

THE WORLD BANK

GLOBAL JUDGES FORUM

COMMERCIAL ENFORCEMENT AND INSOLVENCY SYSTEMS

19-23 MAY 2003 ▪ PEPPERDINE UNIVERSITY SCHOOL OF LAW ▪ MALIBU, CALIFORNIA

COUNTRY: CANADA

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TABLE OF CONTENTS	PAGE NO
1.0 INTRODUCTION AND OVERVIEW	2
2.0 LEGAL FRAMEWORK FOR CREDITOR RIGHTS	4
3.0 LIQUIDATION	5
4.0 REHABILITATION/COMPOSITIONS/SCHEMES	7
5.0 INSTITUTIONAL FRAMEWORK FOR INSOLVENCY	10
6.0 REGULATORY FRAMEWORK FOR INSOLVENCY	12
7.0 CROSS-BORDER INSOLVENCY	13
8.0 PROPOSED OR PENDING LEGISLATION	14

Creditor Rights and Insolvency Systems

1.0 INTRODUCTION AND OVERVIEW

Secured Claims and Enforcement

Security on immovables traditionally involves the taking of a mortgage/charge which is then registered for notice "against the world" in a local land registry office in the province where the real property is situate. Security on movables involves personal property security legislation. In the common law provinces, this legislation allows charges of every nature and description to be registered in a central registry. In Quebec, a civil code jurisdiction, the code allows for the registration of hypothec security. The personal property security legislation which is extremely similar across the common law provinces provides the requirements for taking "security interests" in the movable through the mechanism of "security agreements." Finance leases are generally considered to be security interests. Non-possessory security interests usually require registration in the central registry system.

On default in paying a debt secured on real property, the secured party usually has a choice between (i) selling the property and making a deficiency claim against the borrower, or (ii) obtaining title in court foreclosure proceedings to retain the property as its own in which case there is no deficiency claim. With respect to movables, the legislation in the common law provinces basically has similar provisions but if the foreclosure is uncontested then court proceedings are not required. In each case, there is a priority scheme. Most business loans will involve some security; the banks have traditionally taken a general and floating charge on all present and future assets but newer entries to the commercial lending arena are more likely to be satisfied with security on specified assets.

Privately appointed receivers may take control and sell assets if permitted in the security documentation. In larger matters or if contested, an application can be made for the court appointment of a receiver.

The process for creating, registering and enforcing collateral is extremely efficient.

B. Unsecured Claims and Enforcement

Aside from retaining a collection agency or assigning an unsecured/receivable to a collection outfit, an unsecured creditor may institute a lawsuit to get judgment. If no defence is filed, then default judgment is granted. An execution may be registered as to such judgment under the *Execution Act*. A court officer may be requested to seize assets to satisfy the judgment. The execution is also effective against real property and is a device to obtain payment if the property is subsequently sold. Depending on the complexity of the case in respect to possible defences (including counterclaims and set off), a lawsuit may take from two months (if undefended) to six months if defended but not vigorously defended to several years if complex and vigorously defended (especially if involving large amounts of money).

A single creditor with an unsecured debt of \$1,000 Canadian may petition a debtor into bankruptcy. The court will have to be convinced that an act of bankruptcy has occurred. One of the frequently proven acts of bankruptcy is failure generally to pay one's debts as they become due. While a bankruptcy petition is for the benefit for all creditors, it is not unknown for a creditor to threaten or even initiate a bankruptcy petition as a debt collection method, even though this is an abuse of the bankruptcy system. The petition cannot be withdrawn except with the court being satisfied that no creditor will be prejudiced by its withdrawal (as other creditors may be sheltering under the original petition).

Canada has a developed private system of credit reporting. Delaying or failure to pay debts will result in a reduced credit rating.

Liquidation

If the insolvent business has no realizable assets - and if there is no suspicion that assets have been inappropriately siphoned off from the business, then the business may remain as an empty shell as there has in effect been an informal liquidation. However if there are remaining assets of value or if there are suspicions of wrongdoing, the liquidation would be formalized.

Bankruptcies may be initiated voluntarily by the debtor making an assignment in bankruptcy with a licensed trustee in bankruptcy whereby the trustee becomes vested with all of the debtor's unencumbered assets. This assignment is then filed with the Official Receiver, an administrative government office. It is only if there are subsequent disputes that the issue may be brought to Court. A petition for an involuntary bankruptcy is however brought to Court for a judicial determination; however, frequently these matters go by way of default or subsequent agreement to not oppose the bankruptcy. The bankruptcy is dealt with pursuant to the *Bankruptcy and Insolvency Act* (BIA), a federal statute.

