Federal Court Cour fédérale

Date: 20250314

Docket: T-1471-21

Citation: 2025 FC 478

Ottawa, Ontario, March 14, 2025

PRESENT: Mr. Justice McHaffie

BETWEEN:

GE RENEWABLE ENERGY CANADA INC.

Plaintiff

and

CANMEC INDUSTRIAL INC.

Defendant

and

RIO TINTO ALCAN INC.

Third Party

ORDER AND REASONS

I. Overview

[1] The "implied undertaking rule" provides that parties are deemed to undertake to the Court that they will keep information obtained during pre-trial discovery confidential and use it only for the purpose of the litigation in which it was obtained. The central issue on this motion is whether the implied undertaking ends when information is filed on a pre-trial motion, or whether it only ends when and if the information is filed at trial.

[2] This issue arises because GE Renewable Energy Canada Inc [GEREC] is asking the Court to declare that certain information it learned through discovery in this action is no longer subject to the implied undertaking rule or, if it still is, to grant relief from the application of that rule. GEREC wants to use information obtained during the course of discovery in this proceeding as the foundation of a new proceeding in the Superior Court of Québec. It brings this motion to ensure it would not run afoul of the implied undertaking rule in doing so.

[3] Canmec Industrial Inc and Rio Tinto Alcan Inc oppose GEREC's motion on a number of grounds, both procedural and substantive. They both contend that GEREC's proposed proceeding uses information subject to the implied undertaking, that the undertaking remains in force, and that relief from it should not be granted. Canmec also argues that GEREC's motion is premature and/or potentially moot, and that the scope of its request is insufficiently clear. Rio Tinto claims that GEREC has already breached the implied undertaking rule by preparing a draft Originating Application in the Superior Court of Québec [the Draft Claim] for presentation on this motion.

[4] For the reasons set out below, I conclude that in the Federal Court, the implied undertaking ends when information or documents are filed in open court, including on an interlocutory motion. Such information is available to the public at large and may be used by the public, or by a litigant, without limitation imposed by the implied undertaking rule. The information contained in the Draft Claim is available on the public record as part of a prior motion in this action. It is no longer subject to the implied undertaking rule. I also find that, contrary to Rio Tinto's allegations, even if the implied undertaking rule still applied to the

information in the Draft Claim, GEREC would not have breached either the rule or the Protective Order issued in this case by bringing this motion seeking relief from the rule.

[5] Further, and in any case, if the information in the Draft Claim were still subject to the implied undertaking rule, I conclude GEREC should be granted relief from it for the purposes of commencing its proposed action in the Superior Court of Québec. The circumstances of this case meet the description in the jurisprudence of situations in which such relief should be granted, the context in which GEREC was previously denied the opportunity to raise similar allegations within the confines of this action supports granting the relief, and the prejudice to Canmec and Rio Tinto is negligible.

[6] GEREC's motion is therefore granted. Canmec shall pay costs to GEREC in the fixed amount of $5,000, in any event of the cause, and Rio Tinto shall pay costs to GEREC in the fixed amount of $6,000, in any event of the cause.

II. Issues

[7] The parties' arguments on this motion raise the following issues:

A. Is the motion premature or moot?

B. Is the scope of the declaration sought by GEREC sufficiently defined to be appropriately granted by the Court?

C. Does GEREC's Draft Claim in the Superior Court of Québec contain information still subject to the implied undertaking rule?

D. If so, should the Court relieve GEREC from its implied undertaking to allow it to file a claim in the form of its Draft Claim?

III. Analysis

A. *GEREC's Motion is not Premature or Moot*

(1) Procedural context

[8] This action stems from the refurbishment of Rio Tinto's Isle-Maligne hydroelectric power plant. The refurbishment included the replacement of water intake valves (termed "butterfly valves") in each of the plant's twelve turbine-generator units, along with embedded parts and winches that open and close the valves. During pilot projects relating to Units 1 and 2 of the plant, GEREC sent Canmec 33 manufacturing drawings of the butterfly valves. GEREC claims Canmec later infringed copyright in those 33 drawings in successfully bidding on, preparing drawings for, and undertaking the refurbishment of Units 3 to 12. Canmec defended the action and brought a third party claim against Rio Tinto for indemnification. Rio Tinto defended both the third party claim and the main action.

[9] In accordance with their obligations under the *Federal Courts Rules*, SOR/98-106, the parties produced documents and attended at examinations for discovery. According to GEREC, it became aware during the discovery process that Rio Tinto had shared with Canmec, in the context of the refurbishment of Units 3 to 12, a larger number of documents that GEREC had provided to Rio Tinto as part of its involvement in the refurbishment of Units 1 and 2. These included drawings and other documents related to the construction and installation of the butterfly valves and related parts. GEREC considers that Rio Tinto's sharing of these documents

breached the contract between GEREC and Rio Tinto governing the refurbishment of Units 1 and 2, and that Rio Tinto and Canmec infringed GEREC's copyright in these additional works.

[10] GEREC sought to amend its Amended Statement of Claim in this action to add allegations of copyright infringement in respect of 272 new manufacturing drawings and 306 construction and installation documents, and to allege infringement directly against Rio Tinto. On June 11, 2024, I dismissed GEREC's motion: *GE Renewable Energy Canada Inc v Canmec Industrial Inc*, 2024 FC 887 [*GEREC II*] at paras 2, 4, 26–30, 113, aff'd 2024 FCA 139. In particular, I concluded it would not be in the interests of justice to permit GEREC to make the proposed amendments given the relevant circumstances, including the nature of the amendments, the timeliness of the motion, and the timing of the trial: *GEREC II* at paras 39–70, 80–92, 99–105.

[11] GEREC's motion states that it wishes to start a new action against Rio Tinto and Canmec in Quebec in the form of the Draft Claim. The allegations raised in the Draft Claim include allegations of copyright infringement that GEREC had sought to add to its Amended Statement of Claim in this action, but for which leave was refused in *GEREC II*. The allegations in the Draft Claim also include allegations of breach of contract against Rio Tinto, based on the same disclosure and use of the documents.

[12] GEREC brought this motion, in writing, at a time when its appeal of my decision in *GEREC II* was still outstanding. A successful appeal might have allowed GEREC to assert much of what it proposes to assert in the new action before the Superior Court of Québec in the context

of this action. GEREC therefore stated in its motion that it intended to pursue Rio Tinto and Canmec in the Superior Court of Québec "subject to the outcome" of that appeal. The Draft Claim itself refers to this action and asserts that it does not cover any infringements that are addressed in this action.

[13] The Federal Court of Appeal subsequently dismissed GEREC's appeal: *GE Renewable Energy Canada Inc v Canmec Industrial Inc,* 2024 FCA 139.

(2) Prematurity or mootness in light of GEREC's interlocutory appeal

[14] In its written response to GEREC's motion, also filed while the appeal was outstanding, Canmec argued that GEREC's stated intention to pursue the Draft Claim "subject to the outcome" of the appeal meant that its request was premature and potentially moot.

[15] I am satisfied that GEREC's motion was not brought prematurely. While a different decision from the Federal Court of Appeal might have rendered the motion moot, this does not mean that GEREC was required to await the Court of Appeal's decision before bringing its motion, or that it was premature or imprudent for GEREC to bring the motion at an early opportunity.

[16] In any event, given the Court of Appeal's decision, the issue was not rendered moot by the outcome of the appeal. Even if the motion might have awaited the Court of Appeal's decision before being brought, there would be no value in requiring the parties to re-file the same materials based on when the motion was originally presented.

(3) Mootness in light of the trial of the action

[17] As noted at the outset, one of the primary issues raised on this motion is whether the filing of information or documents on an interlocutory motion terminates the implied undertaking, or whether the implied undertaking only ends when information or documents are filed at trial. After this motion was filed, the trial of this action commenced before Justice Tsimberis of this Court in October 2024. In January 2025, with the trial still ongoing, I asked the parties to file submissions on whether the conduct of the trial rendered some or all of GEREC's motion moot.

