

Chair's newsletter

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CIF ANNOUNCES LLOYD HOULDEN RESEARCH FELLOWSHIPS

The Canadian Insolvency Foundation (CIF) recently announced the 2012 winners of the Lloyd Houlden Research Fellowship. They are **Professor M. Gordon Hunter** of the University of Lethbridge and **Professor Nick Milanovic** of Carleton University.



CIF Chair, Louise Lalonde

CIF Chair, **Louise Lalonde**, said she was very pleased with the calibre

of this year's winners. *"I am very encouraged by the quality of applications we received again this year. I think that both of our recipients will make a meaningful contribution to insolvency research through the papers they will present."*

CIF is a not-for-profit organization founded by the CAIRP with membership drawn from all stakeholders in the insolvency community. It is dedicated to research and education related to insolvency and bankruptcy legislation and practices, both corporate and personal, and to the skills of restructuring, refinancing, corporate rescues and turnarounds.

Dr. M. Gordon Hunter is Professor of Information Systems in the Faculty of Management at The University of Lethbridge, in Alberta, Canada. He has also been appointed Visiting Professor at the Faculty of Business, Computing and Information Management, at the London South Bank University. Professor Hunter has previously held academic positions at other universities in Canada, Hong Kong, and Singapore.

His research paper will identify issues surrounding the insolvency process related to small businesses. Each year 139,000 new businesses are formed in Canada, with about 30% failing within one year, and with only 25% still in operation after 9 years. Given these statistics the question arises, what are the issues involved in the small business insolvency process? Are there common issues surrounding these processes? Can factors be identified that will assist insolvency professionals?



Dr. M. Gordon Hunter



Professor Nick E. Milanovic



Nick E. Milanovic holds a Master of Laws degree from the University of Toronto. Prior to joining the Faculty at Carleton University, Professor Milanovic practiced labour law in Canada for approximately a decade. He has participated in litigation at all levels of Canada’s court and administrative law systems and in landmark international trade and human rights litigation in the United States of America. He has also testified before federal and provincial parliamentary committees on both domestic and international matters.

Professor Milanovic’s paper will look at the impact of Parliament’s having added section 65.12 of the BIA and section 33 of the CCAA in 2008, which specified that the full force of the collective agreement remained in effect during an insolvency proceeding. His essay will review the status of collective agreements in bankruptcy law prior to the reforms and analyze the incentives created by the reforms by examining new case law

and conducting interviews and a survey of insolvency professionals. His research will be used to determine if the amendments have unduly interfered with or prevented the successful rescue of businesses subject to an insolvency proceeding.

The \$20,000 scholarship, to be shared by Professors Hunter and Milanovic, is named after **Hon. Lloyd Houlden, Q.C.**, a distinguished retired Justice of the Court of Appeal of Ontario. It is awarded annually to support “an original analysis of innovative ways to improve the insolvency system, a historical analysis of particular features of the system or an exploration of any other insolvency-related idea.” Authors from any part of the insolvency community – practicing trustees and lawyers, as well as academics and students – are eligible to apply.



CAIRP 8th ANNUAL COMMERCIAL PROGRAM

The 8th Annual Commercial Program was held on March 28th, 2012.

Featuring an insightful look at the global economy by **Adrian Cooper**, CEO of Oxford Economics, the program sold out our ballroom space at the Toronto Board of Trade.

Attendees were entertained by a Mock Motion enactment and informed by presentations on tax law and the lending landscape in Canada. Another highlight was a presentation on the trials and tribulations of the sale of Nortel Networks’ 6,500 patents given by Nortel’s former Chief Strategy Officer, **George Riedel**.

Thank you to all our presenters and the hardworking Commercial Program Committee, with **Brian Denega** as Chair; **Lana Bezner, Hartley Bricks, Richard Harris, Jonathan Krieger, Michelle Pickett, Jeffrey Rosenberg**, with insight and assistance from **Jennifer Stam**, Partner at Gowlings LLP. ■



Adrian Cooper
CEO of Oxford Economics

CAIRP believes in the recognition of its members!