In a voluntary assignment, the debtor will choose the trustee in bankruptcy; in an involuntary proceeding, the petitioner will nominate and the court will appoint. The body of creditors thereafter may ask the court to replace the trustee. A receivership may also effectively liquidate the business enterprise or a division thereof.

Reorganization

Out of court informal restructurings have significant advantages in that negotiations usually result in a smoother reorganization and there is no public disclosure which may minimize confidence in the business organization. There are also "pre-paks" which may come to court in order to bind some holdouts. However the majority of reorganizations would be debtor applications (likely under pressure from major creditors) to the court. Smaller businesses are more likely to reorganize under BIA as the *Companies' Creditors Arrangement Act (CCAA)*, another federal statute is restricted to corporate groups with more than \$5 million Canadian in debt. Special act companies such as banks and insurance companies may apply under the federal statute: *Winding Up and Restructuring Act (WURA)*. Creditors may also initiate a reorganization application but this is infrequently done. Under BIA, the fiduciary responsible for overseeing and reporting to the Court and the creditors is called a Proposal Trustee; under CCAA that fiduciary is termed the Monitor.

Non-Bankruptcy Workouts and Restructurings

There is no legislation affecting a reorganization which receives 100% approval by all affected creditors agreeing to a plan which compromises the debts owed to them (certain creditors may not agree in which case they are unaffected and their debts remain uncompromised). Such informal restructurings/compromises usually work best when they are proactively initiated at an early stage of difficulty by the debtor and the creditors have confidence in continuing management.

2.0 LEGAL FRAMEWORK FOR CREDITOR RIGHTS

Creation and Enforcement of Security in Real Property

See 1.A. Security in real property can also be taken from a third party including an affiliate for the purposes of securing a general or limited guarantee of the borrower's indebtedness.

Security in Personal Property

See 1.A . The intent of the transaction must be analyzed to see if it is to create a security interest in the collateral. If it is then that interest is to be registered within a certain period of time so as to give notice "against the world", otherwise there is a problem of it being unperfected and thereby invalid in priority as to subsequent encumbrancers who have properly registered in a timely fashion. A possessory (by lender) security interest usually need not be registered.

Unsecured Claims

See. 1.A . An unsecured creditor must first obtain judgment for its debt through a lawsuit in court. Once a judgment is obtained, then the assets of the debtor (including debts owing to the debtor) existing then or after judgment arising may be seized at the request of a creditor by a court officer (sheriff) and sold pursuant to the *Execution Act*. The sale proceeds are distributed *pro rata* amongst all creditors holding judgments against the debtor in the local political subdivision (county) in which the seizure took place. Depending on the nature of the assets of the judgment debtor, the court officer may have some difficulty in seizing, particularly intangibles.

Aside from the possibility of a foreign creditor being required on motion by the defendant debtor to pay into court a certain amount of security for costs (Canadian practice is that the successful party in a lawsuit is awarded partial to substantial reimbursement of its reasonable legal costs), there is no distinction between foreign and domestic litigants).

3.0 LIQUIDATION

3.1 Principal Laws Governing Liquidation

BIA will be used for ordinary corporations and business enterprises as well as individuals (natural persons). WURA is employed for special act corporations. While technically CCAA is structured as a reorganization statute, it has been judicially interpreted to also allow liquidation of part or all of the business enterprise, particularly if this will either allow the business enterprise or a constituent part of it to operate as a continuing business (as opposed to individual asset liquidation) or if the debtor will as a result of the liquidation of certain of its assets be more capable of dealing with its insolvency for the benefit of creditors and other stakeholders. A receivership by court order will receive its authority from a provincial *Courts of Justice Act* or its equivalent.

Courts which Administer Liquidation

The Superior Court of the province will deal with the court aspects of the liquidation. An appeal lies to the Court of Appeal and thereafter to the Supreme Court of Canada.

Commencement of a Liquidation

A trustee in bankruptcy is vested with all the unencumbered assets of the bankrupt. Under the general supervision and direction of the inspectors elected by the creditors from representatives advanced by a creditor, the trustee will realize upon the assets according to what is appreciated to be the best marketing process. BIA also provides for the appointment of an Interim Receiver who may be authorized by the Court to take possession and control of assets and sell same pending a further development in the proceeding. The Court may be asked for advice and

directions on motion by the trustee or other interested party as to any issue relating to the liquidation.

