

Court Decision Issued Regarding ALARIE Distribution

On Friday, September 15, 2017, [The Honourable Associate Chief Justice J.D. Rooke of the Court of Queen's Bench of Alberta published his decision](#) with respect to the asset distribution alternatives for division of the assets to the subscribers of the Alberta Local Authorities Reciprocal Insurance Exchange (ALARIE).

In his decision, Associate Chief Justice Rooke supported the Comprehensive Calculation, indicating it “is the only calculation that takes into account all of the financial activities of the Exchange ...” and “... is therefore the appropriate method of distributing the net assets of the Exchange to Subscribers, having regard to what is fair and reasonable after considering all the circumstances.”

Associate Chief Justice Rooke directed “that the net assets of the Exchange be distributed in accordance with the [Comprehensive Calculation](#), following which the Exchange may be dissolved.”

Costs were also awarded to the parties on a solicitor-client basis, to be paid from the net assets, as the costs were incurred “due to the failure of the Subscribers Agreement to sufficiently define the operations of the Exchange over the course of two decades, through an amendment to the Subscribers Agreement or other written documentation.”

It should be noted that the parties to this action have 30 days from the date of the decision in which to file an appeal; if no appeal is filed AAMDC, AUMA, and the Alberta School Boards Association will be able to wrap up the dissolution of ALARIE and distribute the assets to the subscribers as ordered by the Court.

More information on application to the Court and other related material can be found on the [Ogilvie LLP – ALARIE](#) website.

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