

Federal Court



Cour fédérale

**Date: 20181009**

**Dockets: T-1594-06  
T-699-07**

**Citation: 2018 FC 1012**

[UNREVISED ENGLISH CERTIFIED TRANSLATION]

**Ottawa, Ontario, October 9, 2018**

**PRESENT: The Honourable Madame Justice Roussel**

**Docket: T-1594-06**

**IN THE MATTER OF THE *INCOME TAX ACT* AND IN THE MATTER OF  
ASSESSMENTS MADE BY THE MINISTER OF NATIONAL REVENUE PURSUANT  
TO THE *INCOME TAX ACT*,**

**AGAINST:**

**MARIO LAQUERRE,  
1392, 4<sup>e</sup> avenue  
Québec, Quebec G1J 3B6**

**judgment debtor**

**and**

**9011-1345 QUÉBEC INC.  
1392, 4<sup>e</sup> avenue  
Québec, Quebec G1J 3B6**

**BRESSE SYNDIC INC.  
5350, boul. Henri-Bourassa  
Suite 220  
Québec, Quebec G1H 6Y8**

**GAÉTAN LAQUERRE  
743, rue des Mélèzes  
Québec, Quebec G1C 3C8**

**third parties**

**Docket: T-699-07**

**IN THE MATTER OF THE *INCOME TAX ACT* AND IN THE MATTER OF  
ASSESSMENTS MADE BY THE MINISTER OF NATIONAL REVENUE PURSUANT  
TO THE *INCOME TAX ACT***

**AGAINST**

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## **ORDER AND REASONS**

### I. Introduction

[1] By way of a motion filed pursuant to paragraph 399(2)(a) and sections 359 and 364 of the *Federal Courts Rules*, SOR/98-106 [Rules], the applicant, Mario Laquerre, seeks to set aside three orders: an order rendered September 14, 2018, by Justice Yvan Roy, an order rendered March 8, 2018, by Justice Richard Bell, and an order rendered April 9, 2008, by Justice Luc Martineau.

[2] The Attorney General of Canada [AGC], on behalf of Her Majesty the Queen, submits that the motion is an abuse of procedure, the main purpose of which is to delay the sale of an immovable located at 1095 chemin de la Canardière, in the City of Québec, province of Quebec [Canardière building], scheduled for October 10, 2018. It asks the Court to dismiss the motion and order that Mario Laquerre cannot directly or indirectly file new motions before this Court until he has paid the outstanding costs awarded against him since 2017 in various motions presented to the Court.

[3] After reviewing the case and having considered the observations presented by the parties during the October 4, 2018, hearing, the Court feels that the motion should be dismissed for the following reasons.

### II. Background

[4] The facts underlying this motion date back more than 20 years and have resulted in a multitude of orders from this Court and the Federal Court of Appeal:

- (a) On September 6, 2006: Jeopardy collection order rendered *ex parte* by Justice Martineau against Mario Laquerre and other entities related to him (docket T-1594-06);
- (b) April 26, 2007: Jeopardy collection order rendered *ex parte* by Justice Dolores M. Hansen against Mario Laquerre and other entities related to him (docket T-699-07);
- (c) October 11, 2007: Order rendered by Justice Johanne Gauthier, temporarily lifting the corporate veil between Mario Laquerre and other entities related to him, including the third party 9011-1345 Québec Inc. and constituting, under section 458 of the Rules, an interim charge against 6 immovables, including the Canardière building, belonging to the third party 9011-1345 Québec Inc. (unpublished order in dockets T-1594-06 and T-699-07);
- (d) April 9, 2008: Order rendered by Justice Martineau dismissing the motion to set aside the jeopardy collection order issued *ex parte* on September 6, 2006 (*Laquerre (Re)*, 2008 FC 458);
- (e) April 9, 2008: Order rendered by Justice Martineau dismissing the motion to set aside the jeopardy collection order issued *ex parte* by Justice Hansen on April 26, 2007 (*Laquerre (Re)*, 2008 FC 459);