[18] In response, the parties generally maintained their positions as set out in their motion materials. GEREC reiterated its position that the information in its Draft Claim was no longer subject to the implied undertaking rule in light of interlocutory proceedings, but noted that these facts were now also on the public record given the evidence adduced at trial. Canmec and Rio Tinto argued that GEREC had not identified the discovery information on which its new action was based; that it was therefore unclear whether evidence filed at trial affected the motion; and that much of the trial evidence was filed confidentially and not in open court, so was still subject to the implied undertaking.

[19] As I have no submissions or information before me regarding the evidence filed at trial, or the basis on which it was filed, I am unable to assess the extent to which the issues on this motion may have been rendered moot by the conduct of the trial. I will therefore consider the motion as filed, while addressing where relevant the potential impact of any documents or other evidence at trial.

B. *The Scope of GEREC's Motion is Sufficiently Defined*

[20] Canmec argues that GEREC has failed to adequately define the scope of its request for declaratory relief and/or relief from the implied undertaking rule. In particular, it argues that GEREC has not identified either the information at issue or the public orders and filings it says have affected the undertaking, and that it is neither the Court's role nor Canmec's to "fill in the gaps" in GEREC's motion. While Rio Tinto did not raise this as a separate ground of response, it noted in its initial submissions and its supplementary submissions that GEREC does not particularize the discovery information that it says has been filed on the public record.

[21] For the following reasons, I conclude that while GEREC's motion could certainly have been clearer, it is sufficiently defined for the purposes of its requested relief.

(1) The nature of the motion and the Draft Claim

[22] GEREC's motion seeks an order confirming that "specific information learned through discovery in this action, as more particularly set out in [the Draft Claim], is no longer subject to the implied undertaking rule as a result of public court filings and orders in this action" [emphasis added]. Alternatively, GEREC seeks an order granting it relief from its implied undertaking, to allow it to use the information in the Draft Claim in its proposed new Quebec proceeding.

[23] In the Draft Claim, GEREC asserts it owns copyright in two categories of works it created in the context of pilot projects for the refurbishment of Units 1 and 2 at the Isle-Maligne

Plant, namely (a) a series of manufacturing drawings and CAD 3D drawings, defined as the "GEREC Designs"; and (b) a series of construction and installation documents and drawings to be used in the refurbishment of the Isle-Maligne Plant, defined as the "GEREC Construction & Installation Works." The Draft Claim defines the GEREC Designs and the GEREC Construction & Installation Works, collectively, as the "GEREC Works." It states that the GEREC Designs and the GEREC Construction & Installation Works are identified, respectively, in two exhibits, although the exhibits are not themselves attached to the Draft Claim as presented on the motion. The GEREC Works are, by definition, works that are alleged to have been created by GEREC and were in GEREC's possession before the commencement of this action.

[24] The Draft Claim names both Rio Tinto and Canmec as defendants. GEREC alleges Rio Tinto breached its contract with GEREC and infringed GEREC's copyright by distributing the GEREC Works to Canmec and by using them and the information contained in them as part of the refurbishment of Units 3 to 12 at the Isle-Maligne Plant. It also alleges Canmec infringed copyright in the GEREC Works in preparing its bid for the refurbishment of Units 3 to 12 and in undertaking the refurbishment after its bid was successful. Against both defendants, GEREC states that the extent of the use and copying of the GEREC Works is unknown to GEREC but known to the respective defendants. GEREC also carves out from its claim the alleged copyright infringements addressed in this action.

[25] GEREC alleges it became aware Rio Tinto had shared documents with Canmec during the discovery process in this action. Although this information arose during discovery, GEREC was of the view that the facts set out in its Draft Claim were not, or were no longer, covered by

the implied undertaking rule, given information in its possession, public filings, and rulings of the Court. Nonetheless, for good measure, it sought Canmec and Rio Tinto's position and, if they considered the information was covered by the implied undertaking rule, their waiver of the implied undertaking rule to the extent necessary to permit the filing of the Draft Claim.

[26] Rio Tinto responded, in one line, that GEREC's actions were in breach of the implied undertaking rule, and that no consent or waiver would be provided by Rio Tinto. Canmec responded that in light of Rio Tinto's position, GEREC would have to bring a motion, but did not provide its own position.

(2) The scope of the motion is sufficiently clear

[27] GEREC argues that all of the information in its Draft Claim is either information it previously had in its possession, or information that it learned through discovery that has since become public through filings with this Court. However, beyond a few examples, it does not set out in its motion or written submissions which paragraphs, documents, or information in its Draft Claim fall into these categories. Thus, while GEREC refers to "specific information learned through discovery in this action," it appears to keep its reference to the Draft Claim deliberately open-ended.

[28] This has resulted in each side pointing the finger at the other. Canmec and Rio Tinto say that GEREC has not specifically identified the information it claims is no longer subject to the implied undertaking rule, or for which it seeks relief from that rule. GEREC says it *has* identified the information, *i.e.*, the information in the Draft Claim, and says it is "telling" that neither

Canmec nor Rio Tinto has identified any information in the Draft Claim that is not in the public record.

[29] It would have been considerably more helpful to the Court for GEREC to specifically identify the information it considered was at issue on this motion. This is particularly so since GEREC appears to have undertaken its own careful analysis of the question. For example, it states in its written submissions that "nearly all the facts alleged in the Draft Claim" [emphasis added] are discussed in *GEREC II*, and that, by way of example, "some [of] the very facts the Draft Claim is based on" are found in paragraph 83 of *GEREC II*.

[30] A party coming to the Court asking for relief, particularly equitable relief such as declaratory relief, or discretionary relief such as relief from the implied undertaking rule, must present its request as clearly and precisely as possible. I agree with Canmec's general submission that it is not for the opposing party, or the Court, to fill in the gaps in a moving party's motion.

[31] That said, it is not particularly difficult to understand what GEREC's motion is about. Much of what is in the Draft Claim is plainly information GEREC always knew or at least knew at the time of the Statement of Claim in this action. Such information was never subject to the implied undertaking rule. Many paragraphs simply contain legal pleadings and allegations. It seems clear on its face that what is at issue on this motion is information contained in paragraphs 45, 55, and 63 to 65 of the Draft Claim. In these paragraphs, GEREC states what it learned in the prosecution of this action and makes positive factual allegations that Rio Tinto and Canmec

copied, distributed, and used the GEREC Works in breach of GEREC's contractual and intellectual property rights.

[32] This being so, it strikes me that, even accepting the general proposition that it is not the responding party's obligation to fill in gaps in a motion, Canmec and Rio Tinto's professed ignorance regarding the subject matter of GEREC's motion, and their assertion that GEREC has not adequately identified the subject matter of the motion, is overstated.

[33] It would therefore also have been considerably more helpful to the Court for Canmec and Rio Tinto to express any concerns they had regarding the five paragraphs that can be the only paragraphs at issue, rather than simply complaining that GEREC was not sufficiently specific. The closest either party gets to doing this is Rio Tinto's response regarding the information GEREC obtained on discovery regarding the sharing of certain GEREC Construction & Installation Works, referred to in paragraph 83 of *GEREC II*. I address this argument below.

[34] I conclude that GEREC's motion is sufficiently defined for the Court's determination.

C. *GEREC's Draft Claim Does Not Contain Information Still Subject to the Implied Undertaking Rule*

(1) Nature of the implied undertaking rule

[35] The implied undertaking rule dates back to 19th century English courts. It imposes on parties to civil litigation an undertaking to only use information or documents they have obtained through pre-trial discovery for the purpose of that litigation: *Juman v Doucette,* 2008 SCC 8 at

paras 1, 4, 27; *Fibrogen, Inc v Akebia Therapeutics, Inc*, 2022 FCA 135 at para 44; *Williams v Prince of Wales Life, etc, Co* (1857), 23 Beav 338; *Goodman v Rossi*, 1995 CanLII 1888 (ON CA); *Canada v ICHI Canada Ltd*, 1991 CanLII 13552 (FC), [1992] 1 FC 571 at pp 575–577. The rule covers all documentary and oral information, whether it is objectively confidential or non-confidential, incriminatory or innocuous, relevant or irrelevant, admissible or inadmissible: *Juman* at paras 4–5, 27; *Fibrogen* at paras 45, 53; *ICHI Canada* at p 580.

