments	42-49
	Acts of bankruptcy	42
	Petition for receiving order	43-45
	Interim receiver	46-48
	Assignments	49
Part III	Proposals	50-66.4
	Division I - general scheme for proposals	50-66
	Division II - consumer proposals	66-11-66.4
Part IV	Property of the bankrupt	67-101.2
	Stay of proceedings	69-69.5
	General provisions	70-84
	Partnership property	85
	Crown interests	86-87
	Settlements and preferences	91-101.2
Part V	Administration of estates	102-157
	Meetings of creditors	102-104
	Procedure at meetings	105-115
	Inspectors	116-120
	Claims provable	121-123
	Proof of claims	124-126
	Proof by secured creditors	127-134
	Admission and disallowance of proofs of claim and proofs of security	135
	Scheme of distribution	136-147
	Dividends	148-154
	Summary administration	155-157
Part VI	Bankrupts	157.1-182
	Counselling services	157-1
	Duties of bankrupts	158-160
	Examination of bankrupt and others	161-167
	Arrest of bankrupts	168
	Discharge of bankrupts	168-1-182
Part VII	Courts and procedure	183-197
	Jurisdiction of courts	183-186
	Authority of the courts	187-191
	Powers of registrar	192
	Appeals	193-196
	Legal costs	197
Part VIII	Offences	198-208
Part IX	Miscellaneous provisions	209-216
Part X	Orderly payment of debts	217-242
Part XI	Secured creditors and receivers	243-252
Part XII	Securities firm bankruptcies	253-266
Part XIII	International insolvencies	267-275

Bankruptcy and Insolvency Act General Rules	Rule	Form	BIA	Directive
Interpretation	1			
General	2-8			
Court proceedings	9-10	1	187(7) & (10)	
Motions	11-13			
Witnesses and depositions	14			
Search, seizure and arrest	15-17		166,168	
Costs and taxation	18-26		197(7) & (8)	
Fees of court officers	27-28			
Rules relating to the business of the court	29		184	
Appeals from decisions of the registrar	30			
Appeal to the court of appeal	31-32		183(2), 193(E)	
Official receiver	33			
Code of ethics for trustees	34-53		39-52	
Appointment and substitution of trustees	54		14-14.07	
Duties of trustees	55-57	7-9	16-38; 161(1)	
Remuneration of trustees	58		152,157,108(3)	
Prescribed circumstances for operation of paragraph 67(1)(B.1) of Act	59		67(1)(B.1)	
Taxation of accounts and discharge of trustee				
- general	60-61	10-11	152(4),170(2)	
- summary administration	62-67	13,15-17	62	5R
Books, records and documents	68			
Petition for receiving order	69-76		43(3),256(3)(c)	
Interim receiver	77-82	18	46,47,47.1,271(3)	
Receiving orders	83-84		43(6) & (9)	
Assignments	85-88	19,20,20.1	49	
Proposals	89-95	45	50-66	
Consumer proposals	96-103	14,58,59	66.11-66.4	
Contributories	104		77	
Mediation	105	61-65	68(8); 170.1(6)	
Order or payment	106		38(1), 68(10)	
Settlements and preferences	107		91-101.2	
Meetings of creditors	108-110		102-104;155(C.1)(II)	
Crown's security	111		87(1)	
Notice of dividend	112			
Notice of disallowance or of valuation	113			
Bankrupt partnerships	114			
Examinations	115-117	24,25	161-167	
Discharge of bankrupts	118-121		168.1-182	
Public records	122		11.1;41(2);172(1);245(1)	
Rate of levy	123		147	
Secured creditors and receivers	124-127	86	243-252	
Trustee's fees and disbursements in summary administration	128		155(G);152	
Administrator's fees and expenses in a consumer proposal	129		66.12(6)(b)	
Application of summary administration provisions	130		49(6) & (8)	
Miscellaneous fees	131-136		66.12(6)(b);157.1(1);168.1;49(3);62(1);66.13(2);49(8);11.1(1);13.2;120(5);245(1)	
Prescribed date	137		136(1)(H) & (j);154(2)	

The Process

Preliminary Considerations

Appointment Documentation

Notice to Stakeholders

Admin Matters/Asset Identification & Possession Taking & Evaluation

Interim Reporting

Obtaining Authorization/Directions

Administer Operation/Realization Process

Administer Competing Claims

Finalize the Asset Disposition

Finalize the Reporting to Stakeholders

Obtain Discharge

The Process(es)

