SUPREME COURT OF NOVA SCOTIA

Citation: Three Ports Fisheries Ltd. v. Jeffrie, 2014 NSSC 228

Date: 20140620

Docket: Halifax No. 254159

Registry: Halifax

Between:

Three Ports Fisheries Limited

Applicant

v.

Roderick Jeffrie and H. Hopkins Limited

Defendants

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Judge: The Honourable Justice Allan P. Boudreau

Heard: November 13, 18, 19 and 20, 2013 in Halifax, Nova Scotia

Written Decision: June 20, 2014

Subject: Director-Corporation Relationship- Fiduciary Duty – Equitable

Remedies Doctrines – Proof of Damages.

Summary:

The Applicant, Three Ports Fisheries Limited ("Three Ports") alleges that the Respondents, Roderick Jeffrie ("Mr. Jeffrie") and his company, H. Hopkins Limited ("Hopkins") breached their fiduciary duty to Three Ports and caused it to suffer damages. All the parties are in the business of buying and selling fish products, primarily crab and lobster. Some of them are or were fishermen as well. Mr. Jeffrie had also been a director and officer of Three Ports prior to his disagreement with Anthony Hendriksen, the other equal shareholder of Three Ports; thus the present proceedings regarding Mr.

Jeffrie's and Hopkins' activities in competition with Three Ports. Three Ports claims that Mr. Jeffrie, personally and through Hopkins, breached an ongoing fiduciary duty to Three Ports.

Three Ports commenced these proceedings by way of an Application in Court filed on August 18, 2011. Since then there have been two Amended Notices of Application filed, the latest being on December 27, 2013 and the latter constitutes the relevant document for this hearing. The hearing proceeded almost entirely by way of affidavits and cross-examination.

Issues:

- a. Did Mr. Jeffrie owe an ongoing fiduciary duty to Three Ports after late 2010?
- b. In any event, in the circumstances of this case, would Three Ports be entitled to the equitable remedy it now seeks?
- c. If Mr. Jeffrie had owed a fiduciary duty to Three Ports and breached that duty, has Three Ports proven that his actions personally or through Hopkins caused any economic losses to Three Ports and has it proven the extent of those losses?
- d. Has Three Ports proven that Mr. Jeffrie owes it \$20,000 and \$17,500 by way of unjustified and non-reimbursed advances of funds?

Result:

Found no fiduciary duty owed in the circumstances. Would not have awarded equitable remedy in any event. Also found damages not proven. Awarded the Applicant reimbursement of \$37,500 in unjustified fund advances prior to Respondent leaving the claimant company.

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