

Case Sheds Light on Inner Workings of Maple Leaf Foods

Paola Loriggio, The Canadian Press

TORONTO (Canadian Press) — The CEO of Maple Leaf Foods has been ordered to pay his ex-wife \$175,000 a month in interim spousal support after an Ontario judge struck down parts of a marriage contract meant to keep the family's wealth within the bloodline.

Michael McCain must also make retroactive payments stretching back to July 2011, the first month of his split from his wife of 30 years, Christine McCain.

The case, which was heard in November and decided last month, lays bare intimate details of the McCain's marriage and lavish lifestyle, as well as the inner workings of one of Canada's largest food empires.

At its heart lies a marriage contract said to have been imposed by Michael McCain's late father, Wallace McCain, who co-founded McCain Foods.

Court documents show the elder McCain threatened to disown his children if their spouses did not sign away their rights to spousal support and some business assets in exchange for a cash payout and some properties including the matrimonial home.

In her ruling, Ontario Superior Court Justice Susan Greer said that while the agreement may have seemed fair to Michael McCain when it was signed in 1997, over time it had become "unconscionable."

What's more, she said the agreement was achieved under "subtle and psychological" duress because refusing it would have meant significant financial penalties for the couple.

"How could the wife possibly have refused to sign under those circumstances?" Greer wrote in her decision, which dealt only with the issue of spousal support and not the division of assets.

She said it would have been impossible for Christine McCain to foresee what her situation would be in the future without spousal support.

The couple married in 1981 and had five children, now between the ages of 19 and 26, according to the documents. Christine McCain stayed at home after their birth and said in an affidavit that she left financial matters to her husband during their marriage.

Their lives involved frequent trips to places such as New York City, Jamaica and

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Barcelona, membership at three private clubs, and extravagant entertaining with fine food and wine.

Over the years, they acquired six boats, including a sailboat Christine McCain said cost roughly \$8 million.

When the couple broke up, Michael McCain was believed to be worth about half a billion dollars, the document shows.

By signing the contract, his wife waived her right to spousal support and the equalization of family property, trading them in for a lump sum of \$7 million and the title to the family home.

In an affidavit, McCain said his father "made no secret of his unshakeable desire to pass on his wealth through generations of his bloodline, not fragmented by marital breakups."

After the marriage ended, Christine McCain stayed in the family's home, which was transferred to her. She also kept two of their four cottages.

She told the court her ex-husband tried to paint her as an irresponsible spender with mental issues in an effort to retain control of her finances and deny her claim to nearly \$119,000 in monthly living expenses.

These included \$2,600 for a pilates and yoga instructor, \$1,500 in club fees and \$13,000 on clothing.

Greer wrote in her decision that Michael McCain "openly tried to say that she was not capable of managing money and wanted to control the management of the lump sum he eventually paid to her."

She noted he once clandestinely invited mental health professionals to a party so that they could observe his wife, whom he believes suffers from bipolar disorder.

This in turn forced Christine McCain to seek the services of a psychiatrist, who found no evidence to warrant a diagnosis, the judge wrote, adding the experience "must have been very hurtful."

Greer found that regardless of the contract, "each spouse should be able to continue to live in a fashion that, while not equal, does not require the wife, in this instance, to have to immediately sell her matrimonial home or one or more of the cottages in her name."

She also ordered McCain to keep his former spouse as a beneficiary of his life insurance policy and include her on his health, medical and dental plans.

However, she denied Christine McCain's claim for child support, saying the spousal payments should cover the costs incurred by the two youngest children during their visits.

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It's not the first time members of the McCain family have turned to the courts to settle family disputes.

In the 90s Wallace McCain and his brother Harrison staged a bitter battle in the New Brunswick courts for control of McCain Foods.

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