



Vrege Armoyan

His cautionary tale
about what can happen
when business and
family mix... then, don't

By Stephen Kimber



Vrege Armoyan could vacate his prison sentence by paying what the court says he owes his ex-wife Lisa (pictured). "I can't," he says. "There's a point to be made."

Vrege Armoyan describes the moment his 16-year marriage ended (it happened on Thursday, October 22, 2009) as if it is unraveling before his eyes, in real time, instead of one in a series of unhappy personal-life footnotes, now nearly four years past.

The story—in Vrege's telling—begins six days earlier, on Friday, October 16. That was the day he closed on the purchase of a million-dollar yacht belonging to singer Julio Iglesias. His wife, Lisa, had encouraged him to buy it. Vrege believed it was a sign their marriage, which had teetered on the edge of the abyss several times, was again solid. Vrege believed this, in spite of their seemingly irreconcilably divergent views on where they should spend the rest of forever: Vrege was already planning their move from Florida back to his Halifax hometown; Lisa had made it clear she "hated" Halifax.

That Sunday night, they hosted a party for their Florida friends aboard the yacht. Lisa sat on his lap, kissed him. He remembers friends joking they would buy yachts too if it added such spice to their own relationships. The next morning, Lisa drove Vrege to the airport. He was flying to Toronto and then Halifax for a few weeks. There was business to be done.

Over the years, Vrege and his brother George had exponentially expanded the property development and investment business they'd

launched in Halifax back in the late 1970s. They had offices in Toronto and now, following the U.S. real estate collapse, in Florida too.

Lisa called him Monday afternoon. She missed him. Why didn't he fly back to Florida from Toronto that night? He couldn't, he said, too much work. She called again the next day. And the next... Why not? He created a small window in his schedule and flew back to Florida, arriving Thursday at 12:45 p.m. Lisa met him at the airport to drive him to their rented home, a 6,000-square-foot, six-bedroom mansion with a pool on the Intracoastal Waterway in tony Boca Raton.

On the way there, Vrege suggested they stop at a favourite sushi spot for lunch. "No," he remembers her saying, more sharply than he'd expected. "I want to go home." Once home, Vrege went upstairs to change out of his business suit.

"Mr. Vrege?" It was Maria, their maid. "There's someone at the door to see you."

Vrege was surprised. No one knew he was returning to Florida. He went downstairs to discover a man

waiting. "The guy identified himself. He said, 'I'm here to serve you.' 'Serve me?' 'On a matrimonial matter.'" He handed him a copy of Lisa's petition for the dissolution of their marriage. She'd filed divorce papers in the Judicial Circuit Court for Palm Beach on October 20—while Vrege was in Toronto and Lisa was calling to tell him she missed him.

No one can ever know what happens inside a marriage. No one should ever totally trust that either party is telling the complete truth about what happened and why when a marriage blows apart. Most of the time, we're better off not picking too closely at the scabs of what went on between two no-longer consenting adults.

But there are some divorces where the breakup is so spectacularly messy, the fallout so public, the tangled personal and corporate consequences so significant, it is hard to look the other way.

The Armoyan divorce is one of those.

That it was messy is beyond dispute. There were literally hundreds of motions and dozens of hearings, proceedings, orders in the courts in Florida (where Lisa filed for divorce), and Nova Scotia (where Vrege contended the case should be heard). There was litigation in which Lisa sued her former mother-in-law over their \$3-million Halifax matrimonial home. Lisa claimed Vrege had transferred it to his mother "to deprive" Lisa of her share of an asset. And there was a court fight over the contents of Vrege's laptop, which Lisa cloned sometime before she filed for divorce and turned over to her lawyers and accountants.

Armco (Vrege's and George's business umbrella) contended the laptop belonged to the company and contained corporate secrets; Lisa's lawyers claimed it contained proof Vrege had been deliberately hiding his assets to prevent Lisa getting them. It all got so messy George even briefly stepped away from business in 2010 to deal with "family matters."