- (f) April 9, 2008: Order rendered by Justice Martineau confirming the lifting of the corporate veil and issuing a charging order against the 6 immovables, including the Canardière building, belonging to the third party 9011-1345 Québec Inc. (*Laquerre (Re)*, 2008 FC 460);
- (g) April 10, 2015: Order rendered by Justice Sean Harrington dismissing the motion filed by Mario Laquerre's brother, Gaétan Laquerre, and by the third party 9011-1345 Québec Inc. pursuant to section 462 of the Rules, to set aside the order rendered by Justice Martineau on April 9, 2008 confirming the lifting of the corporate veil and issuing a charging order on the immovables, including the Canardière building. The applicants alleged, among other things, that Justice Martineau would have come to a different conclusion had it been shown that Gaétan Laquerre was not served when he should have been, being the main shareholder of the company 9011-1345 Québec Inc. (*Laquerre v 9011-1345 Québec Inc*, 2015 FC 440);
- (h) February 19, 2016: Judgment rendered by the Federal Court of Appeal, dismissing Gaétan Laquerre's appeal against the order rendered by Justice Harrington (*Laquerre v Canada*, 2016 FCA 62);
- (i) February 27, 2018: Order rendered by prothonotary Richard Morneau dismissing the motion filed by Mario Laquerre, requesting that the Royal Canadian Mounted Police investigator examine the mechanical recording system on the ground that portions of the December 18, 2018, recording of the hearing before Justice Bell were allegedly removed (unpublished order, in dockets T-1594-06 and T-699-07);

- (j) March 8, 2018: Order rendered by Justice Bell allowing Her Majesty the Queen's motion for forced surrender of the Canardière building and its sale by judicial authority (unpublished order, in dockets T-1594-06 and T-699-07);
  
- (k) March 8, 2018: Order rendered by Justice Bell refusing, among other things, to grant Mario Laquerre an order pursuant to paragraphs 399(1)(a) and 399(2)(a) of the Rules. In his motion, Mario Laquerre sought, among other things, to set aside orders rendered by Justice Martineau on April 9, 2008, in *Laquerre Re*, 2018 FC 458 and *Laquerre Re*, 2018 FC 460, on the ground that he discovered a matter regarding the company 9029-0065 Québec Inc., one of the judgment debtors. Justice Bell dismissed the motion, and considered that the evidence did not show how the alleged matter was a "matter" that Mario Laquerre could not have discovered before by showing due diligence (unpublished order, in dockets T-1594-06 and T-699-07);
  
- (l) September 14, 2018: Order rendered by Justice Roy dismissing the motion filed by the company 9011-1345 Québec Inc. and Mario Laquerre, to obtain an order, pursuant to paragraph 399(2)(a) of the Rules, to set aside (1) the order rendered by Justice Bell on March 8, 2018, for forced surrender and sale by judicial authority of the Canardière building, and (2) the order by Justice Martineau rendered on April 9, 2008, lifting the corporate veil and issuing a charging order against six immovables, including the Canardière building. It is alleged in the motion that Gaétan Laquerre learned from Mario Laquerre, on September 1, 2018, about a document signed on February 5, 2007, by a Canada Revenue Agency investigator [Agency] distinguishing between the individual, Mario Laquerre, and

the corporation 9011-1345 Québec Inc. Because of this extrajudicial admission, the orders rendered by Justice Martineau and Justice Bell cannot be upheld because the tax debt of Mario Laquerre would therefore be borne by a separate corporate entity, the company 9011-1345 Québec Inc. Justice Roy found that the motion was without merit as this was not a matter, there was a lack of due diligence and even if there had been a matter, it would not have had a determining influence on the orders in question (*Reference re Income Tax Act*, 2018 FC 919).

[5] One week after Justice Roy's order, the Court was presented with a new and urgent motion filed by Mario Laquerre pursuant to paragraph 399(2)(a) of the Rules. He alleged that he discovered a "matter" that would set aside the lifting of the corporate veil between him and the company 9011-1345 Québec Inc. and the resulting charges. He is also asking for the March 8, 2018, order by Justice Bell authorizing the sale of the Canardière building to be set aside as well as the September 14, 2018, order by Justice Roy.

[6] What is the matter alleged in this new motion?

[7] Mario Laquerre submits that he mandated a collaborator on September 8, 2018, to review the file in its entirety. The collaborator allegedly informed Mario Laquerre on September 15, 2018, that he had found a document called [TRANSLATION] "Transaction Confirmation" signed on February 28, 1995, by Mario Laquerre and his brother. This document confirms the sale of shares on November 4, 1994, between Mario Laquerre and his brother and revoked a counter letter they had signed on December 28, 1994.