[36] The rule is based on the recognition that the obligation to participate in pre-trial discovery in civil matters creates a statutory invasion on the general private right "to be left alone with your thoughts and papers": *Juman* at paras 20, 24. The value of pre-trial discovery to the efficient and effective conduct of litigation justifies this invasion, but it is balanced by the requirement that the invasion be limited to the level of disclosure necessary to satisfy this purpose: *Juman* at para 25. This balance is implemented through the imposition of an undertaking to the court that the information obtained through discovery will only be used for the purpose of the litigation in which it was obtained: *Juman* at para 27. This in turn encourages more complete and candid discovery, as litigants know that information provided on discovery will not be used for a collateral or ulterior purpose: *Juman* at para 26.

[37] The implied undertaking rule has been recognized as part of federal procedural common law applicable to actions in this Court for over 30 years: *Control Data Canada Ltd v Senstar Corp*, 1988 CanLII 9387 (FC), [1988] 3 FC 439 at pp 441–443; *ICHI Canada* at pp 579–580; *Eli Lilly and Co v Interpharm Inc*, 1993 CanLII 17525 (FCA), 50 CPR (3d) 208 at p 213. In some provinces, the implied undertaking (or "deemed undertaking") has been created or codified in the

same rules of civil procedure that impose the discovery obligation: *e.g.*, Ontario *Rules of Civil Procedure*, RRO 1990, Reg 194, Rule 30.1.01; Manitoba *Court of King's Bench Rules*, Man Reg 553/88, Rule 30.1. In the Federal Courts, the rule remains a matter of common law, applying to a broader scope of compelled information than the codified rule in provinces such as Ontario and Manitoba: *Fibrogen* at paras 53–65.

[38] The limitation imposed on a party by the implied undertaking rule is a broad one, prohibiting any use for purposes outside the litigation. This includes a prohibition on disclosure to a third party or the public: *Juman* at paras 4–5, 21. But the prohibited use is broader than simply disclosure. A party cannot use, for example, financial or marketing information obtained during discovery from a competitor for their own competitive benefit in the marketplace, even if it never discloses that information to anyone else. Nor can a party use the information in parallel litigation, or for the purposes of commencing, or assisting others to commence, a separate action without consent or leave of the court: *Juman* at para 48; *PS Knight Co Ltd v Canadian Standards Association*, 2017 FCA 49 at paras 16–17; *Molo Design Ltd v Chanel Canada ULC*, 2023 FC 140 at paras 2, 17; *Brome Financial Corporation Inc v Bank of Montreal*, 2013 ONSC 6834 at para 45.

[39] At the same time, the implied undertaking has a number of limitations, recognized by the common law to address different countervailing interests. This includes the ability to disclose information obtained on discovery to the police without the need for a court order in circumstances of "immediate and serious danger," and the use of such information to impeach subsequent inconsistent testimony: *Juman* at paras 40–41. The implied undertaking rule also

does not apply to information that, while conveyed during discovery, is independently available to the public from other sources: *PS Knight* at para 13; *ICHI Canada* at p 580; *Lac d'Amiante du Québec Ltée v 2858-0702 Québec Inc*, 2001 SCC 51.

[40] Although the implied undertaking is an undertaking to the Court, the party who produces the information may consent to its use beyond the litigation: *Juman* at paras 27, 30, 51; *Fibrogen* at para 60; *PS Knight* at para 13. Without such consent, a party receiving information subject to the implied undertaking rule must seek leave of the Court to use the information outside the litigation: *Juman* at paras 30, 51; *Fibrogen* at paras 48–49, 60.

(2) Bringing this motion does not breach the implied undertaking rule or the Protective Order

[41] Rio Tinto argues that by the very act of preparing the Draft Claim for the purposes of this motion, GEREC has breached both the implied undertaking rule and paragraph 13 of the Protective Order issued in this proceeding, which provides that confidential information "shall be used solely for the purposes of the Proceeding." It asserts that using discovery information to engage in internal strategic review or to draft pleadings constitutes a breach of the rule, citing the British Columbia Supreme Court's decision in *Chonn v DCFS Canada Corp dba Mercedez-Benz Credit Canada*, 2009 BCSC 1474 at para 25.

[42] I cannot accept this argument. Regardless of whether any information in the Draft Claim is still subject to the implied undertaking rule, I agree with GEREC that it is absurd to suggest, as Rio Tinto effectively does, that the implied undertaking rule prevents a party from preparing a

motion seeking relief from it. The Supreme Court has confirmed that a party may apply for relief from the rule. In doing so, the party must of necessity specify the purposes of using the information and the reasons why it is justified, with the Court then having access to the documents or transcripts at issue: *Juman* at para 30, citing *Lac d'Amiante* at para 77. This necessarily involves a party undertaking an assessment of the need to use discovery information and the circumstances in which they propose to use it. By preparing the Draft Claim, GEREC has indicated both the information at issue and the use it wishes to make of it, as mandated by *Juman*. In its motion, GEREC has appropriately kept confidential documents and information not already on the public record, and has not attempted to litter the record with additional disclosures: see *Fibrogen* at paras 67–68.

[43] In my view, neither the implied undertaking rule nor the Protective Order prevents GEREC from doing what it has done, namely seek relief from the Court in advance of using discovery information for the purpose of commencing separate litigation. Nor do I consider that paragraph 13 of the Protective Order—which applies only to confidential information—imposes any different or additional obligations beyond the requirement to seek such relief. Indeed, the Federal Court of Appeal indicated in *Fibrogen* that the appropriate approach was to bring a motion to be relieved from the implied undertaking, even where a protective order with a similar term was in place: *Fibrogen* at paras 48, 52–53.

[44] In this regard, I cannot read paragraph 25 of *Chonn* as preventing a party from drafting a pleading to present to the Court on a motion for relief from the rule. As the British Columbia Court of Appeal has itself noted, the Court in *Chonn* was describing the general scope of the

implied undertaking, not the situation in which a court grants, or may grant, relief from the rule: *Nuchatlaht v British Columbia*, 2021 BCCA 351 at paras 26, 37–41.

[45] In any event, to the extent that paragraph 25 of *Chonn* stands for the proposition that the implied undertaking rule prevents a party from assessing whether relief from the rule should be sought and/or seeking such relief, I find such a proposition contrary to *Juman* and would decline to follow it. Indeed, on Rio Tinto's approach, a party would be required to come to the Court to seek initial relief from the implied undertaking rule to even be allowed to consider, analyze, or seek advice on whether discovery information raises a new cause of action that might need to be asserted in separate litigation. This would result in an inefficient multiplicity of unnecessary motions. I conclude that GEREC has breached neither the implied undertaking rule nor the Protective Order simply by bringing this motion, regardless of whether the Draft Claim includes information subject to the implied undertaking and/or the Protective Order.

(3) Duration of the implied undertaking

[46] As a general rule, the implied undertaking continues even after the termination of litigation: *Juman* at para 51. However, the undertaking comes to an end with respect to information or documents when they are filed in open court: *Juman* at para 21; *Fibrogen* at paras 44–45; *ICHI Canada* at p 580. It is this latter aspect of the rule that is the central point of contention between the parties. GEREC takes the position that the implied undertaking rule ends when information or documents are filed in open court, *including on interlocutory proceedings*, while Canmec and Rio Tinto take the position that it only ends when information or documents are filed in open court *at trial*.

