<u>CASE NO.</u> <u>VOL. NO.</u> <u>PAGE</u>

HILTON CANADA INC., a body corporate and HILTON CANADA INTERNATIONAL HALIFAX INC., a body corporate

S.N.C. LAVALIN INC.

- and -

(Appellants) (Respondent)

CA 156733 Halifax, N.S. CROMWELL, J.A.

(Orally)

[Cite as: Hilton Canada Inc. v. S.N.C. Lavalin Inc., 2000 NSCA 41]

APPEAL HEARD: March 22, 2000

JUDGMENT DELIVERED: March 22, 2000

WRITTEN RELEASE OF ORAL: March 24, 2000

SUBJECT: Appeals - Standard of Review of Trial Judge's Factual Findings

SUMMARY: Before investing in a hotel property in Halifax, Hilton engaged a firm of

engineers to inspect the hotel to determine if it had major defects. The engineers' report advised that while there were significant problems with the building's exterior brick work there were no structural problems evident. Hilton's investment proceeded and shortly after it was discovered that there was a major structural defect in the building,

namely, that steel beams and columns had corroded to the point that there was concern that the building would collapse. Hilton sued the engineers in negligence and in breach of contract for failing to detect the defect or to alert Hilton that further investigation was warranted.

The action was dismissed and Hilton appealed.

ISSUE: Did the trial judge err in finding that a visual inspection would not have

led a reasonably competent structural engineer to suspect a structural

defect or to recommend further investigation?

RESULT: Appeal dismissed. The trial judge reached his conclusions by applying

correct legal principles and making clear findings of fact which are supported by the evidence. The trial judge did not refer to all of the evidence in his reasons and he was not obliged to do so. A review of the evidence which was not referred to did not provide the Court with

any basis for thinking that there had been any palpable or overriding error in the judge's findings of fact.

This information sheet does not form part of the court's decision. Quotes must be from the judgment, not this cover sheet. The full court judgment consists of 3 pages.