Similarly a court appointed receiver will have authority to realize upon the assets for which it was appointed. It may also be involved in an advice and directions motion. A privately appointed receiver is a self-help remedy; any dispute in connection thereto may end up in court.

Parties to a Liquidation

Anyone having a provable claim in the estate is considered an interested person/party. They may register their claim with the trustee and have the trustee allow or disallow the claim. Appeal from disallowances lies to the court. If the matter reaches court, then interested parties may register (file an appearance). In larger ongoing matters it is usual to develop a service list and it is common to have an understanding or order that the service list may receive notice electronically. The trustee has a dual responsibility in respect to the bankrupt estate - both to the creditors as a whole and to the bankrupt, subject to the bankrupt being at the bottom of the dividend hierarchy.

A court appointed receivership operates similarly. A debtor in a receivership need not be an insolvent or adjudicated to be insolvent.

Liquidation Estate

In a bankruptcy the trustee will take possession and control of the debtor's assets. In the case of a bankruptcy this is all the debtor's unencumbered assets (including any residual equity over and above any encumbrance on an asset; however the secured party will have in effect direction and control over the asset unless the secured party is persuaded that the more efficient way of dealing with the asset is to allow the trustee to realize on the asset in conjunction with those in the estate and obtain from the trustee the proceeds to pay off the secured debt or such lesser amount as may be agreed).

In a court receivership, the estate will consist of whatever assets the court authorizes; in most circumstances this will be all the debtor's assets or all the assets of a specific operating division.

In a private receivership, the receiver will only be able to take possession and control of such assets as are contractually agreed to in the security documentation.

Administrative Powers

The Official Receiver is a federal government organization under the authority of the Office of the Superintendent of Bankruptcy. It receives voluntary assignments in bankruptcy, conducts examinations of the bankrupts as deemed necessary, chairs the first meetings of creditors, supervises and licences the trustees in bankruptcy, conducts educational programs and keeps statistics on bankruptcies and related matters.

Creditors and Claims

See 3.4. Secured creditors can claim as unsecured creditors for the amount of the debt owed in excess of the realistic value of their security.

Officers, Directors, Affiliates

Officers and directors of the bankrupt or debtor may be requested by the trustee or receiver to assist it in a liquidation process. If these persons have experience and an untarnished reputation in the industry sector, such assistance may be invaluable in a liquidation. They may be incentivized by positive inducements or by the impact of negative features of being sued if they are otherwise exposed on deficiencies for which they are statutorily liable (e.g. unpaid wages) or liable by personal guarantee.

With respect to affiliates, the Canadian system of law permits joint filings but respects the insulation of limited liability legislation for corporations. Joint filings may be done either on a procedural basis where on substantive matters each entity is treated on a separate basis or on a substantive consolidation basis where the business entities have generally not been conducted internally and externally on a separate stand alone basis, especially as to financial record keeping and holding out to the public.

Non-Judicial Liquidation

See 3.5. This is a self-help remedy governed by the terms contractually agreed upon. If there is a dispute as to authority or terms, this may come before the Court.

4.0 REHABILITATION/COMPOSITIONS/SCHEMES

Overview of Schemes for Rehabilitation

Rehabilitation in a reorganization mode is possible under any of the three federal statutes: BIA; CCAA or WURA, as the debtor may qualify for. A corporation with over \$5 million Canadian in debts may apply to make a proposal under BIA even though it would qualify for CCAA. A proposal under BIA must come to fruition on a practical basis within 6 months as this is the statutory maximum under that Act for which a stay of proceedings is authorized. Under CCAA, the Court has discretion (which must be judicially exercised in the circumstances on the proven facts) to extend the stay indefinitely for fixed periods after the initial automatic 30 day stay. It is the unusual CCAA proceeding which lasts more than 18 months; simple, smaller debt CCAA proceedings may average 9 months.

Rehabilitation may involve a combination of composition of existing debts, conversion of debt to equity, divestiture of redundant assets or inefficient divisions, realization on assets to provide ongoing funding, reorganization of management, injection of equity, etc.

Courts Which Administer Reorganizations

The Superior Court of the province will have the supervisory role and be responsible for sanctioning a plan which has been passed by the statutory levels of vote by the creditors who vote in associated classes. The court in a sanction hearing is responsible to see that the applicant is qualified, that all procedural steps have been concluded in accordance with the statute or court orders and that the plan is fair and reasonable to the affected creditors and that it is equitable within the class of creditors. If a plan has been approved by a vote of creditors at which a very large percentage of the creditors are represented and by a significant margin over the statutory minimum of a majority in number and two-thirds in value of those voting, then it would be rare for a court to not approve a plan unless an objecting creditor could establish that it was being singled out for unfair treatment which was not being accorded to other creditors similarly situated.