In each issue, **Rebuilding Success Magazine** profiles CAIRP members from across Canada who have made a significant contribution to their communities as volunteers. If you know anyone you think would qualify, please send the details to: roxanne.labrie@cairp.ca



CHAIR'S MESSAGE

As we take a look back on a cold spring and the early dashing of all hopes towards a Canadian Stanley cup finalist, let us bask in the knowledge that at least the CAIRP team has been working hard on many important projects on behalf of its members. Here is a small sample of the projects.

» Strategic Plan

The Strategic Plan Committee presented a draft of the Strategic Plan to the Board at its February 2012 meeting. Following discussions with the Board on the priorities and strategies of CAIRP, the committee will present to all members the final Strategic Plan, as approved by the Board, at the Annual General Meeting in August at the Annual Conference to be held in Banff Alberta, from August 14th to 17th, 2012.

» Governance

In August 2011, given the extensive time devoted by both the Chair and the Vice Chair as well as other volunteers, the Board directed that a comprehensive review of governance matters must be undertaken. The Board convened an adhoc Governance Committee, co-chaired by **David Howe**, CIRP, the CICA representative on the Executive, and **Larry Prentice**, FCIRP, Past Chair.

The committee has been working to understand the different responsibilities, tasks and roles undertaken in the past by the Chair, the Vice Chair as well as by the staff and the volunteers at large. A report on its findings has been submitted to the Board and any resulting changes to our by-laws to implement recommendations approved by the Board will be presented for approval by the members at the Annual General Meeting.

» Legislative Reform

In accordance with the requirements of the Bankruptcy and Insolvency Act (BIA), September 2014 will be the time for the next review of Insolvency Legislation.

In preparation for this, CAIRP has named **William Courage**, FCIRP, representing the consumer aspects, to identify the issues within the BIA, which are of key importance to CAIRP and its members. Within the next few weeks, a member with a commercial practice will be named to identify the issues within the BIA and other insolvency legislation, including the Companies'

Creditors Arrangement Act (CCAA), and Wage Earner Protection Program Act (WEPPA) to identify the commercial issues. This will ensure our continued advocacy of a fair, transparent and effective insolvency system and restructuring administration throughout Canada allowing all of our members to continue to provide the best solutions to financially challenged individuals and businesses whilst maintaining the highest degree of professionalism.



Guylaine Houle

Through its Executive Committee and the President of CAIRP, CAIRP continues to maintain its positive working relationship with the Office of the Superintendent of Bankruptcy through continued dialogue on issues of importance to all stakeholders of the Canadian insolvency system. In addition, CAIRP is working to create and develop new relationships with other departments, such as the Canada Revenue Agency (CRA) through the renewal of its CRA Liaison Committee.

In addition to legislative reform, CAIRP must look to the future of our profession. An important first step was accomplished by the October 2010 signing of the Memorandum of Understanding with the OSB, whereby the administration of the Insolvency course and its materials was returned to CAIRP. But as an association, we must not stop there. In effect, to ensure that our future as a profession is maintained, the New Members Committee was created.

In the last few months, not only have they prepared their first action plan and held their first face to face meeting, they were also introduced as a committee to the Executive Committee of the OSB at the end of April 2012. Our President **Mark Yakabuski** and the undersigned also attended this meeting. We can all be proud of their accomplishments as a committee. Let us all find time to encourage our new members, as they are our future. Look for the introduction of this committee by their Chair, **Julie Mortreux**, in this Newsletter.

Guylaine Houle, BCL, FCIRP

New Members Committee

The New Members' Committee (NMC) was created in the summer of 2011. It is composed of six members from across Canada with experience in both corporate and consumer insolvency and who have obtained the CIRP designation in the past five years: **Julie Mortreux** (Samson Bélair/Deloitte & Touche Inc.) as Chair, **Adam Fisher** (Harris & Partners Inc.) as Vice-Chair, **Kimberley Burke** (BDO Canada Limited), **Jodat Hussain** (Ernst & Young Inc.), **Jennifer McCracken** (Campbell, Saunders Ltd.), **Eric Sirrs** (MNP Ltd.), **George P. Tzicas** (Groupe Serpone Inc.) and **Kevin Brennan** (Ernst & Young Inc.) as Past Chair liaison. On January 27th, 2012 the NMC met to set their objectives for the upcoming year and has decided to focus on:

- » Promoting brand awareness and recognition through improved website content, increased use of discussion forums, promotion of the profession in universities and middle schools; Adhoc involvement in CAIRP's strategic plan;
- » Increase participation of new members through representation on each of CAIRP's committees



NMC Chair, Julie Mortreux

and increase attendance at the Annual Conference;

- » As an independent committee, providing support to the CQP Committee to improve the process for the 2013 exams;
- » Meeting with the Office of the Superintendent of Bankruptcy and participating in CAIRP's advocacy efforts; and

- » Acting as a resource for new members and CQP students.