[8] The counter letter in question in the transaction confirmation that was found indicates that Mario Laquerre remains the absolute owner of the company 9011-1345 Québec Inc. despite the sale of shares on November 4, 1994. It also indicates that the sale of shares was only a fictitious sale for the sole purpose of protecting Mario Laquerre's assets in the eventuality of financial difficulties or bankruptcy.

[9] However, according to Mario Laquerre, this same counter letter, seized by the Agency in 2006, means that the Court must still consider that he, together with the company 9011-1345 Québec Inc., was a sole and unique person with a single estate for the purposes of recovering his tax debts. He submits that the document found on September 15, 2018, shows there is an arm's length relationship between him and the company 9011-1345 Québec Inc., which therefore justifies setting aside the orders in question. He also alleges that the Agency had the document in its possession during the 2008 proceedings because it was found in one of the boxes given to Mario Laquerre's ex-wife in 2009 following a search of his home in 2006. Mario Laquerre alleges that his ex-wife only gave him these boxes in the fall of 2017.

[10] In response, the AGC first submits that Mario Laquerre's new allegations are completely unlikely for the following reasons. First, Mario Laquerre was well aware of the 1994 counter letter at the time of the cases and he never alleged or even hinted that this counter letter had been revoked. Second, in 2008, Justice Martineau had before him a legal admission according to which Mario Laquerre was the sole shareholder of the company 9011-1345 Québec Inc. This legal admission was never revoked. Third, Mario Laquerre's brother filed another document during his motion before Justice Harrington in 2014, which allegedly revoked this 1994 counter letter. However, this document differs from that filed by Mario Laquerre in support of this



motion; the documents have different dates. Fourth, it was Mario Laquerre who acted on behalf of the company 9011-1345 Québec Inc. in the cases before Justice Martineau, not Gaétan Laquerre, although the latter was allegedly the president of the company 9011-1345 Québec Inc. and owned 52% of its shares. Fifth, the ground on which Mario Laquerre relied in 2006 to justify signing the counter letter, namely to protect his assets during his divorce, do not correspond with revoking the counter letter in February 1995 because the agreement on corollary relief that was part of his divorce was not signed until May 5, 1995. Sixth, the AGC submits that it was an unlikely coincidence that the document was found a few days prior to the sale of the Canardière building.

[11] Similarly, the AGC dismisses the allegation that the Agency had been hiding the document in question since 2006. According to the seized document inventories, the found document was never searched by the Agency in 2006.

[12] The AGC submits that at any rate, Mario Laquerre's motion does not meet the strict test of paragraph 399(2)(a) of the Rules. She feels that the discovery of the document revoking the December 28, 1994, counter letter does not constitute a matter within the meaning of this provision. Moreover, Mario Laquerre could have obtained a copy of this document well before today if he had exercised due diligence. Lastly the found document is not of a nature that would have a determining influence on the orders rendered in 2008 and 2018.

### III. Analysis

[13] Paragraph 399(2)(a) of the Rules states that an order may be set aside or varied by reason of a matter that arose subsequent to the making of the order. It is an exception to the general finality of judgments rule. As a result, this provision cannot be used as a vehicle to review a judgment every time a party is unsatisfied with a given judgment. Setting aside a decision must be based on exceptionally serious and compelling grounds to ensure certainty and preserve the integrity of the judicial process (*Collins v Canada*, 2011 FCA 171 at para 12).

[14] Three conditions must be met for the Court to allow such a motion: (1) the newly discovered information must be a “matter” within the meaning of paragraph 399(2)(a); (2) the “matter” must not be one which was discoverable prior to the making of the order by the exercise of due diligence; and (3) the “matter” must be something that would have a determining influence on the decision in question (*Ayangma v Canada*, 2003 FCA 382 at para 3; see also *Shen v Canada (Citizenship and Immigration)*, 2017 FC 115 at para 14).

[15] The Court feels that Mario Laquerre did not show he met the required conditions to allow the orders he was seeking.

[16] First, the Court is not convinced that the “matter” alleged by Mario Laquerre was a matter within the meaning of paragraph 399(2)(a) of the Rules despite his assertion that the expression “matter” must be interpreted broadly.