Commencement of a Reorganization

The reorganization process commences with the application to Court under CCAA or notice of intention to file a proposal under the BIA. The CCAA application is made to the Court in the jurisdiction in which the business enterprise carries on business; this has been judicially interpreted such that it need not be the jurisdiction of the head office or where the bulk of the operations are so long as there is a substantial connection. This may occur when the insolvency bar involved is mainly from the "lesser" jurisdiction. Court orders in one jurisdiction are recognized across Canada.

Participants and their Roles

The debtor in a reorganization is still in control of the business and its operations although the court may be requested to restrict the debtor's authority and authorize some other court appointed officer to be responsible for those particular areas. Lately there has been a development whereby the debtor will retain a restructuring person (usually someone from the outside with experience in restructurings and possibly in the industry sector) to be the Chief Restructuring Officer (CRO). The CRO may be given full executive powers or powers aimed towards the restructuring. The CRO may be an internal corporate designation or the Court may be requested to appoint that person as an officer of the Court. Under BIA, the Proposal Trustee, and under CCAA, the Monitor is responsible for overall day-to-day supervision of the applicant and for reporting to the creditors and to the Court. These are usually experienced insolvency practitioners and likely licensed chartered accountants in Canada. Interested parties including creditors, other affected persons and "social stakeholders" (such as local governments, employees, unions) may retain counsel, usually from an experienced and tightly-knit insolvency bar which is used to resolving issues in the minimum amount of time to preserve or enhance value. If creditors are grouped into classes, the classes must contain creditors who in essence have common interests. The creditors then vote on the plan within their class; if a class turns down the plan, then it is ineffective vis-à-vis that class. Creditor committees may be formed and authorized by the court. Any participant in such a committee is prohibited from trading upon confidential information made available to the Committee and not generally available. DIP Lender (Debtor in Possession finance provider) may provide interim bridge financing for the debtor's operation pending the implementation of a successful plan. The DIP Lender will want

either security on unencumbered assets or a super priority charge on assets in advance of established secured creditors. See also 4.7 re Claims Officers.

The Reorganization Estate

This will be the total assets and undertaking of the applicant as both secured and unsecured claims may be dealt with in a reorganization. However, it is possible to have a reorganization which does not affect certain creditors: (i) the collateral afforded a secured creditor who is not being compromised in the proposed plan and (ii) junior or unsecured creditors who have no realistic expectation of any equity in the foreseeable future in the assets and undertaking of an applicant proposed to be transferred for value to a third party.

Administrative Powers

See 3.6. Aside from the keeping of statistics and the general supervisory role it has over licensed trustees who would be Proposal Trustees under a BIA plan situation, the Office of the Superintendent of Bankruptcy does not have any meaningful role in a reorganization.

Creditors and Claims

See 4.4. The Court may be requested (and it frequently is) to appoint Claims Officers to validate and allow proper claims for (i) voting purposes and (ii) a more intensive and extensive review for distribution of proceeds. These Claims Officers are usually retired judges, experienced insolvency practitioners or experienced insolvency lawyers who may be semi retired from practice.

Officers, Directors, Affiliates

See 3.8.

Reorganization Plan and Process

See 4.1 and 4.2.

4.10 Fast-track/Prepackaged Reorganization Procedures

"Pre-paks" may come to court where the informal out of court restructuring has sufficient support amongst the creditors to pass the vote required to bring the matter to a court sanctioning in order that the hold out creditors will be bound by the Plan and affected by the sanctioned compromise. The application will be made to court for the "immediate" calling of a creditor's vote and thereafter a sanctioning hearing.

Insolvency Treatment of State-owned Enterprises

Technically there would be nothing to prevent a state-owned enterprise (SOE) from filing under one of the above relevant statutes. However it appears to have been "traditional" that when a

SOE gets into trouble in Canada, the relevant government pumps sufficient funds into it to keep it afloat (this may require more injections over time) or to pay off the creditors directly and sell the business to private interests to see if it can be turned around in the private sector (the government may also induce the private purchasers to assume a certain level of the indebtedness).

Under municipal moratorium legislation in Ontario, municipalities are allowed to suspend, compromise or extend the payments on municipal bonds.

