

Bulletin 2024-07

Land Titles Act Registry Act

Date: June 6, 2024

Homeowner Protection Act, 2024

The *Homeowner Protection Act, 2024* ("**HPA**") came into force on June 6, 2024. The HPA amended the *Personal Property Security Act* ("**PPSA**") to provide that a Notice of Security Interest ("**NOSI**") may not be registered in the Land Registry in respect of collateral that is consumer goods. Consumer goods are defined in the PPSA as goods that are used or acquired for use primarily for personal, family or household purposes. Section 54 of the PPSA was also amended to add subsection 7, which provides that all NOSIs in respect of collateral that is consumer goods, or extensions thereof, that were in effect immediately before the day HPA received Royal Assent are deemed to have expired on that day.

The new subsection 54 (8) of the PPSA provides that consumer NOSIs that have either been deemed to have expired pursuant to s. 54 (7) or have otherwise expired before the HPA received Royal Assent may be deleted by the registration of an application in the form and manner approved by the Director of Titles.

This Bulletin sets out additional registration requirements for NOSIs in respect of collateral that is not consumer goods, as well as the approved form and procedure for the deletion of expired consumer NOSIs.

Registration of NOSIs

NOSIs in respect of collateral that is consumer goods may no longer be registered in the Land Registry. Effective June 6, 2024, all electronically registered NOSIs must include a law statement confirming compliance with subsection 54 (1.1) and 54 (1) of the PPSA. Statement 62 must be selected and the following text entered:

I (name), solicitor, make the following law statement. This notice of security interest is not in respect of consumer goods and may be registered pursuant to s. 54 of the Personal Property Security Act.

For land registered under the *Registry Act*, an affidavit from the solicitor for the applicant, confirming that the NOSI does not relate to consumer goods and complies with s. 54 of the PPSA, must be attached to the NOSI submitted for registration.

All other requirements and procedures with respect to the registration of NOSIs remain unchanged.

Any NOSIs submitted, but uncertified as of the date of this Bulletin, will be returned for correction for the addition of the required law statement confirming that the NOSI is not in relation to collateral that is consumer goods. If the NOSI is a consumer NOSI the statement cannot be made and the document will be withdrawn.

Registration of Discharges of a Security Interest

Secured parties may continue to electronically register discharges of NOSIs in respect of collateral that is consumer goods using the Discharge of An Interest document type. There are no changes to the registration requirements with respect to discharges of NOSIs.

Application to Delete a NOSI in the Land Titles System

Deemed Expired NOSIs

Consumer NOSIs that have been deemed to have expired pursuant to s. 54 (7) of the PPSA may be deleted by registered application. Applications in Land Titles must use the Application to Amend the Register document type.

The applicant must be the registered owner. One owner may be the applicant notwithstanding there may be multiple registered owners of the property. One application may be used to delete one NOSI and all related registered assignments and/or extensions of that particular NOSI. If more than one NOSI is to be deleted, separate applications for each NOSI will be required. Statement 3602 must be selected and the owner should specify that the application is being made pursuant Bulletin 2024-07 – Homeowner Protection Act, 2024

to s. 75 of the *Land Titles Act* to delete the NOSI and related assignments and/or extensions thereof. All documents to be deleted must be identified by instrument number. Statement 62 must also be selected and the following law statement must be entered:

I (name), solicitor for the applicant, make the following law statement. The notice of security interest registered as (instrument no.) is in respect of collateral that is consumer goods. It has been deemed to have expired pursuant to s. 54 (7) of the Personal Property Security Act.

The lawyer who makes the law statement must be the same lawyer who submits the document for registration.

Expired NOSIs

A NOSI that has an expiry date that has passed, and has not been extended by registration of a notice of extension, may be deleted by an application without a law statement, as set out in Bulletin 2022-04.

Application to Delete a deemed expired NOSI in the Registry System

A Document General, as prescribed under the *Land Registration Reform Act*, may be used for an application to delete a NOSI registered against land governed by the *Registry Act*. Box 4 must identify the document as a "Notice pursuant to s. 54 (8) of the Personal Property Security Act". Box 9 should include the instrument number of the NOSI to be deleted and the instrument numbers of any assignments or extensions of that NOSI. Box 10 must include the owner(s) name. One owner may be the applicant notwithstanding there may be multiple owners of the property. An affidavit of the solicitor for the applicant(s) (party from) must be attached or entered into Box 8. The affidavit must contain an unequivocal statement that the NOSI (identified by instrument no.) is in respect of collateral that is consumer goods and that it has been deemed to have expired pursuant to s. 54 (7) of the PPSA. No second party (party to) is required.

To the extent that this Bulletin conflicts with Bulletin 93005 or any other bulletins, memoranda or directions, the provisions of this Bulletin prevail.

(original signed by)

**Rebecca Hockridge
Director of Titles**