[47] For the following reasons, I conclude that information and documents that are filed in open court on interlocutory proceedings are no longer subject to the implied undertaking. In the discussion below, I will consider the binding jurisprudence of the Supreme Court of Canada and the Federal Court of Appeal, including in particular the references to interlocutory motions in *Lac d'Amiante* and the references to trial in *Juman* and *Fibrogen*; the jurisprudence of this Court on the issue; and the approach to the issue in British Columbia and other provinces.

(a) Lac d'Amiante, Juman *and* Fibrogen

[48] In support of the proposition that the implied undertaking only terminates when documents are filed at trial, Canmec and Rio Tinto cite passages in the Supreme Court's decision in *Juman* and the Federal Court of Appeal's decision in *Fibrogen* that refer to trial: *Juman* at para 51; *Fibrogen* at para 60. For the following reasons, I conclude that these decisions, which did not directly address the distinction between interlocutory and trial proceedings, do not determine the issue.

[49] I begin with a discussion of the Supreme Court of Canada's 2001 decision in *Lac d'Amiante*. That case dealt with the existence and scope of the implied undertaking rule in Quebec. The Supreme Court held that an implied undertaking or "implied rule of confidentiality" applied in Quebec, not as a matter of common or judge-made law, but flowing from the *Code of Civil Procedure*, RSQ, c C-25, the *Civil Code of Québec*, SQ 1991, c 64, and Quebec's *Charter of Human Rights and Freedoms*, RSQ, c C-12: *Lac d'Amiante* at paras 9–23, 39–43, 62–75, 79.

[50] While the source of the rule in Quebec is different, Justice LeBel noted that the effects of the rule were "analogous to the principles developed by the common law": *Lac d'Amiante* at para 79. This includes the limitation that information that is otherwise accessible to the public is not subject to the obligation of confidentiality: *Lac d'Amiante* at para 78. Justice LeBel specifically identified material filed in open court on an interlocutory discovery motion as falling in this category:

> Although the examination is no longer a sitting within the meaning of art. 13 *C.C.P.* or s. 23 of the *Quebec Charter*, it may occasionally take on that nature in certain procedural situations. First, it must always be acknowledged that an examination may take place under the direct control of a judge, as permitted by art. 397 *C.C.P.* […] Second, information obtained at an examination may become part of the court record if objections are made and are then argued before the court. In those cases, the portion of the examination on discovery in question is part of the sitting. Information that is revealed when this happens is therefore not subject to the obligation of confidentiality.
>
> [Emphasis added; *Lac d'Amiante* at para 66.]

[51] In *Juman*, the Supreme Court addressed the common law implied undertaking rule. The particular issue before the Court was whether and when discovery transcripts in a civil proceeding could be provided to, or obtained by, police investigating a potential crime. The underlying action in which the transcripts were generated was settled while appeals on the issue were outstanding, so the case never went to trial: *Juman* at paras 9–13.

[52] Two respondents in *Juman* argued that *Lac d'Amiante* had been wrongly decided, as the recognition of an implied undertaking was contrary to the open court principle. The Supreme Court disagreed, noting that pre-trial discovery does not take place in open court: *Juman* at para 21. This led Justice Binnie, writing for the Court, to observe that "[t]he only point at which

the ‘open court’ principle is engaged is when, if at all, the case goes to trial and the discovered party’s documents or answers from the discovery transcripts are introduced as part of the case at trial” [emphasis added]: *Juman* at para 21. Later, in addressing whether the implied undertaking continues after settlement, Justice Binnie stated that “[w]hen an adverse party incorporates the answers or documents obtained on discovery as part of the court record at trial the undertaking is spent, but not otherwise, except by consent or court order” [emphasis added]: *Juman* at para 51.

[53] Reading these statements in context, they appear to be addressed to the distinction between private pre-trial steps and public court hearings, and refer to the most common circumstance, namely that information obtained during discovery will only be put into the court record, if at all, as part of the trial of the proceeding. They do not address the more specific question of whether information put into the court record prior to trial is similarly subject to the implied undertaking. Significantly, although the correctness of *Lac d’Amiante* was directly put in issue, Justice Binnie did not clarify, limit, or refer to Justice LeBel’s clear statement regarding interlocutory proceedings: *Juman* at paras 20–21, 30. Further, in another passage describing the limitation on the implied undertaking rule, Justice Binnie formulated it without reference to trial in particular, stating that “[t]he general idea, metaphorically speaking, is that whatever is disclosed in the discovery room stays in the discovery room unless eventually revealed in the courtroom or disclosed by judicial order”: *Juman* at para 25.

[54] Importantly, the Supreme Court’s rationale for both the preservation of and the termination of the implied undertaking rule rests on the open court principle and the fact that pre-trial discovery does not engage that principle: *Juman* at paras 21, 25. While the Supreme Court

refers to the open court principle only being engaged at trial, this must be read as distinguishing the nature of pre-trial discovery, not as suggesting that the open court principle is not engaged in interlocutory proceedings: *Juman* at para 21. Certainly, the Supreme Court's pronouncements on the open court principle, both before and after *Juman*, do not limit its importance to trials: *Canadian Broadcasting Corp v New Brunswick (Attorney General)*, 1996 CanLII 184 (SCC) at paras 21–23; *Sierra Club of Canada v Canada (Minister of Finance)*, 2002 SCC 41 at paras 52–56, 74–76; *Sherman Estate v Donovan*, 2021 SCC 25 at paras 1–8. In *Sherman Estate*, the Court underscored the importance of the open court principle in an estate probate matter, in which a trial was neither conducted nor contemplated, noting that "the open court principle is engaged by all judicial proceedings, whatever their nature": *Sherman Estate* at para 44.

[55] I therefore conclude that the references to trial in paragraphs 21 and 51 of *Juman* do not decide the issue currently before the Court and cannot be taken to hold that information filed on an interlocutory motion remains subject to the implied undertaking. I note that the Alberta Court of Appeal recently came to the same conclusion, finding that these references were not a rejection of the earlier reasoning in *Lac d'Amiante*: *Simpson v Pawlowski*, 2024 ABCA 254 at paras 15–20.

[56] I reach the same conclusion in respect of the Federal Court of Appeal's statement in *Fibrogen*, echoing the language in paragraph 51 of *Juman*, that "[i]t is only when the information is tendered in open court at trial that the undertaking is spent, but not otherwise except on consent or court order" [emphasis added]: *Fibrogen* at para 60. The "information" the Court of Appeal is referring to is the example it gives of a compilation of discovery documents prepared

in advance of trial but not tendered in evidence: *Fibrogen* at para 60. In context, I cannot read this passage as deciding that if those documents had been tendered in open court on an interlocutory motion, they would nonetheless remain subject to the implied undertaking. That issue was not before the Court of Appeal.

[57] It is also worth noting that when considering the practice on a motion to be relieved from the implied undertaking, the Court of Appeal found that the documents in question do not need to be filed: *Fibrogen* at para 68. This would be a less material consideration if documents filed in open court on a motion, rather than at trial, remained subject to the rule.

[58] Neither *Juman* nor *Fibrogen* considered the specific question of whether information filed on the public record on an interlocutory motion is still subject to the implied undertaking rule. The Supreme Court's earlier decision in *Lac d'Amiante*, cited with approval in *Juman*, did consider the question, and concluded that the implied undertaking ends when discovery information is filed publicly, regardless of whether that is for an interlocutory purpose or at trial.

[59] As will be seen, the approach in *Lac d'Amiante* is consistent with that taken in Federal Court jurisprudence both before and after *Juman*.

(b) *Federal Court jurisprudence*

[60] The 1991 decision of Justice Reed in *ICHI Canada* is one of the early decisions that recognized the existence of the implied undertaking rule in this Court. After considering the early cases from the United Kingdom and the situation in various provincial courts, Justice Reed

concluded that an implied undertaking restricting the use of information obtained on discovery applies to the Federal Court discovery process: *ICHI Canada* at pp 573–580. Justice Reed noted that in the Federal Court, "discovery materials do not become part of the public record until they are filed with the Court": *ICHI Canada* at pp 579–580. She found the jurisprudence of the United Kingdom and that of provinces other than British Columbia (which had yet to recognize the rule) to be persuasive: *ICHI Canada* at p 580.

