## **Uniform Bills of Sale Act**

(1962 Consolidation, page 15; Amended 1972, pages 28, 36, 221)

1. In this Act

Interpretation

- (a) "affidavit" includes statutory declaration;
- (b) "bill of sale" means a document in writing in conformity with this Act evidencing a sale or mortgage of chattels, but does not include
  - (i) a bill of lading,
  - (ii) a warehouse receipt,
  - (iii) a warrant or order for the delivery of goods, or
  - (iv) any other document used in the ordinary course of business as proof of the possession or control of goods or authorizing or purporting to authorize the possessor of the document to transfer either by endorsement or delivery or to receive goods thereby represented,

and for the purpose of registration, includes all affidavits required by this Act to accompany the bill of sale:

- (c) "change of possession" means such change of possession as is open and reasonably sufficient to afford public notice thereof;
- (d) "chattels" means goods and chattels capable of complete transfer by delivery, and includes, when separately assigned or charged, fixtures and growing crops, but does not include
  - (i) chattel interests in real property or fixtures where assigned together with a freehold or leasehold interest in any land or building to which they are affixed.
  - (ii) growing crops when assigned together with any interest in the land on which they grow,
  - (iii) a ship or vessel registered under the Canada Shipping Act or the Merchant Shipping Act, 1894 (Imperial), or a share in such ship or vessel,
  - (iv) an interest in the stock, funds or securities of a government or in the capital of a corporation, or

- (v) a book debt or other chose in action;
- (e) "creditor" means a creditor of the grantor, whether an execution creditor or not, who becomes a creditor before the registration of the bill of sale or of a renewal statement, as the case may be, and, for the purpose of enforcing the rights of such creditors but not otherwise, includes
  - (i) a creditor suing on behalf of himself and other creditors,
  - (ii) an assignee for the general benefit of creditors,
  - (iii) a trustee under the Bankruptcy Act (Canada), and
  - (iv) a liquidator of a company under the Winding-up Act (Canada) or under a provincial Act containing provisions for the winding-up of companies,

without regard to the time when the creditor so suing becomes a creditor or when the assignee, trustee or liquidator is appointed;

- (f) "grantee" includes the bargainee, assignee, transferee, mortgagee or other person, to whom a bill of sale is made;
- (g) "grantor" includes the bargainor, assignor, transferor, mortgagor or other person, by whom a bill of sale is made, and includes the heirs, executors, administrators, successors and assigns of that person;
- (h) "mortgage" includes an assignment, transfer, conveyance, declaration of trust without transfer, or other assurance of chattels, intended to operate as a mortgage or pledge, or a power or authority or licence to take possession of chattels as security, or an agreement, whether or not intended to be followed by the execution of any other instrument, by which a right in equity to a charge or security on chattels is conferred, but does not include,
  - (i) a specific or floating mortgage or charge of chattels created by a corporation and contained in a trust deed or other instrument to secure bonds, debentures or debenture stock of the corporation or of any other corporation, or contained in any bonds, debentures or debenture stock of the cor-





poration as well as in the trust deed or other instrument securing the same, or in a trust deed or other instrument securing bonds, debentures or debenture stock of any other corporation, or contained in any bonds, debentures or debenture stock or any series of bonds or debentures of the corporation, not secured by a separate instrument,

- (ii) security taken by a bank under section 88 of the Bank Act (Canada),
- (iii) a power of distress contained in a mortgage of real property;
- (j) "proper officer" means the officer in a registration district in whose office bills of sale are required to be registered; (to be adapted to provincial requirements)
- (k) "registration district" means a district established under this Act for the registration of bills of sale;
- (l) "sale" includes a sale, assignment, transfer, conveyance, declaration of trust without transfer, or other assurance of chattels not intended to operate as a mortgage, or an agreement, whether or not intended to be followed by the execution of any other instrument, by which a right in equity to chattels is conferred, but does not include.
  - (i) an assignment for the general benefit of creditors of the person making the assignment,
  - (ii) a transfer or sale of goods in the ordinary course of a trade or calling,
  - (iii) a conditional sale within the meaning of the Conditional Sales Act or an assignment thereof;
- (m) "subsequent purchaser or mortgagee" means a person to whom chattels are conveyed or mortgaged,
  - (i) after the making of the sale or mortgage mentioned in section 4, or
  - (ii) after the making of the mortgage mentioned in section 11, 12, or 13;
  - (n) "valuable consideration" includes an antecedent

debt or liability and any consideration sufficient to support a simple contract.