CAIRP 2013 Tutorial Worksheet

Ordinary
Administration

Summary
Administration

Div I Proposal

Div II Proposal

Interim Receiver

Court Appt's
Receiver

CAA Monitor

Preliminary Considerations

Appointment Documentation

Notice to Stakeholders

Admin Matters/Asset Identification
& Possession Taking & Evaluation

Interim Reporting

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Administer Operation/Realization
Process

Administer Competing Claims

Finalize the Asset Disposition

Finalize the Reporting to
Stakeholders
Obtain Discharge

CAIRP Tutorial 2019 - Comparison Summary and Ordinary Administration

	Ordinary Administration		Summary Administration
	Corporation	Individual	
Perform Assessment of Individual Debtor	✓	✓	✓
Identify & Value Assets	✓	✓	✓
Identify all creditors	✓	✓	✓
Determine any security interests	✓	✓	✓
Determine any exemptions	No exemptions	✓	✓
Obtain Directors' Resolution (only if Corporation)	✓	✓	✓
Prepare documents (SOA, Assignment, Form 65)	✓	✓	Joint filing allowed S. 155 (f)
File "Joint Estate" if appropriate	✓	✓	✓
File documents with O.R.	✓	✓	✓
Receive and file Certificate of Appointment	✓	✓	Single notice - S. 155 (ln)
Prepare/Send Notice to Creditors of Bankruptcy	✓	✓	No meeting unless requested - S. 155(d.1)
Prepare send notice of creditors meeting	✓	✓	No publication - S. 155 (e)
Publish Notice to Creditors in Newspaper	✓	✓	✓
Review PoCs; disallow if/as necessary	✓	✓	No meeting unless requested - S. 155(d.1)
Attend/Chair Meeting of Creditors	✓	✓	No Inspectors unless requested - S. 155(e)
Attend to Appointment of Inspectors	✓	✓	Only if Inspectors appointed - S. 155(e)
Meet with Inspectors to obtain action authorization	✓	✓	✓
Deal with settlements, preferences, fraudulent transactions	✓	✓	Only if required by creditors - S. 155(k)
Attend to realization of assets	✓	✓	See Consolidated account - S. 155(g)
Obtain Court authorization to sell to related parties	✓	✓	✓
Attend to estate trust banking	✓	✓	✓
Attend to Consolidated Account banking	✓	✓	✓
Attend to tax returns prep and filing	✓	✓	✓
Attend to receive and review monthly Income and expense	✓	✓	✓
Finalize and disputed/disallowed claims	✓	✓	✓
Apply for Directions as necessary	✓	✓	✓
Utilize S. 37/ S. 38 as necessary	✓	✓	✓
Attend to Bankrupt's Automatic discharge as appropriate	✓	✓	✓
Finalize asset realizations/Banking	✓	✓	✓
Prepare R&D	✓	✓	No Inspectors unless requested - S. 155(e)
R&D approved by Inspectors	✓	✓	S. 155(i): Rules 62-66
Send Notice of Taxation	✓	✓	S. 155(i): Rules 62-67
R&D Taxed by Court	✓	✓	✓
Distribute dividends	✓	✓	S. 155(j): Rule 67
Apply for Trustee Discharge	✓	✓	S. 155(j): Rule 68
Send appropriate notice of Discharge	✓	✓	✓

DISCLAIMER: This is not an exhaustive list relating to the administration of estates but rather is prepared to demonstrate that the administration of bankrupt estates, whether Summary or Ordinary, are very similar, with exceptions set out in s. 155. of the BIA.

CAIRP 2019 Tutorial

Some of my Favourite Sections

- 4 - related parties
- 34 - Apply for Directions
- 37 – Where bankrupt, any creditor or anyone else is aggrieved....
- 38 – Proceeding by creditor where Trustee refuses to act
- 40 – Disposal of unrealizable property
- 50.4(7) - Material Adverse Change
- 59(3) – Reasonable Security for \$.50 or such other amount
- 62.1 - Waiver of Default
- 63 – The Court MAY on application, annul the Proposal
- 67 – Exempt & Non-Exempt Property of the Bankrupt
- 68(3)(a) & (b), (4), (6), (7), (10), (11); Rule 105 – Calculation of Surplus & Mediation 170.1 (173(m), (n))
- 69.3(1.1) – Cessation of Stay upon Trustee's discharge
- 75 – Agreement of Purchase and Sales taking precedence
- 95 – the language of Settlements/preferences – meeting the test
- 135 – Determination of secured claims & disallowances
- 136 – Subject to the rights of secured creditors
- 144 – Right of Bankrupt to Surplus
- 149 - 30 days to prove a claim
- 155 – Summary Administration [Rules 62 – 67]
- 161/163 – Examination of the bankrupt and others
- 168.1(2) – Nothing precludes a bankrupt applying
- 169(1) Bankruptcy operates as an application for discharge
- 169(2) – no earlier than 3 months, no later than 12 months
- 169(6) – The Trustee, upon being served a notice....
- 169(7) What if Trustee is unavailable
- 172(1) – On hearing application the Court may....
- 172(2) – On proof of any of the facts ... the Court SHALL ...
- 173 – Facts for which discharge may be refused, suspended or granted conditionally
- 178 – Debts not released by an order of discharge