[61] Justice Reed underscored, however, that the implied undertaking "does not, of course, restrict the use of any information which subsequently is made part of the public record" [emphasis added]: *ICHI Canada* at p 580; *PS Knight* at para 14. She described the circumstances in which discovery information could become "part of the public record" earlier in her decision:

> Transcripts of discovery proceedings are not automatically filed as part of the Federal Court's public record. They are only filed when introduced by the parties at trial, or when portions thereof are attached to affidavits for the purpose of certain pre-trial motions. Until made part of the public record the discovery process conducted pursuant to the *Federal Court Rules* is a non-public proceeding.
>
> [Emphasis added; *ICHI Canada* at p 578.]

[62] Thus, when recognizing the application of the implied undertaking rule in Federal Court proceedings, Justice Reed expressly contemplated pre-trial motions as an example of a circumstance in which discovery evidence became part of the public record and thereby no longer subject to the undertaking.

[63] This principle was applied by this Court in the context of a review of the execution of an Anton Piller Order in *John Stagliano Inc v Elmaleh*, 2006 FC 585 [*Stagliano*]. The plaintiffs

sought approval of the execution, and also sought to use some of the information obtained in the execution of the order in other proceedings in the United States. Justice Gauthier, then of this Court, set aside the Anton Piller Order and ordered the return of items seized during the execution: *Stagliano* at paras 203–204, 212. She recognized that information the defendants had been compelled to produce was subject to the implied undertaking rule, and found that materials that had been seized and certain filed materials that she ordered be kept confidential could not be used: *Stagliano* at paras 206–213.

[64] Nevertheless, Justice Gauthier concluded that information that had been filed on the public record in the context of the Anton Piller proceedings were not subject to the implied undertaking rule: *Stagliano* at paras 210, 214–220. In doing so, she recognized that this was not the ordinary context of the discovery process contemplated in *ICHI Canada*, but still found there was no basis to restrict the use of information filed on the public record (on an interlocutory motion), even though it had been filed on an Anton Piller Order that had subsequently been set aside: *Stagliano* at paras 217–218, 220.

[65] The *ICHI Canada* and *Stagliano* decisions of this Court were rendered before *Juman* and *Fibrogen*. For the reasons given above, I conclude that neither *Juman* nor *Fibrogen* can be read as overruling or changing the earlier case law of this Court.

[66] Two more recent decisions of this Court are also worth addressing, both decided after *Juman*. Neither specifically addresses the question at issue on this motion, but each suggests that

the implied undertaking is understood in this Court to end on any public filing, not simply at trial.

[67] First, in a decision addressing protective orders, Associate Judge (then Prothonotary) Tabib appears to have assumed that material filed in open court on an interlocutory motion would result in the termination of the implied undertaking rule: *Live Face on Web, LLC v Soldan Fence and Metals (2009) Ltd*, 2017 FC 858 at paras 12–14, 17, 31–33. While the approach to protective orders discussed in *Live Face* has been overtaken by subsequent jurisprudence (see *Canadian National Railway Company v BNSF Railway Company*, 2020 FCA 45 at paras 25–26, 31–32), the understanding of an experienced Associate Judge of this Court as to the scope and nature of the implied undertaking is relevant to the analysis.

[68] Second, this Court has also recently held that the implied undertaking does not apply to the transcript of a cross-examination on an affidavit in the context of a motion, since the *Federal Courts Rules* provide that the transcript is to be filed on the motion: *Thompson v Canada*, 2023 CanLII 62390 (FC) at paras 33–34. This rationale and conclusion are inconsistent with an approach in which the implied undertaking continues to apply to information filed on a motion.

(c) *The rule in British Columbia:* Bodnar *and* Professional Components

[69] Both Canmec and Rio Tinto place significant reliance on a decision of the British Columbia Supreme Court, *Bodnar v The Cash Store Inc*, 2010 BCSC 660. In *Bodnar,* the Court directly addressed the question raised on this motion, namely whether the implied undertaking is spent when discovery information is filed in open court in support of an interim motion.

Justice Griffin, then of the British Columbia Supreme Court, found it was not. Given the thoroughness of the analysis in *Bodnar*, it is worth addressing in some detail.

[70] Justice Griffin concluded that *Juman* did not address whether the open court principle is engaged, and thereby overrides the implied undertaking, when a party files discovery materials on an interlocutory motion: *Bodnar* at para 17. She considered Justice Binnie's reference to "the court record at trial" to be a deliberate attempt to avoid suggesting that the implied undertaking was spent when discovered information is filed on an interim motion: *Bodnar* at paras 13–18. In her view, the Supreme Court was either holding that the implied undertaking was *only* spent when documents were introduced at trial, or that it was leaving the issue open for another day: *Bodnar* at para 18. Justice Griffin appears to have implicitly concluded the latter, as she decided the issue based on her own analysis, rather than on being bound by *Juman*.

[71] Justice Griffin recognized that the open court principle applied to materials filed on an interlocutory motion: *Bodnar* at paras 23–26, 35. However, she noted that in practice, most members of the public do not seek to look at evidence filed on an interim application which was not referred to at trial, since they are "simply uninterested in it": *Bodnar* at para 36. The result, in her view, was that litigants were in a different position than the general public, both because they are able to deploy discovery tools and because they know what information has been produced in the court file: *Bodnar* at para 37. She also noted that the filing of evidence at trial is subject to a "vetting process," while the record on a motion can simply be defined by the party preparing and filing affidavits, so parties might file more evidence than necessary simply to get around the implied undertaking: *Bodnar* at paras 26–29, 39–40.

[72] Justice Griffin concluded that these factors and the important principles underlying the implied undertaking rule justified a distinction between discovery evidence filed at trial and that filed by the receiving party on an interlocutory motion: *Bodnar* at paras 19–22, 26, 38–44, 47. She noted that in most cases where discovery materials have been "legitimately filed" on an interim motion, it would likely not be difficult to obtain relief from the implied undertaking: *Bodnar* at para 39. However, she preferred an approach in which the onus was on the party seeking to use the material to seek relief, rather than one in which the onus was on the disclosing party to seek to limit the use of discovery information filed on an interlocutory basis: *Bodnar* at paras 39–47.

[73] The approach in *Bodnar* appears to remain the approach taken in British Columbia: *HMB Holdings Limited v Replay Resorts Inc*, 2020 BCSC 309 at paras 28–36. At the same time, another British Columbia Supreme Court decision, rendered shortly after *Bodnar* but without reference to it, reached the opposite conclusion: *Professional Components Ltd v Rigollet*, 2010 BCSC 688 at paras 9–13. Justice Macaulay held that information contained in an affidavit filed on an interlocutory motion became part of the public record and the plaintiff "was at liberty to use this information to commence a new action against a new party": *Professional Components* at paras 10, 13.

[74] The Courts in British Columbia do not to date appear to have directly addressed the difference in the approaches taken in *Bodnar* and *Professional Components*.

(d) *The rule in other provincial Courts*

[75] As noted above, the rule in Quebec is governed by the Supreme Court of Canada's decision in *Lac d'Amiante*, in which Justice LeBel held that discovery information filed on an interlocutory motion is revealed and no longer subject to the implied undertaking: *Lac d'Amiante* at para 66. In Alberta, the codification of the implied undertaking rule permits use of discovery information as "permitted by law," which the Alberta Court of Appeal has interpreted in accordance with the rule in *Lac d'Amiante*: *Alberta Rules of Court*, Alta Reg 124/2010, Rule 5.33(1); *Simpson* at paras 8–20.