In order for the NMC to achieve its objectives, assistance from new members -- members who have joined the Association over the last five years -- will be more than welcome. If, as a new member, you are interested in getting involved with NMC's various projects, please contact **Julie Mortreux** at jmortreux@deloitte.ca.

CQP UPDATE

The CQP is a vibrant program with continuous development. As of the end of the first quarter of 2012, work is nearing completion on the first of the quarterly updates planned for the Core Knowledge Course which will reflect changes in legislation and jurisprudence as well as implementing suggestions received from members. The updating and revision of the Introductory Course, in preparation for adding it to the online platform, is also well underway. The course material review is approaching completion. Next on the agenda: review of the assessments for the course. Finally, the updating and revision of the Insolvency Administrators Course has also begun, with content updates being the first priority, to be followed by development work on the assignments and the creation of an expanded exam question bank.

Exam development is progressing on schedule. To aid in the development of new questions for the Core Knowledge Course, CQP has begun to work with a doctoral law candidate from the University of British Columbia. Our goal is to expand the number of

questions available for the Core Knowledge Exam with her assistance, to the extent that we are able to offer the exam more than twice per year.

The second Core Knowledge Course exam was held at the end of March. Forty-four of the 62 candidates who sat the exam (71%) succeeded, qualifying them to progress to the Applied Knowledge Course and join the 104 articling members already at this stage in the CQP. As a result, we anticipate a larger than usual number of candidates to challenge the first writing of the CQP national insolvency exam (CNIE) in October. All candidates who have been in the course for a minimum of 6 months, have accumulated the required number of experience hours (2,400) and feel ready to challenge the exam will qualify.

Work on the first CNIE is also on schedule, with the Exam Board focusing on tailoring the exam to meet the expectations set by the Competency Profile for new CIRPs, as released early in 2011.

2012 CAIRP Annual Conference in Banff, Alberta

Tuesday August 14 to Friday August 17, 2012



REGISTER ONLINE TODAY!

Join us this summer for the CAIRP 2012 Annual Conference and escape to the spectacular Castle In The Sky, the Fairmont Banff Springs Hotel and Resort, in Banff, Alberta, where insolvency and restructuring professionals can mix business with pleasure.

CAIRP members and industry practitioners from across the country will once again have the unique opportunity to meet and mingle, and take part in a series of informative, thought-provoking professional development programs, delivered by a faculty of esteemed experts. Stimulating breakout sessions will provide an additional forum in which to network and exchange ideas.

Few hotels rival the majesty, hospitality and grandeur of The Fairmont Banff Springs, located in the heart of Banff National Park. You, your colleagues and family members can experience an exciting array of activities, including a championship golf course with breathtaking views, a world-class spa, boutique shops, a bowling centre and kids club that offers wilderness adventures, a photography workshop and more.

Beyond the resort, immerse yourself in the serenity of the magnificent Rockies aboard an oar-powered raft that floats down the Bow River, or explore the flora and fauna of extraordinary Lake Louise, and enjoy a catered picnic lunch. You can hike, canoe, hop on a mountain bike, saddle up for a western-style horseback riding adventure, or ascend on a gondola to the summit of Sulfur Mountain, where local cuisine and the view of a lifetime awaits.

In its ongoing leadership role, CAIRP is committed to providing meaningful and relevant educational programs nationally that offer the most vital and current information pertaining to consumer and commercial insolvency.

To learn more about the benefits of CAIRP membership, contact the association at our corporate office in Toronto or visit www.cairp.ca.

We look forward to seeing you!

ACCOMODATION

The Annual Conference Committee has reserved a block of standard Fairmont hotel rooms and suites. We have secured an exceptional rate of \$239, plus taxes and service charges. The Banff Springs will honour our special rate for three days before and three days after the CAIRP Conference, based on availability.