[17] Even if the Court were to accept that the document “Transaction Confirmation” could not be found until September 15, 2018, the fact remains that Mario Laquerre knew, or should have known, that the December 28, 1994, counter letter had subsequently been revoked. There was nothing to prevent him from alleging this fact in the proceedings at the time of the hearings. He, or his brother Gaétan Laquerre, could have filed an affidavit that the counter letter had been revoked in a subsequent transaction. Gaétan Laquerre could also have stated that he was not acting as a straw man for his brother, but that he was taking an active part in the company 9011-1345 Québec Inc. Similarly, he could have submitted an affidavit by the notary who, according to the document, signed as a witness. It is therefore not a matter.

[18] Moreover, even if Mario Laquerre could claim he had no memory of it in 2008, in 2015, his brother Gaétan produced an affidavit in which he affirmed that the counter letter had been revoked by subsequent acts. However, the counter letter produced as Exhibit R-18 includes the handwritten note: [translation] “total revocation counter letter 1-01-95”. This exhibit shows, at the very least, that Mario Laquerre and his brother were not only aware that the counter letter was revoked but also had a copy of a document reflecting the revocation of the counter letter since 2015 or earlier.

[19] Lastly, in the sworn statement he produced in support of this motion, Mario Laquerre acknowledged that he was aware that the counter letter was revoked. He explained that the Agency searched documents at several locations, including in particular, his ex-wife’s residence. Three years later, the searched documents were all remitted to the searched places, including his ex-wife’s residence. When she moved in the fall of 2017, his ex-wife allegedly gave him the documents that belonged to him. He then stated the following:

[TRANSLATION]

5. I was still looking for confirmation of the transaction that revoked the counter letter signed December 29, 1994, a document on which the Canada Revenue Agency relied to support its claim that I and the mise (sic), 9011-1345 Québec Inc., were one and the same.

6. On June 1, I therefore sent an email to the Canada Revenue Agency lawyers, in which I asked for explanations regarding their knowledge of a document that effectively revoked the counter letter.

[20] In his June 1, 2018, email to the Agency, he states [TRANSLATION] “why use a counter letter; it is not even good and it had been revoked”.

[21] This Court has no doubt that Mario Laquerre was aware that the revocation of the counter letter existed well before this motion was filed. Finding new evidence to support a fact that has been known for a long time does not constitute a matter.

[22] Second, the Court feels that Mario Laquerre could have found the document in question if he had exercised due diligence. According to Mario Laquerre, his ex-wife allegedly gave him the documents seized in the fall of 2017. It was only on September 8, 2018, that he gave his collaborator the responsibility to review the file. This collaborator was able to find the transaction confirmation after one week of searching. Mario Laquerre did not show why this exercise did not take place when the documents were received in the fall of 2017.

[23] Additionally, from the affidavits and the exhibits produced in support of the AGC’s reply, it seems that Mario Laquerre and his counsel had access to the Agency’s investigators after the searches were conducted. The lead investigator indicated on several occasions that he had informed Mario Laquerre and his representatives that he could provide them with a copy of

the seized documents if they made that specific request. It also seems, from the notes produced, that Mario Laquerre and his representatives did indeed take advantage of this offer. Nothing prevented Mario Laquerre or his counsel from asking the Agency's representatives for a copy of the revocation of the counter letter.

[24] Lastly, regarding the last criterion that might allow the setting aside of an order pursuant to paragraph 399(2)(a) of the Rules, the Court feels that Mario Laquerre did not meet his burden of showing that the transaction confirmation found on September 15, 2018, is something that would have a determining effect on the orders rendered in 2008 and 2018.

[25] The parties agree that if the matters have no effect on the decision made by Justice Martineau in 2008, then they have no effect on the orders by Justices Bell and Roy. The Court agrees with this.

[26] Justice Martineau rendered three orders on April 9, 2008. Two orders dismissed the motions to vacate submitted by Mario Laquerre against the jeopardy collection orders. The order in question in this motion is the one lifting the corporate veil between Mario Laquerre and the company 9011-1345 Québec Inc. and issuing a charging order against the Canardière building. His finding was based on the considerable and complex evidence. The evidence submitted before Her Majesty the Queen comprised three affidavits, more than 60 exhibits in support of these affidavits and the written claims and transcripts of the cross-examination of Mario Laquerre by the Agency investigators.