[76] In Ontario, Manitoba, and Prince Edward Island, the codified "deemed undertaking" rule does not prohibit the use of evidence that is "filed with the court" or "given or referred to during a hearing," without limitation on whether it is filed on a motion or at trial: Ontario *Rules of Civil Procedure*, Rule 30.1.01(5); *Hollinger Inc v The Ravelston Corporation Limited*, 2008 ONCA 207 at para 87; *Burwash v Levy et al*, 2018 ONSC 682 at para 20; Prince Edward Island *Rules of Civil Procedure*, Rule 30.1.01(5); Manitoba *Court of King's Bench Rules*, Rules 4.09, 30.1(5).

[77] In Nova Scotia, the rule simply maintains the implied undertaking rule generally, but the Nova Scotia Court of Appeal has apparently recognized that filing documents on an interim motion would terminate the undertaking: Nova Scotia *Civil Procedure Rules*, Rule 14.03; *Resolve Business Outsourcing Income Fund v Canadian Financial Wellness Group Inc*, 2014 NSCA 98 at paras 21–22, 30. In Saskatchewan, a rule has been expressly adopted to prevent the public filing of discovery information on an interlocutory motion. The recipient of

discovery information who needs to use it on a non-determinative motion must file it under seal unless consent or a contrary order is obtained: Saskatchewan *King's Bench Rules*, Rule 5-4.

(e) *The rule in the Federal Court*

[78] As set out above, the early jurisprudence of this Court indicates that the implied undertaking rule ends upon filing of documents in open court, including in interlocutory proceedings: *ICHI Canada* at p 578; *Stagliano* at paras 210, 214–220. For the reasons given above, this caselaw has not been directly or indirectly overruled by *Lac d'Amiante*, *Juman*, or *Fibrogen*. To the contrary, the Supreme Court of Canada adopted the same approach in *Lac d'Amiante*.

[79] Principles of judicial comity and horizontal *stare decisis* bind me to adopt the approach taken in the prior Federal Court cases: *R v Sullivan*, 2022 SCC 19 at para 75. In any case, while Justice Griffin's reasoning in *Bodnar* is thoughtful and cogent, there are a number of aspects that in my view are less applicable to litigation in the Federal Court that lead me to conclude that the approach taken in British Columbia should not be adopted in this Court.

[80] First, the experience of this Court is that public interest in a hearing is not dictated by whether the matter is interlocutory or final. There are certainly interlocutory proceedings that are of less interest to the general public, but there are also many trials or other final determinations that do not attract public attention. Conversely, interlocutory proceedings may attract considerable interest from other litigants, the media, or the general public. It is therefore difficult, at least in this Court, to distinguish between interlocutory and trial proceedings on the basis of

the degree of public interest they might generate, and the resulting role of the open court principle. This is particularly so given the Supreme Court's recent emphasis of the importance of the open court principle in all proceedings, whatever their nature: *Sherman Estate* at para 44. Simply put, the open court principle applies as a general matter to all court proceedings and all aspects of the court file, including both interlocutory motions and final trials, regardless of whether the public is or is not interested in a particular hearing.

[81] In addition, many actions in this Court are determined on their merits in motion proceedings rather than trials in the ordinary sense, namely motions for summary judgment and summary trial: *Federal Courts Rules*, Rules 213–219. There seems little reason to distinguish between evidence filed in such proceedings and evidence filed in a conventional trial for purposes of the implied undertaking rule: see *Janssen Inc v Apotex Inc*, 2022 FC 1746 at paras 13–20. Yet, as with other motions, the record on a summary judgment or summary trial motion is defined by the party preparing and filing affidavits. The distinction made in *Bodnar* between trials, at which there is a "vetting process" over evidence, and motions, in which there is not, falls away as a basis to distinguish between materials that, in both cases, are generally available to the public.

[82] The concerns expressed in *Bodnar* about the potential for abuse are real. The Court should certainly not condone the wholesale filing of irrelevant or unnecessary discovery evidence on an interlocutory motion solely for the purpose of getting around the implied undertaking rule. However, there is no indication that the Court does condone efforts to get around the implied undertaking rule. The Court of Appeal in *Fibrogen* underscored the

importance of avoiding the circumvention of the rule, and provided procedural options that might avoid the rule being terminated on a motion to seek relief from it: *Fibrogen* at paras 44, 67–68. The Federal Court has a number of tools at its disposal to prevent improper filing of documents for the sole purpose of terminating the implied undertaking rule, including the use of confidentiality orders and the removal of documents from the Court file, in addition to other potential sanctions: *Federal Courts Rules*, Rules 26(2), 74, 151. Conversely, the Court is also able to address situations where parties adopt unduly broad confidentiality designations in order to avoid information being filed on the public record despite the importance of the open court principle.

[83] I therefore conclude that the implied undertaking rule as applied in the Federal Court remains that it comes to an end when information or documents are filed in open court as part of the court record, including on an interim motion or other procedure, and not solely at trial. As stated in *ICHI Canada*, this is not a matter of applying the "gap rule" in Rule 4 of the *Federal Courts Rules*, but of applying the federal procedural common law applicable to actions in this Court, regardless of the province to which the proceeding most closely relates: *ICHI Canada* at p 580. That said, I note that this conclusion makes this aspect of the rule in the Federal Court consistent with the approach taken in many provinces other than British Columbia.

[84] I conclude on this issue with a point of clarification. The above discussion refers to filing in "open court" as meaning filing on the public record. The parties on this motion each appeared to understand that the implied undertaking ends only when discovery information is filed on the public record. For clarity, I do not purport to decide an issue that has been raised before this

Court in other proceedings, namely whether, and the extent to which, the implied undertaking ends when documents are filed on the confidential record of the Court: see *Janssen* at paras 18–19. Neither party made that argument on this motion.

(4) The information contained in the Draft Claim has been disclosed in open court

[85] GEREC's motion seeks an order confirming that the information set out in the Draft Claim is no longer subject to the implied undertaking rule as a result of public court filings and orders. GEREC confirmed in reply submissions that it is not seeking to use any discovery document or other material other than the specific information set out in the Draft Claim.

[86] As set out above, while not specified by GEREC, it is clear that the only information set out in the Draft Claim that might possibly be in dispute is that set out in paragraphs 45, 55, and 63 to 65. I am satisfied based on the information in the record and GEREC's submissions that the information in these paragraphs is already on the public record. In particular, I see nothing in these paragraphs—and Canmec and Rio Tinto have pointed to nothing—that is not disclosed in GEREC's draft Second Amended Statement of Claim, filed on the public record on GEREC's motion to amend, in Canmec or Rio Tinto's public motion records on that motion, and/or in the Court's decision in *GEREC II*. Indeed, given the similarities between GEREC's draft Second Amended Statement of Claim in this Court and the Draft Claim in the Superior Court of Québec, I see nothing anywhere in the Draft Claim that is not disclosed in the public record of this Court.

[87] There is no suggestion that this information was filed for anything other than the *bona fide* purpose of GEREC's motion to amend in this proceeding. Neither Canmec nor Rio Tinto has

contended that GEREC improperly filed the information to get around the implied undertaking rule. Nor did they argue, either at the time or now, that the information is objectively confidential and should have been filed under seal. As this information was disclosed on the public record in the context of an interlocutory motion in this proceeding, it is no longer subject to the implied undertaking rule.

[88] This brings me back to Rio Tinto's argument regarding GEREC's use of discovery information regarding the GEREC Construction & Installation Works. As discussed in *GEREC II*, Canmec's (public) Third Party Claim alleged that Rio Tinto had encouraged it to take into account the "lessons learned" during the pilot projects, and provided Canmec with the necessary information to achieve this goal: *GEREC II* at para 83. Information provided by Canmec on discovery showed that Rio Tinto had shared with Canmec a series of documents, including numerous GE drawings and other documents falling within the definition of the GEREC Construction & Installation Works (a term that was used in GEREC's draft Second Amended Statement of Claim, as well as its Draft Claim): *GEREC II* at paras 83–84.

[89] GEREC's Draft Claim alleges that Rio Tinto shared the GEREC Construction & Installation Works with Canmec and that they were used in the refurbishment of Units 3 to 12, in violation of GEREC's contractual rights and copyright. Rio Tinto effectively argues that while the above information is known publicly, the underlying documents themselves remain confidential and subject to the implied undertaking rule, and that GEREC improperly used them for the purposes of the Draft Claim, in breach of the rule.