Competency/Role Chart

CAIRP 2018 Tutorial Competency Worksheet

	Ordinary Administration	Summary Administration	Div I Proposal	Div II Proposal	Interim Receiver	Court App't'd Receiver	CCAA Monitor	Consultant
A. Ethical Behaviour & Professionalism 10% - 12%	✓	✓	✓	✓	✓	✓	✓	✓
D. Insolvency Philosophy & Practice 2% - 4%	✓	✓	✓	✓		✓		✓
E. Insolvency Law & Practice 41% - 47%	✓	✓	✓	✓	✓	✓	✓	
F. Taxation 7% - 9%	✓	✓	✓	✓		✓		✓
G. General Business Law 7% - 11%	✓		✓		✓			
H. Financing 7% - 9%			✓			✓		✓
I. Managing Business Operations 7% - 11%	✓				✓	✓		✓
J. Financial Analysis & Reporting 7% - 9%	✓	✓	✓		✓	✓	✓	✓

Disclaimer: This is a study guide only!

Review the Competency Profiles with this guide and consider the appointed capacity in which you might encounter any of the competencies described in the Competency Profile.

Directive 11R

- Paragraph 5 (1) Bankrupt completes a Form 65 monthly
- (4) Trustee verifies accuracy information:
 - (4)(a) obtain proof of income
 - (4)(b) proof of payments referred to in 5(2) and 5(3)
- (2) Start with Bankrupt's Gross Income
 - (2)(a) deduct statutory deductions MADE (_____)
 - (2)(b) deduct business expenses and taxes relative to self employment PAID (_____)
- Bankrupt's Net Income B %
- (2) Other Household Member's Net Income
 - (2)(a) Statutory deductions MADE (_____)
 - (2)(b) Business expenses and taxes PAID (_____)
- Other Household Member Net Income F %
- Total Household Income 100%

Nondiscretionary expenses

- (3)(a) child support payments (_____)
- (3)(b) spousal support payments (_____)
- (3)(c) child care expenses (_____)
- (3)(d) expenses associated with a medical condition (_____)
- (3)(e) court imposed fines that are being PAID (_____)
- (3)(f) expenses incurred as a condition of employment (_____)
- (3)(g) any other debt where a stay has been lifted and recourse authorized (_____)
- interest paid on debts that are not dischargeable
- (3)(h) under 178(1)(g) (_____)
- Total non-discretionary expenses
- (5) Family income subject to surplus Superintendent standard - family of _____
- Surplus
- (6) If surplus is less than \$\$200, then "\$0.00"
- (7) If surplus is greater than \$200, surplus x B%

Partnerships

Partnership of A and B and C

Assets of Partnership \$ _____
 First pays liabilities of partnership (\$ _____)
 Surplus (shortfall) \$ _____

IF "Surplus", surplus is distributed in accordance with proportional right and interest in partnership
 IF "shortfall", and surplus of the estates of the individual partners is applied.

<u>Partner A</u>	<u>Partner B</u>	<u>Partner C</u>
Assets of Partner A \$ _____	Assets of Partner B \$ _____	Assets of Partner C \$ _____
First pays liabilities of Partner A (\$ _____)	First pays liabilities of Partner B (\$ _____)	First pays liabilities of Partner C (\$ _____)
Surplus (shortfall) _____	Surplus (shortfall) _____	Surplus (shortfall) _____
If "Surplus", surplus flows, firstly to partnership shortfall (joint and several liability), secondly S. 144	If "Surplus", surplus flows, firstly to partnership shortfall (joint and several liability), secondly S. 144	If "Surplus", surplus flows, firstly to partnership shortfall (joint and several liability), secondly S. 144