

**SUPREME COURT OF NOVA SCOTIA**  
**Citation:** *Bledin v. Landsburg*, 2013 NSSC 418

**Date:** 20131217  
**Docket:** Hfx No. 404339  
**Registry:** Halifax

**Between:**

Lori Bledin and Martin Kaelble

Applicants

v.

Brent Landsburg, Jo-Anne Landsburg, Tylomar Landscaping Inc. and Black Horse  
Construction Inc.

Respondents

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**Judge:** The Honourable Justice A. David MacAdam

**Heard:** May 22, 23, 24, 2013, in Halifax, Nova Scotia

**Final Written**

**Submissions:** May 27, 2013

**Subject:** Corporations; oppression remedies.

**Summary:** The individual parties agreed to form a landscaping and snowplowing company called Tylomar. The applicants did not wish to have shares in their names, and shares were only issued in the names of the individual respondents, who also became the directors and officers of the company. There was no written shareholders' agreement, share-purchase options, or other written agreement setting out the individual parties' relationship to each other or the company. The applicant Bledin provided \$65,000.00, which was paid to the respondent Mr. Landsburg, who was leaving his previous job to work for the new company. The sum was equivalent to his previous salary. Bledin also guaranteed the financing for a Ford truck registered in the company's name and a Ford Edge, also registered in the company's name but for Mrs. Landsburg's use, as well as advancing occasional funds for payroll and other purposes. As landscape work became rarer, the company began doing construction work, which eventually made up the bulk of Tylomar's work. Eventually the relationship between the individual parties deteriorated. The applicants requested that shares be

issued to them, but this was not done. Tylomar ceased operating after 13 months. The individual respondents then incorporated a new construction company, Black Horse. Both vehicles guaranteed by Bledin were transferred out of the company, the truck to Black Horse and the Edge to Mrs. Landsburg.

**Issue:** (1) Were the applicants complainants for the purpose of seeking an oppression remedy under the Third Schedule of the Nova Scotia *Companies Act*? (2) If so, was oppression established? (3) If oppression was established, what remedies were appropriate? (4) Was Bledin entitled to judgment against Mr. Landsburg and Tylomar on account of various loans? (5) Were the applicants entitled to recover the two vehicles?

**Result:** The applicants were complainants by virtue of claiming as creditors of Tylomar. They also qualified as security holders. The respondents argued that certain remedies sought by the applicants were equitable ones, and that the applicants failed to come before the court with “clean hands.” This argument was rejected. The evidence established that the manner in which the individual respondents controlled the company amounted to oppressive behaviour. The individual respondents treated Tylomar as their company, and the applicants as investors. This did not reflect the agreement between the parties, by which they were to be equal shareholders. The applicants’ decision to delay taking shares did not change this. There was no basis in law for the individual respondents’ refusal to issue shares to the applicants. The applicants were entitled to equal shares in the company to those held by the individual respondents. They were not entitled to an accounting from Tylomar, and there was no basis for a remedy based on any alleged non-competition obligation. They were not entitled to an accounting or disgorgement remedy from Black Horse. The vehicles belonged to Tylomar. The \$65,000.00 advanced by Bledin was a gift to Mr. Landsburg, although there was a suggestion by the company solicitor of possible mechanisms by which the applicants could recover this amount out of Tylomar’s profits. There were no profits out of which to recover this amount. It was not possible to determine the amount of any debt owed to the applicants by the company. The applicants were entitled to retain certain equipment whose purchase they had financed for the company. The company did not seek to recover it.

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