Method of registration

Registration of a document or copy thereof under this Act is effected by filing the document or copy with the proper officer, as provided in section 8.

Application of Act to bills of sale of subsequently acquired chattels

- This Act applies to bills of sale of chattels notwithstanding
  - (a) that the chattels may not be the property of or may not be in the possession, custody or control of the grantor or anyone on his behalf at the time of the making of the bill of sale;
  - (b) that the chattels may be intended to be delivered at a future time:
  - (c) that the chattels may not at the time of the making of the bill of sale be actually procured or provided, or fit or ready for delivery; or
  - (d) that some act may be required for the making or completion of the chattels or for rendering them fit for delivery.

Sale or mort-

(1) Unless it is evidenced by a bill of sale registered gage to be evidenced by a regument of this Act, a sale or mortgage that is not accompanied istered bill of by an immediate delivery and an actual and continued change of possession of the chattels sold or mortgaged is void as against a creditor and as against a subsequent purchaser or mortgagee who claims from or under the grantor in good faith, for valuable consideration, and without notice, and whose conveyance or mortgage has been registered or is valid without registration.

Effective date

(2) The sale or mortgage as against a creditor and such a subsequent purchaser or mortgagee takes effect only from the time of its registration.

Description

(3) A bill of sale shall contain such sufficient and full description of the chattels that are the subject of the sale or mortgage that they may be thereby readily and easily known and distinguished.

Conditions

(4) If a bill of sale is subject to any defeasance, condition or trust, the terms or substance of the defeasance, condition or trust shall be set forth in the bill of sale or in a schedule annexed thereto or referred to therein.

- (5) Every schedule annexed to a bill of sale or referred Schedules to in it shall be deemed to be a part of the bill of sale and shall be registered therewith.
  - 4. (1) Where a bill of sale is given

Recitals in bills of sale to secure advances, etc.

- (a) to secure to the grantee repayment of advances to be made by him under an agreement therefor; or
- (b) to secure the grantee against loss or damage by reason of,
  - (i) the endorsement of a bill of exchange or promissory note, or
  - (ii) any other liability incurred by the grantee for the grantor, or
  - (iii) any liability to be incurred under an agreement by the grantee for the grantor,

the bill of sale shall set forth clearly by recital or otherwise,

- (c) the terms or substance of the agreement entered into between the parties in respect of the advances;
- (d) a copy of the bill of exchange or promissory note endorsed and of the endorsements;
- (e) the nature and extent of such other liability incurred by the grantee for the grantor; or
- (f) the terms or substance of the agreement in respect of the liability to be incurred by the grantee for the grantor.
- (2) The bill of sale shall be accompanied by an affidavit of the grantee, or one of several grantees, his or their agent, verifying the facts and deposing that the bill of sale truly sets forth the extent or amount of the liability incurred, or to be incurred, and to be secured by the bill of sale, and that the bill of sale was executed in good faith and for the purpose of
  - (a) securing to the grantee repayment of the advances; or
  - (b) securing the grantee against loss or damage by reason of,
    - (i) the endorsement,
    - (ii) the liability incurred by the grantee for the grantor, or

(iii) the liability to be incurred by the grantee for the grantor under the agreement therefor,

as the case may be, and not for the purpose of protecting the chattels therein mentioned against the creditors of the grantor or for the purpose of preventing them from recovering any claims that they have against the grantor.

Affidavit of bona fides accompanying bill of sale to secure a debt of ascertained amount or a present loan

- Affidavit of bona fides accompanying bill the scope of section 4, is given to secure
  - (a) the payment of an ascertained amount due or accruing due from the grantor to the grantee; or
  - (b) the payment of a present advance being made by the grantee to the grantor,

it shall be accompanied by an affidavit of the grantee, or one of several grantees, his or their agent, stating,

- (c) that the amount set forth in the bill of sale as being the consideration therefor is justly due or accruing due from the grantor to the grantee or is a present advance being made by the grantee to the grantor, as the case may be; and
- (d) that the bill of sale was executed in good faith and for the purpose of securing to the grantee the payment of that amount, and not for the purpose of protecting the chattels therein mentioned against the creditors of the grantor or for the purpose of preventing them from recovering any claims that they have against the grantor.