Insolvency Treatment for Banks and Financial Institutions

This would generally be done under WURA.

5.0 INSTITUTIONAL FRAMEWORK FOR INSOLVENCY

Role of Governing Institutions/Judicial Authorities

See 3.2, 3.6, 4.2 and 4.6.

Specialization among courts/judges and tribunals

There is no specialized bankruptcy and insolvency court separate and apart from the Superior Court of the province. However the Chief Justice of the Superior Court is authorized to designate any of the judges as “bankruptcy judges”. It is these judges who would technically do all bankruptcy matters; however frequently in centres outside the larger metropolitan areas undesignated judges will deal with uncomplicated bankruptcy matters. However the insolvency bar (and insolvency practitioners) are largely concentrated in the larger centres and bankruptcy cases will therefor gravitate to the larger centres where there are designated judges. However even in the larger centres it is not uncommon for an undesignated judge to deal with uncomplicated matters.

Designated judges will not always sit in bankruptcy. They may be rotated in and out for specified periods or deal with bankruptcy and insolvency matters as demand arises. Toronto Region of the Ontario Superior Court has instituted a Commercial List in 1991. The foundation stone of the List is bankruptcy and insolvency plus creditor rights but the List will also deal with corporate, pension, securities and other complex commercial litigation. Other provinces have what might be termed an informal Commercial List whereby it is understood that unless there are unusual circumstances, all bankruptcy and insolvency and creditor rights cases of any complication would be dealt with by a small cadre of commercially experienced judges.

Organization of the Court

See 5.2. Routine procedural matters and cases involving uncomplicated and standard substantive matters can be assigned to a Registrar in Bankruptcy who is a judicially trained person appointed by the Chief Justice and paid by the Ministry of the Attorney General for the province (as

opposed to judges who are paid by the federal government). Where a Registrar is not available, that work falls on the assigned judges who are usually less efficient because of lack of familiarity developed with routine and a different “cultural” approach in that judges frequently feel constrained to give the uncomplicated matters the same depth of analysis (including giving detailed reasons) as they would for complicated matters. This creates an inefficiency. However it is sometimes salutary for a judge to periodically take on such work to gain a greater appreciation for it when the judge sits in appeal of the Registrar.

Court Operations

The Superior Courts are circuit courts. In the larger centres they will sit on a full time basis; smaller centres may only have periodic sittings as demand and experience dictates. The same philosophy holds true for dealing with bankruptcy and insolvency and creditor rights matters although preference will be accorded these cases over ordinary non-urgent civil cases.

Judicial decision-making

Judges are appointed to the Superior Court on application after a minimum 10 years at the bar. The applications are screened by a 5-member selection committee in each province, the members representing the bench, the bar, the government and the community. Applicants are determined after an intensive review of credentials and references plus independent investigation to be either (i) highly recommended (ii) recommended or (iii) not recommended. The federal cabinet on the recommendation of the Minister of Justice (with possibly considerable input from other Ministers) appoints the judge from either pool (i) or (ii). The appointment is “for life” with mandatory retirement at age 75 and the opportunity to elect to work part-time at age 65. The usual age range for appointment is 47-52. Thus the lawyers appointed are experienced counsel who are familiar with the operations of the courts and the conduct of hearings and trial by experience from the “other side”.

However while lawyers are officers of the court, they also must fearlessly represent their clients as advocates. When they become judges, they must approach all matters on a neutral and objective basis without bias or conflict of interest. They cannot prejudge. It is salutary to have a rotation out of bankruptcy, insolvency and creditor rights matters as it not only tends to refresh the mind but also it prevents one from becoming complacent and feeling that one knows all the law in that area (and therefore there is no need to keep up with changes).

Cogent reasons must be given for each decision. Depending on the complexity of the matter they may be brief or very extensive. However each of the litigants in the case is entitled to know exactly why he won or lost. If taken to appeal, the Appeal Court is entitled to know the reasoning process.

Appellate Process

In Ontario, appeals from the Registrar go to a single judge. Interlocutory or procedural decisions of a single judge go to an intermediate appeal court comprised of three Superior Court judges.

Final substantive matters go directly to the Court of Appeal. It is thereafter possible to seek an appeal to the Supreme Court of Canada.

The appellate courts recognize the urgency of bankruptcy and insolvency matters which are of “real time” nature as opposed to “autopsy” litigation (recognizing that some bankruptcy and insolvency matters are autopsy litigation by their nature or development). They are usually able to accommodate the hearing of an appeal on an expedited basis as is required by the “urgency” of the matter. Appeal courts have also indicated that they will be deferential to the procedural decisions of experienced bankruptcy and insolvency judges in recognition of the real time arena in which these matters play out.