The courts have invariably sided with Lisa. In a 2013 Nova Scotia decision, Judge Joel Fichaud

accused Vrege of “having bled Ms. Armoyan financially with his litigious shenanigans... Ms. Armoyan and the children struggle to survive, while Mr. Armoyan, a father with millions of dollars, unabashedly ignores the court order and his legal responsibilities. Ms. Armoyan, with the assistance of her dedicated legal team, is left to navigate an international legal labyrinth in an attempt to enforce

Vrege Armoyan—a man the *National Post* would describe the next day as “one of the ‘worst deadbeat’ fathers in Canadian history”—to four years in prison, fined him \$384,000, plus court costs, and ordered him to pay \$1,714,684.04 (and counting) in court-ordered maintenance arrears to his ex-wife and their three children. That’s in addition to the \$20 million the Florida courts had earlier ordered

from his RRSP accounts, pocketed a \$2 million tax-free dividend from one of his companies, sold his Lamborghini (\$105,000), his Corvette (\$62,000) and even relocated his yacht in what the courts called “an egregious, planned and deliberate scheme to avoid the payment of child and spousal support.”

Armoyan has promised he will supply me with documents to support his very different version of events, and says he is willing to answer any questions I want to ask.

I have questions.

Vrege remembers friends joking they would buy yachts too if it added such spice to their own relationships.

child and spousal support orders. This outcome cannot be tolerated.”

Perhaps not surprisingly, Vrege Armoyan doesn’t have much good to say about the judicial systems in either Florida or Nova Scotia. “My legal bills,” he admits today, “are way up there. Forget one million... Forget two million... Forget three million... Way up there.” He saves much of his venom for Nova Scotia Appeal Court Judge Fichaud. Fichaud, who led the panel that overturned one of the few decisions favourable to Vrege, was particularly harsh in his condemnation of not only Armoyan but also the trial court judge. Armoyan believes that’s because Fichaud had it in for the trial court judge, Douglas Campbell, who’d been the lawyer for Fichaud’s ex-wife in their bitter divorce case back in the 1990s, and that Armoyan’s case was just road kill from their personal animosity. In February 2014, Armoyan formally asked the Canadian Judicial Council to investigate what he saw as a conflict of interest; five months later, the council dismissed his allegation as only “based on hearsay, suspicion and conjecture.”

After ping-ponging back and forth between courts in Florida and Nova Scotia, the case finally concluded with the bang of Family Court Judge Theresa Forgeron’s gavel inside a Halifax courtroom on June 26, 2015. Moments before, a sheriff had opened the courtroom doors and called out: “Is there a Mr. Armoyan here?” When no one responded, Forgeron proceeded outlining her decision in *Armoyan v Armoyan*. She sentenced prominent Halifax businessman

him to pay as part of the divorce settlement. (In late August, Judge Forgeron also ordered a number of Armoyan-connected companies, as well as George and their mother, to turn over financial information to Lisa’s lawyers.)

Vrege Armoyan instantly became a poster boy for women’s rights advocates, who framed the case—using the words of the American PR firm Lisa had hired to speak on her behalf—“as an illustration of how the growing problem of deadbeat dads can affect families in every socio-economic strata.” It also became a *cause celebre* for the men’s rights movement, which saw Vrege as a victim in the gender wars. Divorce lawyers penned “cautionary-tale” blogs based on the proceedings. Nova Scotia Premier Stephen McNeil even got into the act, using Armoyan’s case to call for a national agreement “to deal with deadbeat parents who flee to other jurisdictions rather than pay court-ordered child support.”

By the time I caught up with Vrege Armoyan via FaceTime in August, he was in Lebanon. He fled there in

Vrege Armoyan’s

family is Armenian, his grandparents escapees from the 1915 Armenian genocide that killed 1.5 million of their number. “My grandpa was the only survivor” from an extended family of 65. His grandmother was one of four siblings who attempted to escape the mass killings by jumping aboard dinghies bound for offshore-based rescue vessels. Unfortunately, each of the dinghies belonged to a ship from a different country, and the siblings ended up scattered around the world. They would have no contact for more than 45 years.

Vrege’s own parents eventually settled in Tartous, Syria, where his father, Sami, became a respected businessman and real estate investor. During the 1977 war in Lebanon when thousands of Lebanese fled to Syria, Sami Armoyan stepped up, securing housing and finding work for many of the refugees.

Later, Khalil (Karl) JeBailey, a Halifax-based Lebanese-Canadian businessman whose family Armoyan had helped, asked what he could do to repay him. Nothing, Sami said.

She filed divorce papers October 20—while Vrege was in Toronto and Lisa was calling to tell him she missed him.

April, four days before Judge Forgeron first found him in contempt. By then, he had already liquidated most of his North American assets, including transferring \$23 million to Syria and Lebanon. He’d withdrawn \$2.7 million

“What about your sons? You could send them to live with me in Halifax. They could go to school, and I could mentor them in business. I’ve got a real estate project in Sackville; they could help me build it...”