Affidavit of bona fides accompanying other bills of sale 6. Where a bill of sale is not a bill of sale within the scope of section 4 or 5, it shall be accompanied by an affidavit of the grantee, or one of several grantees, or his or their agent, stating that the bill of sale was executed in good faith and for good consideration, as set forth in the bill of sale, and not for the purpose of protecting the chattels therein mentioned against the creditors of the grantor or for the purpose of preventing them from recovering any claims that they have against the grantor.

Registration

7. (1) Registration of a bill of sale shall be effected within thirty days from the date of its execution in the office of the proper officer of the registration district in which the chattels that are the subject of the sale or mortgage were situated when the bill of sale was executed.

- (2) Where the chattels that are the subject of the sale or Where chattels mortgage are situated partly in one registration district and one district partly in another or others, registration may be effected by filing the bill of sale in one registration district and by filing a duplicate original of the bill of sale, or a copy thereof certified by the proper officer of that registration district, in the other or each other registration district.
- (3) Subject to section 19(6), no bill of sale shall be registered unless it is accompanied by an affidavit of an attesting witness or affidavits of attesting witnesses of the execution thereof by the grantor or by the grantors respectively, identifying the bill of sale and stating the date of execution by the grantor or the respective dates of execution by the grantors, as the case may be.
- (4) Where there are two or more grantors, the date of Date of execution of the bill of sale shall be deemed to be the date of the execution by the grantor who last executes it.
- (5) The proper officer shall cause every bill of sale, or Index, etc. copy thereof, registered in his office to be
  - (a) numbered;
  - (b) endorsed with a memorandum of the date, hour and minute of its filing; and
  - (c) indexed by entering in alphabetical order in a register kept by him
    - (i) the names of the parties to the bill of sale,
    - (ii) its number, and
    - (iii) the date of its registration.
- (2) The provisions of section 7 as to the place of regis-Application of tration and of section 11 do not apply to any such bill of sale.
- (3) The description of a motor vehicle in a bill of sale Description of shall include the serial number of the vehicle, consisting of such sequence of numbers, or of numbers and letters in combination, as is impressed upon or affixed to the vehicle by the maker thereof in order permanently to identify the vehicle.
  - (4) For the purposes of subsection (1), the description of Description deemed not to deemed not to

the serial number of a vehicle shall be deemed not to be insufficient or defective by reason only that the model number and engine number of the vehicle, or either of them, are shown as part of, or in conjunction with or in addition to such serial number.

Registration in case of motor vehicle and other chattels

(1) Where the subject of a bill of sale is a motor vehicle and other chattels, registration of the bill of sale shall, subject to subsections (2) and (3), be effected in respect of the motor vehicle in the manner prescribed in section 8. and in respect of the other chattels in the manner prescribed in section 7.

Omission to register in respect

(2) Where a bill of sale to which subsection (1) applies is of other chattels registered in the manner prescribed in section 8 in respect of a motor vehicle, but is not registered in the manner prescribed in section 7 in respect of the other chattels, it shall be deemed for the purposes of this Act to be sufficiently registered in respect of the motor vehicle.

Omission to register in respect

(3) Where a bill of sale to which subsection (1) applies is of motor vehicle registered in the manner prescribed in section 7 in respect of chattels other than the motor vehicle, but is not registered in the manner prescribed in section 8 in respect of the motor vehicle, it shall be deemed for the purposes of this act to be sufficiently registered in respect of those other chattels.

Manner of registration

In a case to which subsection (1) applies registration may be effected by filing the original bill of sale in one of the offices in which it is required to be registered and by filing in the other office in which it is required to be registered a duplicate original thereof or a copy thereof certified by the proper officer in whose office the original bill of sale is registered.

Renewal statements

(1) A registered bill of sale that evidences a mortgage of chattels ceases to be valid after the expiration of three years from its registration as against a creditor and as against a subsequent purchaser or mortgagee claiming from or under the grantor in good faith for valuable consideration without notice whose conveyance or mortgage has been registered or is valid without registration, unless before the expiration of that period a renewal statement (Form 1) is registered in accordance with this section.

