

B.C.'s Franchises Act now in force

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On February 1, 2017, British Columbia's *Franchises Act* (the B.C. Act) and Franchises Regulation came into force, making it the sixth province to enact franchise-specific legislation along with Ontario, Alberta, New Brunswick, Prince Edward Island and Manitoba.

Beginning on February 1, 2017, franchisors selling franchises in B.C. must deliver a compliant disclosure document to prospective franchisees at least 14 days before the execution of a franchise agreement (or any agreement relating to the franchise agreement) or the payment of any consideration in relation to the franchise.

It is important to recall that the B.C. Act imposes retroactive application for certain claims, including for damage claims related to breaches of the duty of fair dealing and the right to associate. This means that, as of February 1, franchisees (and franchisors) are able to make damage claims for breaches of the duty of good faith and fair dealing in the performance and enforcement of franchise agreements entered into prior to February 1.

<u>Our Update published on November 3, 2016</u>, reviewed the specific requirements of the B.C. Franchises Regulation. If you have any questions, please contact a member of Osler's <u>Franchise Group</u>.

View the full text of the B.C. Franchises Act and the B.C. Franchises Regulation.