That was the beginning. Vrege, 17, and his two-years-older brother George juggled their school work with get-your-hands-dirty business building.

He and George found they complemented one another. George became the deal maker, Vrege the get-it-done guy. They were soon building houses, then subdivisions. Their company became what the *Globe and Mail* described as “the most hated developer in town, often forging ahead with projects” before receiving city hall’s OK. They seemed to court conflict and thrived in the occasionally harsh media spotlight. They were, as George explained, without apology, “in such a hurry.”

As their investments expanded, their ambitions grew. They bought companies, turned them around. They tested the waters in California

still get emotional,” he allows. “It was the best experience of my life.” Which may explain why, just a few months later, he decided he needed to get his family out of Toronto. On his way home from work, he’d stopped at a local convenience store just 10 minutes before someone was shot and killed during a robbery there. “What if that was me, that was my family?... I went home. I woke Lisa. I said, ‘We’re moving to Halifax!’”

Lisa, a born and bred Torontonion, wasn’t keen, but she eventually agreed.

Allan Abbass, a Dalhousie University psychiatrist who was a neighbor and close friends with the Armoyans during their time in Halifax (“Vrege stood for me at my marriage... Lisa’s father, a jeweler, prepared our rings”), remembers Vrege as “a loving father, a model father, teaching his

of a \$2-million trust fund for Lisa alone, plus a million dollars in other benefits, including “a new Porsche every few years” to a \$5-million trust fund plus. Vrege said no—“take it or leave it”—and Lisa signed the agreement. But, during those negotiations, Vrege never disclosed his own net worth. A Florida judge would later note George’s 2007 tax return showed a net income of \$6.9 million and estimated he and Lisa had “an accumulated net worth in excess of \$50 million” during their marriage.

In many ways, however, the most important clause, and the one that would ultimately be challenged by Lisa’s Florida divorce lawyers, was a provision that all future legal dealings “be brought in the courts of Nova Scotia and no other jurisdiction.” It was not lost on Vrege’s lawyers, or on the Florida courts, that Nova Scotia was considered friendlier territory for divorces where business assets might be in contention.

In the late summer of 2008, hoping to rebuild their relationship, the family moved again, from Toronto to Boca Raton. They chose Florida, not only because they’d enjoyed spending time there as a family, but because—as one of the children would later testify—“my mom hated Halifax and my dad hated Toronto.”

Vrege signed a formal contract with Armco, the family business, to relocate to Florida for one year to explore fire-sale real estate and other investment possibilities. Less than a year later, on May 20, 2009, Armco renewed Vrege’s contract for another year.

But after Lisa filed for divorce, Armco “abruptly terminated” Vrege’s contract, thus revoking his visa, along with those of his wife and family. Vrege claimed he was surprised; Lisa’s lawyers said “nothing could be further from the truth.” The Florida courts ruled it was part of Vrege’s ploy to force the case back to the Nova Scotia courts.

In December 2009, two months after Lisa filed for divorce, Vrege did the same in Nova Scotia.

It got ugly fast. Lisa hired a high-priced PR firm as well as an aggressive divorce lawyer. She showed up in the pages of *Frank* magazine, dismissing their marriage as “never really... it was all right, but it was never paradise,” and claiming

“I’m a vindictive person. If somebody screws me, I fuck them back worse.”

and Vancouver before focusing on Toronto where they “connected with an Armenian guy” and began doing deals.

Vrege set up shop there, living the good life of a rich young man in Toronto—splurging on a Ferrari, a DeLorean, a Porsche, and a yacht—while hanging out at an Armenian community club. He played on its volleyball team. That, in fact, is how he met Lisa, whose family was also Armenian; she played on a women’s team that sometimes practiced at the same time. Though he was 10 years older, they clicked. “My dad was on the board of the club, her dad was on the board of the club. We had a common language, a common experience...” One of the things that attracted him to Lisa, he explains today without apparent irony, “is that most of the girls I went out with were, ‘When can we go out on your yacht?’ ‘Where’s your Ferrari?’ Lisa didn’t seem to care about those things.”

They married in Toronto in October 1993. He was 32, she was 21. Their son Jonathan was born there in 1995. “Honest to God,” Vrege says today, “everything changed for me when our son was born.” He stops. Across the miles and over FaceTime, you can see the tears welling up. “I

children, spending time with them, taking them places.” He describes the Armoyan family as happy.