Contents

(2) The renewal statement shall state the interest of the grantee in the chattels subject to the mortgage, and the amount still owing for principal and interest, or the extent or

amount of the liability still secured thereby, and shall be accompanied by an affidavit of the grantee, or his agent stating that the renewal statement is true and that the bill of sale is not being kept in force for a fraudulent purpose or to defeat, delay or prejudice creditors of the grantor.

(3) Where chattels that are the subject of the bill of sale Place of registration are situated in the registration district in which the bill of sale was registered, the renewal statement shall be registered in the office of the proper officer of the registration district.

(4) Where chattels that are the subject of the bill of sale Where chattels removed have been permanently removed and a registration has been made under section 11, the renewal statement shall be registered in the office of the proper officer of the registration district into which the chattels have been removed.

(5) Where the subject of a bill of sale is a motor vehicle Motor vehicles only, the renewal statement shall be registered in the office of the ..... in (name of capital city).

(6) Where the subject of a bill of sale is a motor vehicle Motor vehicle and other chattels, the renewal statement shall be registered tels in respect of the motor vehicle as prescribed in subsection (5), and in respect of the other chattels as prescribed in subsections (3) and (4), and section 9(2) and (3) apply thereto mutatis mutandis.

(7) Unless a further renewal statement is registered in Further renewal statement accordance with this section within three years from the registration of the first renewal statement and thereafter within three years from the registration of the last preceding renewal statement, the bill of sale ceases to be valid after the expiration of any such period to the extent provided in subsection (1).

(8) Where a mistake is made in a renewal statement, an Mistakes amended statement verified by affidavit referring to the former statement and specifying and correcting the mistake therein may be registered with the time limited for registering the renewal statement.

(9) If before the registration of an amended statement a Protection person, relying on the accuracy of the renewal statement as first registered, has

- (a) in good faith
  - (i) made an advance of money, or
  - (ii) given valuable consideration to the grantor; or

(b) has taken proceedings and incurred costs therein;

the bill of sale, as to the amount so advanced or the valuable consideration given or costs incurred by such person, shall as against him be effective in favour of the grantee only,

- (c) for the amount stated in the renewal statement as first registered; or
- (d) to the extent or amount of the liability secured as stated in the renewal statement as first registered.

Index. etc.

(10) The proper officer shall cause every renewal statement and every amended statement registered in his office to be numbered, endorsed and indexed in the same manner as a bill of sale.

Removal of chattels to another district

- 11. Where a registered bill of sale evidences a mortgage of chattels and chattels mortgaged thereby are permanently removed into a registration district other than that in which they were situated at the time of its execution, the bill of sale, in respect of the chattels so removed, ceases to be valid as against
  - (a) a creditor; and
  - (b) a subsequent purchaser or mortgagee claiming from or under the grantor in good faith for valuable consideration without notice whose conveyance or mortgage has been registered or is valid without registration,

unless the bill of sale, within thirty days after the grantee has received notice of the place to which the chattels have been removed, is registered in the office of the proper officer of the registration district into which the chattels have been removed by registering therein a copy of the bill of sale and of the documents accompanying or relating to it or filed on the registration or renewal thereof, certified as copies by the proper officer in whose office the bill of sale was registered or was last renewed.

Removal of chattels into the Province

- 12. (1) Where chattels that are the subject of a mortgage that was executed when they were situated outside the Province are brought into the Province, the grantee is not entitled to set up any right of property or right of possession in or to the chattels so brought in as against
  - (a) a creditor; or
  - (b) a subsequent purchaser or mortgagee claiming from

or under the grantor in good faith for valuable consideration without notice.

unless the bill of sale, within thirty days after the grantee has received notice of the place to which the chattels have been brought is registered in the office of the proper officer of the registration district into which the chattels have been brought by registering therein a copy of the bill of sale and of the documents accompanying or relating to it, verified as copies by the affidavit of a person who has compared them with the originals.