[27] In the affidavits submitted by Her Majesty the Queen during the initial proceedings, among other things, it states that in the course of his economic activities, Mario Laquerre had set up a complex organizational structure of several numbered companies and trusts for the purpose of not paying income tax. The company 9011-1345 Québec Inc. is part of this organizational structure. It is the same for the trust “Fiducie ML”, which, according to the Registre des entreprises du Québec at the time was the second shareholder in the company 9011-1345 Québec Inc., holding 48% of the shares. It also states that Mario Laquerre used several strategies to avoid paying income tax and there was confusion between the assets of Mario Laquerre and those of the related companies and trusts. Moreover, the evidence also indicates that Mario Laquerre used the assets of his companies and trusts for personal purposes and that the company 9011-1345 Québec Inc., which had the same address as Mario Laquerre, guaranteed a personal line of credit for Mario Laquerre by granting a mortgage on the Canardière building.

[28] Regardless of who the shareholders or directors of the company 9011-1345 Québec Inc. were, according to the Registre des entreprises, the evidence submitted showed that the directing mind of the companies and trusts was Mario Laquerre. The Court is convinced that Justice Martineau agreed to lift the corporate veil based on this evidence. The counter letter only corroborates the situation revealed by Her Majesty the Queen. Moreover, Justice Martineau does not make any mention of the counter letter in his order.

[29] It is also important to note that in his affidavit produced in support of his reply to the motion to lift the corporate veil, Mario Laquerre affirmed that he was the sole director of the company 9011-1345 Québec. Moreover, it was also alleged in his written statements that in addition to being the sole director of the company in question, he was also the sole shareholder.

Without deciding whether this is a legal admission that was not retracted, as the AGC alleges, Mario Laquerre's statement is nonetheless contrary to the information in the Registre des entreprises du Québec. According to this registry, Gaétan Laquerre was the president of the company and Mario Laquerre was the vice-president. At no time was there any mention in Mario Laquerre's written statements of the role Gaétan Laquerre played in the company.

[30] Additionally, the Federal Court of Appeal also considered the issue of who controlled the company 9011-1345 Québec Inc. in 2016. It took into consideration the new evidence submitted by Gaétan Laquerre and the company 9011-1345 Québec Inc. in their motion to set aside Justice Martineau's 2008 order. After noting that Mario Laquerre's 2008 affidavit did not reflect his written claims regarding the share ownership of the company, the Federal Court of Appeal noted that it seemed likely that paragraph 60 of Mario Laquerre's affidavit was erroneous and should have read as follows: [TRANSLATION] "I am the sole shareholder of the company 9011-1345 Québec Inc." As for the existence of the counter letter, the Federal Court of Appeal found the explanations provided by Gaétan Laquerre not credible. It added the following:

[58] I reiterate that after the respondent's motion was filed, Société 9011 retained counsel's services to oppose said motion and that this counsel appeared at the hearing before Martineau J. Despite these facts, which are not in dispute, the appellant states in his affidavit:

- i. That he was not a party in these proceedings;
- ii. That he thought that the respondent's recovery proceedings [TRANSLATION] "would have no impact on me or on 9011-1345 Québec Inc. because it was just a mis-en-cause" (Appeal Book, Vol. 1, Tab 2 at paragraph 47).

[59] It is difficult, if not impossible, to reconcile this statement from the appellant with the events that occurred in 2007 and 2008. Société 9011 received a copy of the order made by Gauthier J. on

October 11, 2007, which imposed an interim charge on the property. Société 9011 was also served with the respondent's motion to obtain an absolute charging order on the property. Société 9011 also appeared at these proceedings and defended itself through its counsel. How can the appellant say that he was of the opinion that these proceedings did not concern him or Société 9011?

[60] I would even go so far as to say that if it is true that the appellant was the CEO of Société 9011 and held 52% of the shares in it, his sworn statement makes no sense. How is it possible for the CEO of a company, and holder of 52% of its shares, not to react when he is served with a motion from the Crown to pierce this company's corporate veil—a company that owed no tax debt to the Crown—in order to impose an absolute charge on its sole asset (the property)?

