

NOVA SCOTIA COURT OF APPEAL
Citation: *Darde v. Morris Bureau*, 2013 NSCA 121

Date: 20131024
Docket: CA 410328
Registry: Halifax

Between:

Thierry Daniel Jean Paul Darde

Appellant

v.

Morris Bureau, Barristers and Solicitors

Respondent

Judge: **The Honourable Justice David P.S. Farrar**

Date Heard: **October 8, 2013**

Subject: **Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, s. 178.
Fraudulent Misrepresentation. Debt Incurred by Fraud
Surviving a Discharge in Bankruptcy.**

Summary: The appellant obtained legal services in his divorce action by misrepresenting that he had arranged two lines of credit to pay for the legal fees.

 The appellant subsequently declared bankruptcy without paying the firm's account. The trial judge found his representations with respect to the lines of credit were false, the appellant knew they were false and the law firm relied on the representations in providing legal services. The trial judge concluded that the misrepresentations were fraudulent and, as a result, the law firm's account would survive the discharge in the appellant's bankruptcy.

Issues: The appellant appealed arguing the trial judge erred in failing to properly apply the law of fraudulent misrepresentation. In particular, she failed to turn her mind to the issue of reliance and if she did, the reliance by the law firm on the fraudulent misrepresentations was unreasonable in these circumstances.

Result: Appeal dismissed. The trial judge clearly found that the law firm relied on the representations made by the appellant. There is no requirement that the reliance on the fraudulent misrepresentation must be objectively reasonable. The respondent was awarded costs in the amount of \$2,500 inclusive of disbursements.

This information sheet does not form part of the court's judgment. Quotes must be from the judgment, not this cover sheet. The full court judgment consists of 6 pages.