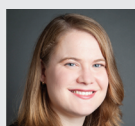


# ESTATE TAX PLANNING GONE AWRY

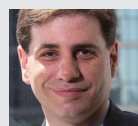
CLE FOR LAWYERS & ACCOUNTANTS | WEDNESDAY 30, 2018 PRESENTERS



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Wagner Sidlofsky  
LLP Chair, Trusts  
& Estates group



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Margles, Cappel LLP



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**JONATHAN HAMES**  
Schwartz Levitsky  
Feldman LLP



**SHARON SHORE**  
Epstein Cole LLP



**JORDAN ATIN**  
Hull & Hull LLP



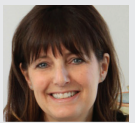
**IAN HULL**  
Hull & Hull LLP



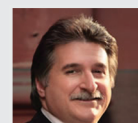
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WEL Partners



**HOWARD BLACK**  
Minden Gross LLP



**FELICE KIRSH**  
Schnurr Kirsh  
Oelbaum Tator LLP



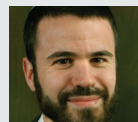
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Charles B. Ticker  
Law Office



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Litigation Barristers



**ALEX PROCOPE**  
PBP Lawyers



**CRAIG VANDER ZEE**  
Torkin Manes LLP



**BRIAN COHEN**  
Gowling WLG



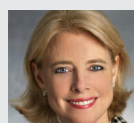
**ARCHIE RABINOWITZ**  
Gowling WLG



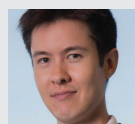
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WEL Partners



**DANIEL DOCHYLO**  
Borden Ladner  
Gervais LLP



**MELANIE YACH**  
Aird & Berlis LLP



**BRENDAN DONOVAN**  
Wagner Sidlofsky LLP



**HOWARD ZERKER**  
Crowe Soberman LLP

Shaarei Shomayim Synagogue | 470 Glencairn Avenue, Toronto

Registration & Breakfast For May 30, 2018: 7:30 Am

Program: 8:00 Am-12:00 Noon. Cost \$136 Plus Hst

To register, contact Ellen Ostofsky at 416-633-6224 x104 or at elleno@bnaibrith.ca

This program is eligible for substantive CPD hours required of Lawyers by the LSO

[www.bnaibrith.ca/trustsandestates](http://www.bnaibrith.ca/trustsandestates)

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# Estate Tax Planning Gone Awry

## How Disgruntled Beneficiaries Might attack an Estate Freeze



**Charles Wagner**  
Wagner Sidlofsky LLP  
Chair, Trusts & Estates

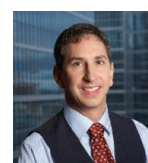
As I indicated in last week's edition, on May 30, 2018, the B'nai Brith Canada Estates and Trusts Group will be presenting its annual CLE seminar for lawyers and accountants. Last week, we discussed the vignette and panel discussion dealing with estate freezes and their attendant litigation risks. This week, we will canvass the next vignette and panel discussion dealing with additional litigation and accounting issues when family businesses unravel.

As you will recall, the seminar is based on a scenario where a son is working in a family bakery business. The parents implement an estate freeze for tax purposes, which results in their son, through a trust, having a beneficial interest in shares of the corporation. An explosion of Vesuvian proportions erupts when the son marries. He was supported by his parents all his life and now earns a salary from the business. His former secretary/new wife refuses to sign a prenuptial agreement. The parent fire both of them because there is no prenup.

In the vignette, the father (Craig Vander Zee of Torkin Manes LLP) and mother (Clare Burns of Weir Foulds) meet with their lawyer (Melanie Yach of Aird & Berlis LLP) who advises them about the type of claims their son and daughter-in-law might bring. They discuss how the son might seek relief under the Business Corporations Act by claiming to be an oppressed minority shareholder.

Both the son and daughter-in-law could also sue for wrongful dismissal. In addition, there might be risks to the estates of the parents if either of them later choose to disinherit their son. If, as a result of any settlement, they are still supporting him prior to their death, the son could seek continued support out of their estates even if he signed an agreement waiving any entitlement support from the estate.

This vignette is followed by a panel discussion chaired by Jordan Atin of Hull & Hull LLP entitled, "How Disgruntled Beneficiaries Might attack an Estate Freeze." The panel will address issues raised in the vignette. In our scenario, the family business was a successful group of bakeries and involved a lot of cash. Jonathan Hames of SLF will discuss conducting of a forensic audit in the context of an oppression remedy. Nikolay Chsherbinin of Chsherbinin Litigators will discuss the son and his wife's wrongful dismissal claim and the nuance to bringing such a claim in a family business. Brendan Donovan of Wagner Sidlofsky LLP will discuss how settlement of this litigation does not later preclude the son from bringing an application for support if the parents disinherit him. He will also discuss the difficulties faced by adults when seeking this type of relief.



**Jordan Atin**



**Melanie Yach**



**Jonathan Hames**



**Nikolay Chsherbinin**



**Brendan Donovan**

The event will take place on May 30, 2018 at Shaarei Shomayim Synagogue at 470 Glencairn Avenue, Toronto, Ontario M5N 1V8 and is open to lawyers and accountants.

To reserve your place please contact Ellen Ostofsky at B'nai Brith Canada at (416) 633-6224 x 104 or elleno@bnaibrith.ca