[61] In addition, the appellant provides no explanation in his affidavit with respect to counsel whose services were retained to defend the interests of Société 9011 during the proceedings before Martineau J. The fact that counsel represented Société 9011 and took part in the proceedings before Martineau J. is not denied. One would expect the appellant, who describes himself as CEO of Société 9011 and its majority shareholder, to provide an explanation regarding the role that counsel played in 2007 and 2008. Surprisingly, the appellant knows absolutely nothing about it. He seems to be content with the explanation that he gave in his affidavit, namely that he was under the impression that the proceedings initiated by the respondent—proceedings that sought the imposition of an absolute charge on the property—in no way concerned him or Société 9011.

[62] Based on the evidence of record, it seems, without being certain, that Mario Laquerre was in charge of operations regarding defending Société 9011 before Martineau J. In addition, the appellant made no allegations of fraud or negligence toward his brother, Mario Laquerre, with regard to defending Société 9011. He said nothing about this.

[63] I am of the opinion that the evidence tends to support the respondent's version of the events (i.e., in fact, Mario Laquerre was the only shareholder in Société 9011). That explains why the appellant was in no way concerned about the respondent's motion that led to Martineau J.'s order. As I stated in paragraphs [59] and [60] of my reasons, the appellant's conduct cannot be reconciled with his submission that he is CEO of, and majority shareholder in, Société 9011. This submission is, having regard to the evidence, does not make sense.



[31] Neither the company 9011-1345 Québec Inc. nor Gaétan Laquerre appealed from this decision.

[32] Lastly, the Court notes that it was Mario Laquerre, not the company 9011-1345 Québec Inc., through its president Gaétan Laquerre, who presented the motion that is before the Court. How could Mario Laquerre request the 2008 order be set aside when he alleges he had no personal interest in the Canardière building?

[33] Considering the preceding, the Court is not convinced that the “matters” discovered by Mario Laquerre would have had an influence on the order rendered by Justice Martineau. It therefore follows that they would not have had an influence on the orders rendered by Justice Bell and Justice Roy in 2018.

[34] Mario Laquerre’s motion submitted pursuant to paragraph 399(2)(a) is therefore dismissed.

#### IV. Costs

[35] The AGC submits that Mario Laquerre’s motion is frivolous, vexatious and dilatory. In particular, she notes that: (1) it was the second “surprise” and “urgent” motion presented in two weeks; (2) eight Federal Court judges considered the issue of the corporate veil; (3) Mario Laquerre completely ignores the principle of the finality of judgments; (4) this motion is unfounded and accuses public servants of having hidden evidence; (5) costs of \$9,500 were awarded against Mario Laquerre in the past year and no portion of these costs has been paid; and

(6) the Agency has been trying to sell the Canardière building for years and through his numerous motions, Mario Laquerre has succeeded in unduly delaying the execution of the security rights in the Canardière building. The AGC therefore asks the Court to order that costs of \$7,500 be awarded on a solicitor-client basis, and that Mario Laquerre cannot directly or indirectly file new motions before the Federal Court until he has paid the costs he has owed to Her Majesty the Queen since 2017.

[36] Mario Laquerre submits that Her Majesty the Queen did not use the correct procedure to recover the costs of \$9,500 having proceeded by letter rather than by motion. He considers that this is an abuse of procedure that should not have an effect on him because such an order would result in preventing him from asserting his rights. He also states that the Canardière building generates monthly rental income of \$11,935. Lastly, he alleges that he had a medical condition in February 2014 for three months.

[37] As for the procedural mechanism on which Her Majesty the Queen relied, Justice Elizabeth Walker of this Court allowed the AGC to proceed by directive on September 28, 2018, considering the urgency Mario Laquerre was alleging. The Court also notes that the claim for security for costs presented by the AGC in its September 26, 2018, letter is moot because the Court heard Mario Laquerre's motion without ordering security for costs.

[38] As for the costs claimed by the AGC, paragraph 400(6)(c) of the Rules allows for costs to be awarded on a solicitor-client basis. The case law indicates that the Court may award such costs when a party has shown reprehensible, scandalous or outrageous conduct. Moreover, they are awarded only on very rare occasions (*Osmose-Pentox Inc. v Société Laurentide Inc.*, 2010 FC

676 at para 33). With regard to the general awarding of costs, among the factors to be considered is the inappropriate, vexatious or unnecessary nature of the proceeding (subparagraph 400(3)(k)(i) of the Rules).

