



SUPREME COURT OF CANADA

CITATION: C.M. Callow Inc. v.
Zollinger, 2020 SCC 45

APPEAL HEARD: December 6, 2019
JUDGMENT RENDERED: December 18,
2020
DOCKET: 38463

BETWEEN:

C.M. Callow Inc.
Appellant

and

**Tammy Zollinger, Condominium Management Group, Carleton
Condominium Corporation No. 703, Carleton Condominium Corporation
No. 726, Carleton Condominium Corporation No. 742, Carleton Condominium
Corporation No. 765, Carleton Condominium Corporation No. 783, Carleton
Condominium Corporation No. 791, Carleton Condominium Corporation
No. 806, Carleton Condominium Corporation No. 826, Carleton Condominium
Corporation No. 839 and Carleton Condominium Corporation No. 877**
Respondents

- and -

**Canadian Federation of Independent Business and Canadian Chamber of
Commerce**
Interveners

CORAM: Wagner C.J. and Abella, Moldaver, Karakatsanis, Côté, Brown, Rowe,
Martin and Kasirer JJ.

REASONS FOR JUDGMENT:
(paras. 1 to 120)

Kasirer J. (Wagner C.J. and Abella, Karakatsanis and
Martin JJ. concurring)

Present: Wagner C.J. and Abella, Moldaver, Karakatsanis, Côté, Brown, Rowe, Martin and Kasirer JJ.

ON APPEAL FROM THE COURT OF APPEAL FOR ONTARIO

Contracts — Breach — Performance — Duty of honest performance — Clause in winter maintenance agreement permitting unilateral termination of contract without cause upon 10 days' notice — Contract terminated by condominium corporations with required notice to contractor — Contractor suing for breach of contract — Trial judge finding that statements and conduct by condominium corporations actively deceived contractor and led it to believe contract would not be terminated — Trial judge awarding damages for breach of contract — Whether exercise of termination clause constituted breach of duty of honest performance.

In 2012, a group of condominium corporations (“Baycrest”) entered into a two-year winter maintenance contract and into a separate summer maintenance contract with C.M. Callow Inc. (“Callow”). Pursuant to clause 9 of the winter maintenance contract, Baycrest was entitled to terminate that agreement if Callow failed to give satisfactory service in accordance with its terms. Clause 9 also provided that if, for any other reason, Callow’s services were no longer required, Baycrest could terminate the contract upon giving 10 days’ written notice.