[90] I cannot accept this argument, for two reasons. First, what is on the public record is that Rio Tinto shared certain GEREC documents with Canmec for the purposes of the refurbishment of Units 3 to 12. This is the allegation contained in the Draft Claim. It is also the allegation contained in GEREC's public draft Second Amended Statement of Claim. The information contained in the Draft Claim is thus on the public record and is no longer subject to the implied undertaking rule.

[91] Second, even if the underlying documents are confidential and even if they were "used" by GEREC in preparing the Draft Claim, they are by definition GEREC's documents: the allegation is that Rio Tinto shared GEREC's documents. Those documents were in GEREC's possession prior to the commencement of litigation and are not subject to the implied undertaking rule. To the extent that GEREC used discovery information that has been disclosed publicly (*e.g.*, that Rio Tinto shared GEREC's documents with Canmec) combined with information GEREC knew previously (*e.g.*, the contents of those documents) in preparing its Draft Claim, this is not a breach of the implied undertaking rule since none of this information is subject to the rule. While Rio Tinto notes that the transcripts of subsequent rounds of discovery were designated as confidential, it has not identified any information in those transcripts that is subject to the implied undertaking rule and was used or disclosed in the Draft Claim or in its preparation. Mere reference to the existence of confidential transcripts does not mean that the information contained within them was used in breach of the implied undertaking rule.

[92] I therefore conclude that the Draft Claim does not contain information that is still subject to the implied undertaking.

[93] As a final note on this issue, as stated above, the parties have now conducted trial in this matter. To the extent that any of the information at issue has now been presented at trial, this would render the above distinction between information filed on motion and information filed at trial academic. It would, as GEREC argues, simply confirm that the implied undertaking has ended in respect of such information. However, the Court has no information on this motion as to the extent and nature of the information filed at trial, or the basis on which it was filed.

D. *GEREC Should be Granted Relief from the Implied Undertaking Rule, as Necessary*

[94] If I am wrong with respect to the termination of the implied undertaking rule, I nonetheless conclude that relief from the rule should be granted in respect of the information contained in the Draft Claim. For the avoidance of any doubt, GEREC is granted leave, to the extent necessary, to use any discovery information contained in the Draft Claim that may remain subject to the implied undertaking to commence its action in Quebec.

(1) Principles applicable to a request for relief from the implied undertaking rule

[95] The Court may grant relief from the implied undertaking rule where an applicant can demonstrate the existence of a public interest of greater weight than the values the implied undertaking is designed to protect, namely privacy, candour, and the efficient conduct of civil litigation: *Juman* at paras 32–34; *Fibrogen* at para 49. Such relief will only be granted in "exceptional circumstances," or else the value of the undertaking would be undermined and it would cease to achieve its purpose: *Juman* at para 32. However, the reference to "exceptional circumstances" is not an additional aspect of the test set out in *Juman,* but simply a statement

that exceptional circumstances will be demonstrated only where there is a public interest that outweighs the values protected by the implied undertaking: *Nuchatlaht* at paras 18–24.

[96] In assessing whether relief should be granted, the Court will consider the competing values raised and the relevant factors in the case, such as prejudice or injustice to either party, public safety, and the right against self-incrimination: *Juman* at para 33. The Supreme Court concluded that the common law test can be formulated in the way it appears in the Ontario, Manitoba, and PEI rules, namely whether "the interest of justice outweighs any prejudice that would result to a party who disclosed evidence": *Juman* at para 34; *Lac d'Amiante* at para 77. Relevant factors can include the use to which the information will be put, the inherent confidentiality of the information, the potential dissemination of the information to or involvement of third parties, and whether the information would be otherwise compellable: *Sanofi-Aventis Canada Inc v Apotex Inc*, 2008 FC 320 at para 21; *Brome Financial* at para 56.

[97] As GEREC notes, the Supreme Court specifically addressed the situation "where discovery material in one action is sought to be used in another action with the same or similar parties and the same or similar issues": *Juman* at para 35; *Fibrogen* at para 66. Justice Binnie noted that in such a case, "the prejudice to the examinee is virtually non-existent and leave will generally be granted": *Juman* at para 35.

(2) The current circumstances justify relief being granted

[98] I agree with GEREC that the current circumstances fall within those described in paragraph 35 of *Juman*. GEREC seeks to use discovery material learned in this action "in

another action with the same or similar parties and the same or similar issues." I conclude that the countervailing interest in permitting GEREC to pursue its *bona fide* claim in contract and copyright infringement against those alleged to have improperly shared and used its intellectual property outweighs the values the implied undertaking is designed to protect, and that the prejudice to Canmec and Rio Tinto of granting relief from the implied undertaking rule is "virtually non-existent": *Juman* at para 35. I conclude that, to the extent necessary, GEREC should be granted leave to use the information contained in the Draft Claim for the purpose of commencing its proposed proceeding in the Superior Court of Québec substantially in the form of the Draft Claim.

[99] Canmec is correct that the Draft Claim does not raise exactly the same issues as those raised in the current action. It could hardly do so without raising *res judicata* concerns, and the Draft Claim expressly excludes those issues that are raised in this Court. However, I agree with GEREC that the factual and legal issues raised in the Draft Claim, while certainly broader, are very similar to those raised in this case, arising from the same refurbishment project, similar allegations of misuse and unlawful sharing of GEREC's materials from the pilot projects, similar allegations of copyright infringement, and related allegations of contractual breach. The parties are also the same, albeit with Rio Tinto being named as a defendant rather than a third party. This appears to be precisely the situation the Supreme Court identified as one in which the prejudice is minimal and "leave will generally be granted": *Juman* at para 35; *Professional Components* at paras 37–38; *Bodnar* at paras 49–57.

[100] Rio Tinto argues that the fact that the proposed litigation is a related action raising similar issues is not, without more, a "special circumstance," citing this Court's decisions in *Letourneau v Clearbrook Iron Works Ltd*, 2003 FC 949 at para 8 and *Sanofi-Aventis* at para 21. However, it is clear even in these pre-*Juman* decisions (*Sanofi-Aventis* was rendered the day after *Juman* but did not refer to it) that the fact that the proposed litigation raises similar issues against the same parties is a relevant consideration: *Sanofi-Aventis* at para 21, citing *Gleadow v Nomura Canada Inc*, [1996] OJ No 668 at para 9 and *Merck & Co v Apotex Inc*, 2004 FC 1723 at para 8; see also *Brome Financial* at para 56. *Juman* does not state that leave will automatically be granted to use discovery information in another action with similar parties and issues. However, Justice Binnie's clear statement regarding the lack of prejudice and that leave will "generally" be granted in such a case must be given significant weight.

[101] In any case, it is not simply the fact that the proposed litigation involves the same parties and the same or similar issues that justifies relief in this case. Rather, it is the combined circumstances of the case, including the nature of the allegations, the nature of the information and the extent to which it is already in the public court file, the lack of material prejudice to Canmec or Rio Tinto, and the circumstances in which the issue arose in the context of GEREC's motion to amend pleadings that leads me to conclude that leave should be granted.

[102] I consider the last of these points, namely the context of GEREC's motion to amend pleadings, to be important in weighing the relevant interests in this case. As noted, GEREC sought leave to amend its Amended Statement of Claim in this action to raise the same copyright infringement allegations that are now raised in the Draft Claim. In doing so, GEREC expressly

noted that its alternative, if the amendments were not granted, would be to initiate a separate action to address the allegations in the proposed amendments. It argued this would be inefficient and that this weighed in favour of granting the amendments: *GEREC II* at para 103.