- (2) Where the subject of a bill of sale is a motor vehicle Motor vehicles only, the copies of the bill and other documents shall be registered in the office of the ...... in (name of capital city).
- (3) Where the subject of the bill of sale is a motor vehi- and other chatcle and other chattels, the copies of the bill and other documents shall be registered in the manner prescribed in section 9(1) for the registration of such bills of sale, and section 9(2) and (3) apply thereto mutatis mutandis.
- 13. A sale or mortgage or bill of sale that under this Subsequent taking of possession Act is void or has ceased to be valid as against a creditor or purchaser or mortgagee is not, by reason of the fact that the grantee has subsequently taken possession of the chattels sold or mortgaged, rendered valid as against a person who became a creditor, purchaser or mortgagee before the grantee took possession.

(1) It is not necessary to register an assignment of Registration of assignments a bill of sale but it may be registered if accompanied by an affidavit of an attesting witness of the execution thereof, in any office in which the bill of sale is registered.

- (2) The proper officer in whose office an assignment is Entry registered shall note the fact of the assignment against each entry in the books of his office respecting the registration of the bill of sale assigned and shall make a like notation upon the bill of sale or copy filed in his office.
- (3) Where the chattels that are the subject of the bill of Where chattels in more than sale so assigned are situated partly in one registration dis-one district trict and partly in another or others, registration of the assignment may be effected by filing the assignment and affidavit in one registration district and by filing a duplicate original of the assignment and affidavit, or a copy thereof

certified by the proper officer of that registration district, in the other or each other registration district, and each proper officer shall make the like notations of the assignment as are required by subsection (2).

Registration of discharge of chattel mortgage 15. (1) Where a registered bill of sale evidences a mortgage of chattels, it may be discharged in whole or in part by the registration in the office in which it is registered of a certificate of discharge (Form 2) signed by the grantee and accompanied by an affidavit of an attesting witness of the execution thereof, but no certificate of discharge by an assignee shall be registered unless the assignment has been registered in that office.

Entry

(2) The proper officer in whose office a certificate of discharge is registered shall note the fact of the discharge against each entry in the books of his office respecting the bill of sale, and shall make a like notation upon the bill of sale or copy registered in his office and upon every renewal statement with respect thereto registered in his office.

Where chattels in more than one district (3) Where the chattels affected by the discharge are situated partly in one registration district and partly in another or others, the registration may be effected

(a) by filing a duplicate original of the certificate of discharge and affidavit of execution in the office of the proper officer in each of the registration districts; or

(b) by filing the certificate of discharge and affidavit of execution in one of the registration districts and by filing a certificate of the entry of the discharge therein, signed by the proper officer of that registration district, in the other or each other registration district,

and each proper officer shall make the like notations of the discharge as are required by subsection (2).

Certificate of entry

(4) The proper officer in whose office the certificate of discharge is registered shall on request furnish a certificate of the entry of the discharge.

Certificate of discharge

 the person demanding it a certificate of discharge and an affidavit of an attesting witness of the execution thereof.

(6) Where for ten days after receipt of such demand the Failure to degrantee without reasonable cause fails to deliver the required certificate and affidavit, he is liable to the person demanding it for the damages resulting from the failure.

For the purpose of registration of bills of sale each Registration districts and (county) in the Province is a registration district, and the officers ..... whose office is situated within a registration district is the proper officer for the registration of bills of sale in that registration district.

(NOTE: In each Province a subsection should be inserted here making appropriate provision as to the effect of changes in the judicial or other districts on which registration districts are based.)

17. Where under this Act the time for registration of a Expiry of time document expires on a day on which the office in which the closed registration is to be made is closed, the registration, so far as regards the time of registration, is valid if made on the next following day on which the office is open.

18. (1) Where the attesting witness to a document to Proof of execution where witwhich this Act applies

ness not avail-

- (a) dies or leaves the Province before making the affidavit of execution required by this Act; or
- (b) becomes incapable of making or refuses to make the affidavit.

a judge of the ...... Court upon being satisfied as to the execution and attestation of the document may make an order permitting the registration of the document.

- (2) The order or a copy thereof shall be filed with the Filing of order document.
- Registration of the document under the order has Effect the like effect as the registration thereof with the affidavit of execution otherwise required by this Act.
- (1) In addition to any person authorized by law Affidavits, before proper to take affidavits, the proper officer of any registration dis-officer trict may take the affidavit of any person under this Act.
- (2) No document to which this Act applies shall be held Affidavit before solicitor, etc. to be defective or void on the ground that an affidavit re-

quired by this Act was taken and made before a solicitor for any of the parties to the document, or before a partner of such solicitor, or before a clerk in the office of such solicitor.

