



THE CANADIAN BAR ASSOCIATION
L'ASSOCIATION DU BARREAU CANADIEN

The Voice of
the Legal Profession

La voix de la
profession juridique

April 5, 2005

The Honourable Ron Stevens
Minister of Justice and Attorney General
Ministry of Justice and Attorney General
#208 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

The Honourable Clint Dunford
Minister of Economic Development
Ministry of Economic Development
#103 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

The Honourable Shirley McClellan
Minister of Finance
Ministry of Finance
#224 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

Dear Ministers:

Re: Enactment of *Uniform Securities Transfer Act*

We write as President of the Canadian Bar Association and Chair of the CBA's National Business Law Section urging you to promptly enact the *Uniform Securities Transfer Act* (USTA).

CBA is a national association representing 38,000 jurists, including lawyers, notaries, law teachers and students across Canada. The Association's primary objectives include improvement in the law and in the administration of justice. The CBA, at its Mid-Winter meeting of February 2005, passed a resolution endorsing the USTA. The CBA also urged the provincial and territorial ministers responsible for commercial and securities law to enact the USTA promptly. We attach the CBA resolution.

The USTA has been drafted as a joint project of the Uniform Law Conference of Canada and the Canadian Securities Administrators' USTA Task Force. The aim is to modernize Canadian commercial law governing property rights that exist whenever securities are bought, sold or used as collateral. Existing Canadian laws are outdated and not uniform, and do not adequately deal with current market practices. It is an important law for both

Canadian businesses, and for Canadian consumers wishing to use their investments as collateral.

Uniform enactment of the USTA enables the laws of Canada to parallel changes in the law of transferring and pledging book-based securities in the European Union and in the U.S. *Uniform Commercial Code* Article 8. Securities clearing and settlement systems need to be compatible for increasingly complex international securities transfers.

We urge your government to consider enacting the USTA as a matter of priority.

Yours truly,

Yours truly,

(Original copy signed by Susan T. McGrath and Catherine E. Wade)

Susan T. McGrath
President

Catherine E. Wade
Chair, National Business Law Section

Encl. CBA Resolution 05-03-M

cc John E. P. Reynolds
Chair, Business Law (Calgary) Section
Canadian Bar Association - Alberta

Michelle Millard
Chair, Business Law (Edmonton) Section
Canadian Bar Association - Alberta

Uniform Securities Transfer Act

WHEREAS the Uniform Securities Transfer Act (USTA) has been drafted as a joint project of the Uniform Law Conference of Canada and the Canadian Securities Administrators' USTA Task Force to modernize Canadian commercial law governing property rights that exist whenever securities are bought, sold or used as collateral;

WHEREAS amendments consequent to the USTA for the *Canada Business Corporations Act*, the Ontario *Business Corporations Act* and the *Personal Property Security Acts* in Ontario and Alberta have been drafted as sample amendments for other provinces and territories with the assistance of many CBA volunteers;

WHEREAS uniform enactment of the USTA is important so the laws of Canada parallel changes in the law of transferring and pledging book-based securities in the European Union and in the U.S. *Uniform Commercial Code* Article 8;

BE IT RESOLVED THAT the Canadian Bar Association:

Loi uniforme sur le transfert des valeurs mobilières

ATTENDU QUE la Loi uniforme sur le transfert des valeurs mobilières (LUTVM) a été rédigée à titre de projet conjoint de la Conférence sur l'harmonisation des lois au Canada et du Groupe de travail des Autorités canadiennes en valeurs mobilières sur la LUTVM en vue de moderniser le droit commercial canadien régissant les droits de propriété applicable chaque fois que des valeurs mobilières sont achetées, vendues ou utilisées à titre de sûretés accessoires;

ATTENDU QUE des modifications conséquentes apportées via la LUTVM à la *Loi canadienne sur les sociétés par actions*, la *Loi ontarienne sur les compagnies* et la *Loi sur les valeurs mobilières* en Ontario et en Alberta ont été rédigées à titre de modèles de modifications pour les autres provinces et territoires avec l'assistance de nombreux bénévoles de l'ABC;

ATTENDU QUE l'adoption uniforme de la LUTVM est importante afin que les lois canadiennes s'alignent sur les changements apportés au droit relatif aux transferts et à la mise en gage de valeurs mobilières basées sur les livres au sein de l'Union européenne et à l'article 8 du *American Uniform Commercial Code*;

QU'IL SOIT RÉSOLU QUE l'Association du Barreau canadien :

Resolution 05-03-M

1. endorse the Uniform Securities Transfer Act;
and
2. urge provincial and territorial ministers
responsible for commercial and securities law to
enact the USTA promptly.

**Certified true copy of a resolution carried by the
Council of the Canadian Bar Association at the Mid-
Winter Meeting held in Charlottetown, PEI,
February 19-20, 2005.**

Résolution 05-03-M

1. entérine la Loi uniforme sur le transfert des
valeurs mobilières; et
2. exhorte les ministres chargés à l'échelle
provinciale et territoriale du droit commercial et
du droit des valeurs mobilières à adopter
rapidement la LUTVM.

**Copie certifiée d'une résolution adoptée par le
Conseil de l'Association du Barreau canadien, lors
de son Assemblée de la mi-hiver, à Charlottetown,
(Î.-P.-É.), les 19 et 20 février 2005**



**John D.V. Hoyles
Executive Director/Directeur exécutif**