



principle of good faith is a modest, incremental step. The requirement to act honestly is one of the most widely recognized aspects of the organizing principle of good

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A NARROW RECEPTION BY CANADIAN APPELLATE COURTS

Generally speaking, *Bhasin* has been narrowly applied by Canadian appellate courts. All of the cases outlined below suggest that appellate courts have adopted *Bhasin* as an incremental change to the common law.⁴ The decisions are consistent with the *Bhasin*: the organizing principle of good faith does not fundamentally change Canadian contract law, but should only be used as a tool to develop the law where necessary.

In *Bank of Montreal v. Javed*,⁵ were sued by the bank after failing to respond to a demand for payment for an amount owing under a promissory note. The defendants filed a statement of defence and crossclaim that alleged, amongst other things, that the demand for payment under the guarantee was unconscionable.⁶ The bank brought a motion for summary judgment. The motion was granted and the defendants were ordered the



CONCLUSION

Although the Supreme Court in *Bhasin* did not find an expansive