[39] The Court notes the statements made by the judges and prothonotary of this Court who had the opportunity to consider the motions filed by Mario Laquerre during the past year. In his order rendered February 27, 2018, prothonotary Morneau found it was [TRANSLATION] “frivolous and vexatious for Mr. Laquerre to allege that his defence rights were violated” and that his motion was simply [TRANSLATION] “for the purpose of blocking or delaying the Federal Crown’s procedures to sell the building ultimately considered to belong to Mr. Laquerre”. In his order rendered March 8, 2018, Justice Bell indicated that [TRANSLATION] “there was no merit to Mario Laquerre’s request for the motion to be postponed again”. He also concluded that Mario Laquerre was attempting [TRANSLATION] “to unduly delay proceedings”. Lastly, in his order rendered September 14, 2018, Justice Roy found that the proceeding before him [TRANSLATION] “had every appearance of a dilatory proceeding”.

[40] Although the Court is not bound by these orders, the Court also feels that the motion in this case has all the appearances of a dilatory proceeding. It is the third motion this year aiming to set aside the order rendered by Justice Martineau in 2008. There is no doubt that Mario Laquerre has had every opportunity to assert his rights since 2008. Despite this, he insists on using the limited legal resources of the Court. He is also generating significant costs for Her Majesty the Queen who must defend herself every time, showing the complex history of the proceedings to the judge faced with the motion. Mario Laquerre simply did not offer any

reasonable explanation to justify the number of motions filed under paragraph 399(1)(a) of the Rules in the past year.

[41] In exercising its discretion, the Court feels that the AGC should be awarded costs of \$5,000. It is clear that the two counsel who are leading this case have spent several hours developing a reply to the motion. The documents they submitted are composed of several volumes. The hearing also lasted close to a full day. Their travel expenses to defend the motion must be taken into consideration.

[42] Lastly, under subsection 401(2), the Court may order costs be payable forthwith, when it is satisfied that a motion should not have been brought. By introducing this motion, Mario Laquerre, through his actions, is again trying to unduly delay the sale of the Canardière building. As a result, the Court feels that it is appropriate, unless there is a prior authorization by the Court, to order that Mario Laquerre cannot directly or indirectly file new motions before the Federal Court in the cases at bar until he has paid Her Majesty the Queen the costs incurred since 2017, in full, totalling \$9,500, plus the costs resulting from the present order, which total \$5,000.

**ORDER in dockets T-1594-06 and T-699-07**

**THE COURT ORDERS that:**

1. The motion dated September 21, 2018, pursuant to paragraph 399(2)(a) of the Rules is dismissed;
2. Mario Laquerre shall pay costs to Her Majesty the Queen in the amount of \$5,000 for this motion;
3. Unless the Court provides prior authorization, Mario Laquerre cannot directly or indirectly file new motions in dockets T-1594-06 and T-699-07 until he has paid Her Majesty the Queen in full for expenses incurred since 2017 totalling \$9,500, in addition to expenses resulting from the present order, which total \$5,000.

“Sylvie E. Roussel”

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Judge

Translation certified true  
on this 31<sup>st</sup> day of October 2018.

Elizabeth Tan, Translator

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKETS:** T-1594-06; T-699-07

**STYLE OF CAUSE:** IN THE MATTER OF THE *INCOME TAX ACT* AND  
IN THE MATTER OF ASSESSMENTS MADE BY  
THE MINISTER OF NATIONAL REVENUE  
PURSUANT TO THE *INCOME TAX ACT* v MARIO  
LAQUERRE and 9011-1345 QUÉBEC INC., BRESSE  
SYNDIC INC. and GAÉTAN LAQUERRE

**PLACE OF HEARING:** QUÉBEC, QUEBEC

**DATE OF HEARING:** OCTOBER 4, 2018

**ORDER AND REASONS:** JUSTICE ROUSSEL

**DATE OF REASONS:** OCTOBER 9, 2018

**APPEARANCES:**

Stéphane Harvey FOR MARIO LAQUERRE

Isabelle Mathieu-Millaire FOR HER MAJESTY THE QUEEN  
Martin Lamoureux

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