But according to testimony in the Florida courts, “the children so despised Halifax that, prior to leaving for Toronto, they smashed all [their] toys [and wrote] on the windows.”

In 2007, the family moved back to Toronto.

There were—as the courts would later describe them—already “strains” in the marriage. At one point, Vrege attached monitoring capabilities to Lisa’s computer and cell phone to see what she was up to. He learned things, he says, he still doesn’t want to talk about publicly “because of the kids.” Though he insists he didn’t want a divorce (“I believe marriage is forever”), he decided he did want what became known as the “Agreement Dealing with Matrimonial Relationships, Assets and All Materials Related Thereto.”

Just in case.

Vrege asked his Halifax lawyer to draw up what amounted to a post-nup, and in late February 2008, he and Lisa flew to Halifax to finalize it. His lawyers insisted Lisa get independent legal advice, and the lawyer who represented Lisa did try to up the ante—from Vrege’s offer



(L-R): Vrege Armoyan with his son Jonathan, summer 2014 and his daughter Victoria, 2015. Photos courtesy of Vrege Armoyan.

that, at one point, she'd had to ask for a police escort "because of fears [Vrege] might kidnap the children or do something horrible."

For his part, Vrege countered Lisa's every legal move and then doubled down, filing an unusual Hague Convention petition for child abduction, demanding his daughters be returned to Canada. The courts dismissed it.

Vrege's children briefly turned against him. He remembers his son called him "a prick," and one of his daughters told him he would "die alone and no one will come to your funeral."

"Things are better now," he is quick to add, especially with the two older children who no longer live with their mother. "Before I talked with you, I was on the phone for an hour with one of my daughters. We're good."

(Although the children have declined reporters' interview requests "for obvious prudent reasons," Jonathan did release a statement on their behalf in July: "We love our father, we have no comment on the legal proceedings between our parents and the courts... Our father has, and does to date, provide financial support directly and individually to myself and my siblings.")

Financial support? But what about that reference in the judge's decision to the children's "struggle to survive?"

And the newspaper's description of Vrege as "one of Canada's worst deadbeat dads?"

According to a spreadsheet Armoyan provided, he paid out \$491,569.22 between October 2009 and March 2015 directly for his children's support—for everything from school tuitions and sorority dues to Promgirl Simply Dresses, from car insurance and dance lessons to the Little Smiles Dental Office, not to forget for multiple flights to visit their

father in Halifax (the most recent one in January 2015). And that doesn't count the \$42,745.28 designated as "Lisa/kids." Or money he continues to pay for their expenses, including trips to visit him in Lebanon.

Even more intriguingly, the spreadsheet shows (and there are many email confirmations), Vrege paid Lisa \$1,176,550.66 in support payments plus another \$304,992.53 listed as "Other payments to Lisa/Lisa Trust" during the same period. Those payments stopped "the moment" Vrege left the country in the spring.

The larger problem is that Vrege didn't make those payments through the courts as directed, and at least

some of it isn't counted against the arrears the court now says he owes.

Why didn't he just make the payments as the courts directed?

"Nobody tells me how I should pay my children money," he says flatly.

But —

"My dad said, 'Never shoot yourself in the foot to punish someone else.'"

But... but — I try again — *isn't that exactly what you've done?*

Half a world away in Lebanon, Vrege Armoyan shrugs, almost helplessly.

"Yes."

He thinks for a moment. "I'm a vindictive person," he says finally. "If somebody screws me, I fuck them back worse." It's a philosophy that may have once helped him succeed in business, but it's now cost him everything, including his family, his reputation and his business.

"I'm not doing business anymore," he tells me. "I haven't since the divorce."

How do you spend your time?

"Worrying about this shit. I can't focus... I slept in a car for 30 days..."

So why not just pay what they say you owe? I wonder. You can afford it. Come home. Get back to business, get back to life? The judge says you won't have to go to jail if you pay the fine, pay the arrears?

Vrege Armoyan looks skyward. "I can't," he says. "There's a point to be made."

"I'm not doing business anymore, I haven't since the divorce."

That may also explain why Lisa continues to wage her own ongoing legal war for redress, despite what many believe is Vrege's "judgment-proof" transfer of his assets out of North America.

As is often the case with family break-ups, it's difficult for an outsider to understand the points each side believes must be made, or why they matter so much.

They just do. •

FEEDBACK

✉ dchafe@atlanticbusinessmagazine.com
 🐦 @skimber; @AtlanticBus; @ABM_Editor;
 #LoveHurts