Institutional Integrity

The Canadian judiciary can take considerable and justifiable pride in its reputation for integrity. The machinery for removing judges for misconduct from office is only very infrequently initiated and almost never carried through with (1 or 2 instances in the past 135 years). Complaints to the Canadian Judicial Council frequently are outside the Council’s jurisdiction as they relate to matters which are truly questions for appeal; otherwise the complaints predominantly are sensitivity related and if justified are resolved by sincere apologies together with in effect a reprimand which is contained within the released reasons of the Council.

The judiciary is the third and independent arm of government. The decision in any case is that of the judge alone based upon the evidence and the law. Any Minister of the Government who may approach a judge about a case that the judge is hearing is removed from the Cabinet.

6.0 REGULATORY FRAMEWORK FOR INSOLVENCY

6.1 Existence of System of Regulation

See 3.2, 3.6, 4.2 and 4.6.

Role and Function of Regulatory Body

Lawyers are regulated by their provincial law society, a self-governing body. As well they are officers of the court and responsible for conducting themselves as such.

Insolvency practitioners are frequently chartered accountants who are licensed by their own self-governing body in that general capacity. They may also be licensed trustees in bankruptcy and so supervised by the Office of the Superintendent of Bankruptcy.

Various associations of insolvency practitioners and related persons have developed in the past 15 years. They have various codes of ethics and engage in educational outreach programs. As yet they are not self-governing bodies with discipline powers but they can exert considerable peer pressure.

Role and Function of Office Holders

See 4.4. As court appointed officers or deemed to be officers of the court they owe a duty of objectivity and neutrality to all affected persons in the case and of candour to the Court in any report (which is available to all concerned), even if they have been retained and are effectively being paid by an interested party.

7.0 CROSS-BORDER INSOLVENCY

Recognition of Foreign Cases, Representatives

Chapter XIII of BIA and s. 18.6 CCAA provide for such recognition over and above the tradition of the Canadian courts in extending comity to foreign courts.

The UNCITRAL Model Law was being discussed in draft at the time of the 1997 amendments which led to Chapter XIII and s. 18.6. These amendments contain many of the concepts (although not the specific language) of the Model Law.

Recognition of Foreign Creditors and Claims

There is no distinction between foreign and domestic creditors and their respective claims.

Recognition of Foreign Judgments or Orders

See 7.1.

7.4 Return of Assets to a Foreign Representative

This is permitted.

7.5 Conflict of Law Issues

Canada recognizes the concepts of *forum conveniens* and *forum non conveniens*. Deference to the more appropriate foreign court is usual and unremarkable. Cases which have cross border implications are coordinated to the maximum extent with extensive use of protocols adopted by both courts and encompassing the American Law Institute Guidelines on Court to Court Communications (which guidelines have been variously adopted and endorsed by the Toronto Commercial List Users' Committee, the Insolvency Institute of Canada and the International Insolvency Institute).

Bankruptcy Treaties and Conventions

Canada is not a party to any such treaty or convention.

8.0 PROPOSED OR PENDING LEGISLATION

Bankruptcy and insolvency legislation had not been amended since 1949 until 1992. Included in the 1992 amendments was the provision for a review every 5 years. This led to the 1997 amendments. The current round of amendments is still in the discussion stage but zeroing in on becoming draft legislation, open for debate. It is anticipated that DIP Lending arrangements and authorizations will become formalized with some standards and tests (to date they have been judicially evolved). There is debate whether Part XIII of BIA and s. 18.6 of CCAA should be amended to incorporate all (or most) of the remaining concepts in the UNCITRAL Model Law or replaced in total by the Model Law. The spectre is always raised (essentially by the bureaucrats who may be frustrated with the thought that judges have discretion – even though it has to be judicially exercised) that CCAA will be repealed or more likely folded into BIA and with a great many of the detailed tests incorporated in BIA being extended to whatever survives of CCAA in whatever form. In this regard it should be appreciated that BIA is an extremely detailed and extensive text of 275 sections with many subsections, clauses and subclauses plus a set of Rules and Regulations while CCAA is a general 22 section Act in which the judges are given considerable discretion and are able to rely upon inherent jurisdiction to deal with matters which are unspecified. The preference of those in the field is to leave CCAA as is with minor modifications.

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April 10, 2003