[103] While Canmec and Rio Tinto opposed GEREC's motion, they did not suggest that GEREC would or should be prevented from commencing a new action by operation of the implied undertaking rule. In other words, neither Canmec nor Rio Tinto argued that the allegations had to be raised in this action or not at all, which is the position they are now both effectively taking. Had they done so, this may well have affected the interests of justice on that motion, as the Court would have had to consider the prejudice to GEREC of being precluded from ever raising the allegations.

[104] The prevailing circumstances, including in particular the timing of GEREC's motion and the impact on the scheduled trial, spoke against permitting the allegations to be raised in this action: *GEREC II* at paras 39–70, 80–92, 99–105. However, they do not mean GEREC ought to be forever precluded from making those allegations. In my view, this context is material to the interests of justice in this case and weighs strongly in favour of granting GEREC any relief from the implied undertaking rule it now requires to commence the litigation it indicated at the time of the pleadings amendment motion was its alternative course of action.

[105] Against this, the only prejudice Canmec and Rio Tinto identify is the asserted impact on their privacy of permitting GEREC to use information obtained in discovery. Rio Tinto also adds

reference to certain asserted prejudices arising in their ability to defend the current action, but these matters, even if they were pertinent previously, are no longer.

[106] Given the nature of the information sought to be used, I find this asserted adverse privacy impact minimal at best and the prejudice to Canmec and Rio Tinto negligible. In this regard, I agree with GEREC that the information contained in the Draft Claim, including in particular the fact that Rio Tinto shared GEREC documents with Canmec, is not inherently confidential, in the sense that would justify its protection under a confidentiality order: *Sherman Estate* at paras 37–44; *Sierra Club* at paras 53–57. This is presumably the reason neither Rio Tinto nor Canmec objected to reference to that fact being on the public record in the motion to amend pleadings.

[107] Rio Tinto is correct that the implied undertaking rule is not limited to confidential information: *Juman* at paras 5, 25; *Fibrogen* at para 53. GEREC does not argue otherwise. However, this does not mean that the inherent confidentiality of the information is irrelevant to whether leave should be granted. The jurisprudence instructs that it is a relevant factor: *Sanofi-Aventis* at para 21; *Brome Financial* at para 56. While the parties appear to have taken a broad approach to the designation of confidential information, particularly at the pre-trial stage, consideration of the objective inherent confidentiality of the information contained in the Draft Claim supports granting the requested relief. Again, I leave aside for this purpose the confidentiality of the underlying documents, which are GEREC's documents and are neither disclosed in the Draft Claim nor subject to the implied undertaking.

[108] Canmec argues that the Supreme Court recognized that intellectual property cases are not like most cases, since they are by nature "of exceptional prejudice": *Juman* at para 23. However, Justice Binnie's reference to the "exceptional prejudice" arising in trade secrets or intellectual property disputes relates to the prejudice arising from disclosure of confidential information in such cases and the resulting need for confidentiality orders: *Juman* at para 23. This statement should not be taken out of its context to suggest that the analysis for relief from the implied undertaking is different in IP cases than other cases.

[109] Canmec also argues it was inconsistent for GEREC to appeal my decision in *GEREC II* while simultaneously bringing the within motion, and that this litigation strategy does not constitute exceptional circumstances justifying relief from the implied undertaking rule. I disagree. It is clear that GEREC primarily wished to raise the additional allegations raised in the Draft Claim in this proceeding. It sought to do so through the motion that was dismissed in *GEREC II*. It was entitled to appeal that decision and did so. The fact that GEREC planned for the contingency that the appeal was dismissed, and brought the within motion at an early opportunity, does not represent an inconsistent litigation strategy, and does not adversely affect GEREC's present motion.

[110] To the contrary, it is Canmec's position that is inconsistent. It argued strenuously that GEREC should not be permitted to amend its pleadings in this action to raise the issues now raised in the Draft Claim. But on this motion, it argues that refusing GEREC's motion for relief from the implied undertaking rule would not deny GEREC the opportunity to present its claim, since its appeal (which Canmec also opposed) was still outstanding. In any case, the latter

argument has now been rendered academic by the Court of Appeal's dismissal of the appeal in *GEREC II*. The result is that if relief from the implied undertaking rule is not granted, GEREC *would* be denied an opportunity to present its claims.

[111] I therefore conclude that, to the extent necessary, relief from the implied undertaking rule should be granted to GEREC for the purpose of commencing a claim in the Superior Court of Québec substantially as set out in the Draft Claim. Further, to the extent I am wrong in my conclusions above in respect of the Protective Order, I would also grant relief from paragraph 13 of the Protective Order to the same extent, and on the same grounds that justify relief from the implied undertaking rule.

[112] For clarity, the relief from the implied undertaking rule is limited to this purpose. If and when the action in the Superior Court of Québec is commenced, the parties will be subject to discovery obligations in that Court. GEREC is not granted relief generally to use information obtained on discovery in this proceeding in its new action, nor to disclose information that continues to be designated as confidential in this Court, unless consent or further order of this Court is obtained.

IV. Conclusion and Costs

[113] For the foregoing reasons, I conclude that the information contained in the Draft Claim that GEREC learned on discovery in this action is no longer subject to the implied undertaking rule. In any event, and for the avoidance of any doubt, I would grant GEREC such relief from the

implied undertaking rule as it requires for the commencement of its proposed action in the Superior Court of Québec, in substantially the form of the Draft Claim.

[114] GEREC sought its costs of this motion. Both Canmec and Rio Tinto sought their costs of the motion on an elevated scale, Canmec adding that they should be payable forthwith in any event of the cause. In my view, GEREC's motion raised complex issues that were strenuously opposed by both Canmec and Rio Tinto. Both Canmec and Rio Tinto raised arguments that were, in my view, unfounded. Rio Tinto also alleged, without foundation, that GEREC had breached both its implied undertaking and an order of this Court in coming to the Court seeking relief, an allegation that GEREC had to respond to and that I find warrants additional costs. At the same time, while GEREC had to respond to each of Canmec and Rio Tinto's responses to its motion, this did not fully double its costs of the motion itself.

[115] I therefore grant GEREC's motion, with costs payable by Canmec to GEREC in the fixed amount of $5,000 and by Rio Tinto to GEREC in the fixed amount of $6,000, each in any event of the cause.

ORDER IN T-1471-21

THIS COURT ORDERS that

1. The motion is granted. The information contained in the draft claim in the Superior Court of Québec attached as Exhibit CM-B to the affidavit of Chirani Mudunkotuwa [the Draft Claim] is no longer subject to the implied undertaking rule.
2. GE Renewable Energy Canada Inc is granted relief, to the extent necessary, from the implied undertaking rule to use such information obtained on discovery in this proceeding that is set out in the Draft Claim, for the purpose of commencing a claim in the Superior Court of Québec substantially as set out in the Draft Claim.
3. Costs are payable, in any event of the cause, by Canmec to GEREC in the fixed amount of $5,000 and by Rio Tinto to GEREC in the fixed amount of $6,000.

"Nicholas McHaffie"
Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET:	T-1471-21
STYLE OF CAUSE:	GE RENEWABLE ENERGY CANADA INC v CANMEC INDUSTRIAL INC ET AL

MOTION IN WRITING CONSIDERED AT OTTAWA, ONTARIO PURSUANT TO RULE 369 OF THE *FEDERAL COURTS RULES*

ORDER AND REASONS:	MCHAFFIE J.
DATED:	MARCH 14, 2025

WRITTEN REPRESENTATIONS BY:

Michael Crichton Ryan Steeves Marc Crandall	FOR THE PLAINTIFF
Joanne Chriqui Fortunat Nadima Nadima Lucie Tornier	FOR THE DEFENDANT
David Turgeon Joanie Lapalme Bianca Pietracupa Alexandra Lemelin	FOR THE THIRD PARTY

SOLICITORS OF RECORD:

GOWLING WLG (CANADA) LLP Ottawa, Ontario	FOR THE PLAINTIFF
ROBIC LLP Montreal, Quebec	FOR THE DEFENDANT
FASKEN MARTINEAU DuMOULIN LLP Montreal, Quebec	FOR THE THIRD PARTY