Affidavit where grantee dies

- (3) An affidavit required by this Act to be made by a grantee or assignee of a grantee may in the event of his death be made,
  - (a) by his executor or administrator;
  - (b) by any of his next of kin; or
  - (c) by an authorized agent of his executor or administrator.

Affidavit on behalf of corporation (4) Where the grantee or assignee of a bill of sale or his agent is a corporation, any officer, employee or agent of the corporation may make any affidavit or statement under this Act on behalf of the corporation.

Affidavits of agents, etc.

- (5) Every affidavit made under this Act by
- (a) an agent of a grantee or assignee;
- (b) an executor or administrator or a next of kin;
- (c) an authorized agent of an executor or administrator; or
- (d) an officer, employee or agent of a corporation,

shall state that the deponent is aware of all the circumstances connected with the bill of sale and that he has a personal knowledge of the facts deposed to.

Execution by corporation

(6) Where a document to which this Act applies is executed by a corporation under its seal, no affidavit of an attesting witness is required.

Rectification of omissions, etc.

Idem

(2) An order under this section, or a copy thereof, shall be filed with the proper officer who shall attach it to the doc-

ument registered or tendered for registration and shall make the appropriate entries in the register.

- The rights of other persons accrued up to the time of Rights prothe filing of the order or a copy thereof with the proper officer by reason of the omission or misstatement referred to in subsection (1), are not affected by the order.
- 21. A document to which this Act applies is not Effect of defects, irregulari-invalidated or its effect destroyed by reason only of a defect, ties and omisirregularity, omission or error in it or in its execution or attestation unless, in the opinion of the court or judge before whom a question relating to the document is tried, the defect, irregularity, omission or error has actually misled a person whose interests are affected by the document.

- (1) A copy of a document registered or filed under Evidence this Act, certified as such by the proper officer, is receivable in evidence as prima facie proof for all purposes as if the original document were produced, and also as prima facie proof of the execution of the original document according to the purport of the copy.
- (2) The proper officer's certificate is receivable in evi- Idem dence as prima facie proof of the date, hour and minute of the registration of the document.
- (3) No proof is required of the signature or official posi- Idem tion of a proper officer in respect of any certificate produced as evidence under this section.
- During the regular office hours of the proper officer Inspection of records, etc. and upon payment of the prescribed fees, any person may inspect the books containing records or entries of documents registered or filed under this Act and may inspect any document registered or filed under this Act.
- For services under this Act the proper officer is en-Fees titled to receive such fees as may be fixed by the Lieutenant Governor in Council.
  - 25. The Crown is bound by this Act.

Crown

(NOTE: Each province should consider including appropriate provisions as to bills of sale executed before this Act comes into force.)

## FORM 1

## (Section 10)

## RENEWAL STATEMENT

19 of th	ment , m ie on	tioned in the bill on the bill on the between	of sale dated the	day of
on th	he espec	day	of	, 19, as No, and t registered in the office of the
	R	egistration District	Date of Registration	Registration Number
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bill d	exce of sal ie (	pt the following e ( <b>or</b> the said of an assignm	is the a	ne mortgagee of all the said chat- and has not assigned the said assignee of the said bill of sale by ne day of
	of \$.		r the extent or amount of	rest on the said bill of sale is the f the liability still secured by the
				gnature of mortgagee or assignee
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of	•••••	, n	nake oath and say:	
	1.			oing (or annexed) statement or oing (or annexed) statement.
	2.	The said statem	ent is true.	
	3.			tement is not being kept in force elay or prejudice creditors of the
SWC	ORN	before me, etc.		
			FORM 2	
		_	(Section 15)	
		_	ERTIFICATE OF DISC	
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of bill distr	of s	ale has been re		to day of to the is dated the
19	, as	3 No He	re state the date of reg	gistration of each assignment

and the names of the parties, or state that the bill of sale has not been assigned, as the case may be); and that I am the person entitled by law to receive the money, and that the bill of sale is therefore discharged.				
Witness my hand this day of, 19				
Signature of mortgagee or assignee				