You can reserve your accommodations by calling the Fairmont Banff Springs at 1-403-762-2211, please refer to conference code "CAIRP2012" when booking.

For more information on the Fairmont Banff Springs Hotel, it's facilities, programs, and golf courses please visit: www.fairmont.com/banffsprings.

Please note that CAIRP has also secured rates, at both the Chateau Lake Louise and the Palliser. Lake Louise will offer 10% off their \$350 regular rate, and the Calgary Palliser offers a special rate at \$249. All these rates are good for three days before and three days after the conference.

www.fairmont.com/lakelouise,
www.fairmont.com/palliser.

MEMBER NEWS

CAIRP wishes to congratulate all the NIE Graduates of the Fall 2011 exams and to welcome the following applicants as new members:

Charla Smith, Rajvinder Singh Hara, Jamee Johnson, Tom Powell, Liang (Allen) Yao, Adam R.F. Laiken, Stefano Damiani, Martine Robitaille, Martin Carrière, Arthur Blumer, Michael bell, David Llewelyn Evans, Dennis Kish, Peter K. Crawley, J.Eric Findlay, Emilie Nadon, Tina Powell, Olga Chtcherbakova, Brandon Smith, Anna Koroneos, Pierre Marchand, Daniel McCulloch, Derek Lai, Brian F. Williams, Mathieu Roy, Jean Christophe Hamel, Catherine Nguyen, Kenn Robbs, Alexandre M.B. Corbett, Glenn A. Steiner, Rebecca Frederick, Tania Daher and Barry J. Peake.

Each and every one of you should get in touch with the New Member Committee and find out about all their special activities for new members. Please contact **Julie Mortreux**, Chair of the New Member Committee at: jmortreux@deloitte.ca.

Welcome all new members and remember your Association needs your contribution and your expertise. CAIRP always welcomes volunteers!

Notice to the Profession:

The Board has readmitted into general membership, Mr. **Bruno Marchand**. In

doing so, the Board has carefully considered whether Mr. Marchand is, as required by section 11.01 of the CAIRP by-laws, "suitable and desirable in the opinion of the Board for admission to the Association as a general member". Mr. Marchand was formerly a member of CAIRP but resigned when a complaint was received about his conduct. Mr. Marchand's license was suspended for two months, from August 1st to September 30th, 2010, as a disciplinary process resulting from a complaint by the Superintendent of Bankruptcy. This complaint never questioned the honesty and integrity of the trustee, but rather raised concerns about inefficiency and not closing files promptly. The Board also considered Mr. Marchand's subsequent conduct where it appeared that files were being closed promptly. In the circumstances, the Board concluded that Mr. Marchand is suitable for readmission.

Life Members

We also welcome all the regular members who chose to make the transition to Life membership and stay with CAIRP – we thank you for your past contribution and are looking forward to this next step with you.

On the move...

Firms

- » Last December, RSM Richter Financial Restructuring Practice in Toronto became part of Duff & Phelps Canada Restructuring Inc.





- » Effective March 1st 2012, Green Hunt Wedlake joins Grant Thornton.
- » Horwath Leebosh Appel Inc and Stern Cohen Shier have now merged with MNP Ltd.
- » MNP Ltd acquired the files of Clarke Henning Inc.

People

- » **Steve Cherniak** and **Mike Hanson**, both formerly from KPMG have joined BDO.
- » **Bobby Kofman, Peter Farkas, Robert Harlang, David Sieradzki, Mitchell Vininsky** and **Lana Bezner** are now at Duff & Phelps .
- » **Konstantinos Tertigas** has joined Ernst & Young.
- » **Rob Shier, Arif Dhanani, Sheri L. Aberback, Denis Hamel, Frederic Lachance, Robert Takash** and **Pierre St. Georges** have joined the rank of MNP Ltd.
- » **Wayne Palmer** joined BDO in Winnipeg.

In Memoriam

Our heartfelt condolences go to the family of **Alan Frederick Wolrige**, co-founder of Wolrige Mahon LLP, in Vancouver who passed away on December 6th, 2011.

Honours & Awards

Congratulations to **Arthur Blumer** of Aberback Lapointe & Associés Inc., in Montreal who received the **2011 Ernst & Young Jack Biddell Gold Medal** for having achieved the highest mark on the NIE.

CAIRP believes in the recognition of members who distinguish themselves from others. If such a deserving individual comes to mind, please submit your nomination!

CAIRP could not be what it is today without the help of the many contributors who volunteer their time to make this Association the thriving organisation it is. The **Outstanding Volunteer Awards** is open all year for nominations. If you know someone who's outstanding contribution is worth a nomination, go to www.cairp.ca and select the right nomination form for your nominee. Then, all you have to do is write an email or a letter to **Roxanne LaBrie**, and let her know in one page why that person should be awarded an **OVA**. She will forward your recommendation letter to the Honours and Awards Nominating Committee for review. Volunteers are working for all of us, let's give them something in return!

Just a Reminder...

Your declarations had to be signed and your dues paid by May 31st, 2012. If you have missed the deadline, please contact **Roxanne LaBrie** at: roxanne.labrie@cairp.ca.



THANK YOU BEA CASEY

CAIRP would like to extend its foremost thank you to **Bea Casey** for her exceptional involvement with the association. Bea joined CAIRP in June 2010 as the new Director of Education Programs and from day one, she has served CAIRP and its members in ways that fundamentally changed the education program of the association in the most positive sense.

Her experience was instrumental in the transition from NIQP to the CQP. In August 2010 the NIQP dissolved and the project of redesigning the CQP picked up steam in earnest. In September 2010, she organized a summit with CAIRP members, representatives of the OSB and CAIRP staff to develop a Competency Profile which would be the "road map" for the renewal of our education program. Work began right away creating, coordinating and participating in numerous task forces that would revise and reorganize the way course materials were presented and offered. Bea worked with a graphic designer to create the CQP brand, with a new logo, a style guide was created and is now used in all course materials, correspondences and marketing materials to create visibly cohesive and attractive materials. With her project management skills the Course Material Review Committee oversaw all of the course revisions; including assignments, case studies and online reference materials such as the Body of Knowledge.

Bea has worked closely with countless volunteers who were very involved in the preparation of the new materials. She assembled the

Core Knowledge Exam Board and had the first online exam ready in record time, for November 2011. She created the blueprint that will be used in future. She also works closely with the CQP Committee who is charged with managing the program, and has implemented a structure of interrelated sub-committees to coordinate the various aspects of the program, such as examination boards, an examination oversight committee, and the course material review committee.

Moreover, in an effort to be more environmentally friendly, Bea has adjusted how CAIRP delivers course materials, by offering the CKC and AKC online - providing for instantaneous updates, more colourful and better graphics, readability and links to resources necessary to improve the material available for all candidates to the CQP, such as negotiating an agreement with Carswell to provide access to the e-Carswell material to all candidates to help with research.

Bea has a clear understanding of the changing times and the demographic of our candidates. She brings fresh and resourceful ideas to the CQP and always has the next project on the horizon, keeping all team members fully engaged. **Bea Casey** has logged many overtime hours since she began her work with CAIRP. As director of the education program, she inspires everyone with her dedication, her work ethic and her passion for what she does.

She is very supportive and understanding of the needs of others, which makes her team want to

perform at their best for her. Always willing to listen to new and creative ways of doing things, her door is always open. In addition to having a great sense of humour, she is skilful at setting priorities and sets realistic expectations.

Bea is friendly and kind but professional at all times. All in her work environment will tell you that she is a delight to be with and that they feel privileged to work closely with this remarkable woman, wife and mother.

CAIRP is grateful to have such a great person on board and is looking forward to her continuing contribution in the future. She is truly a first-class role model for our future members.

*"I've worked in different associations and I've never seen such a high quality level in terms of volunteer work. Everyone is so dedicated and works so hard! None of this would be possible without the support of the dedicated education team at CAIRP, **Isabelle Gauthier, Joy Fraser and Renzo Libaque**, and the unstinting work of hundreds of volunteers putting in countless hours, writing, editing, reviewing, answering questions, marking exams, proctoring, debating, sending up trial balloons..." -Bea Casey*

If you would like to have your event promoted in the next Chair's Newsletter, please send all the details to:
roxanne.labrie@cairp.ca