

The Impact of the *Capetown Convention Implementation Act* and Bill C-55 on the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*

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Current Provisions	S.C. 2005, c. 3 ¹	Bill C-55 ²
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Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3

New.	<p>2 In this Act,</p> <p><u>“aircraft objects” has the same meaning as in subsection 2(1) of the International Interests in Mobile Equipment (aircraft equipment) Act;</u></p>	<p>2 In this Act,</p> <p><u>“bargaining agent” means any trade union that has entered into a collective agreement on behalf of the employees of a person;</u></p> <p><u>“collective agreement”, in relation to an insolvent person, means a collective agreement within the meaning of the jurisdiction governing collective bargaining between the insolvent person and a bargaining agent;</u></p> <p><u>“current assets” means unrestricted cash, or any other asset that, in the normal course of operations, is expected to be converted into cash or consumed in the production of income within one year or within the normal operating cycle when it is longer than a year;</u></p>
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¹ *An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment* received Royal Assent on February 24, 2005 and will come into force a day or days to be fixed by order of the Governor in Council.

² *An Act to establish the Wage Earner Protection Program Act, to amend the Bankruptcy and Insolvency Act and the Companies' Creditors Arrangement Act and to make consequential amendments to other Acts* received First Reading in the House of Commons on June 3, 2005. Best efforts were made in producing this blackline of Bill C-55, but, notwithstanding these efforts, there may be errors or omissions in the blacklining. This document is intended to be a guide only and is not a definitive consolidation of the BIA or the CCAA.

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		<p><u>“date of the bankruptcy”, in respect of a person, means the date of</u></p> <p><u>(a) the granting of a bankruptcy order against the person,</u></p> <p><u>(b) the filing or making of an assignment by or in respect of the person, or</u></p> <p><u>(c) the event that causes an assignment by the person to be deemed;</u></p> <p><u>“director” includes any individual, however designated, acting in any capacity that is similar to that of a director of a corporation;</u></p> <p><u>“income trust” means a trust</u></p> <p><u>(a) that has assets in Canada, and</u></p> <p><u>(b) the units of which are traded on a prescribed stock exchange;</u></p> <p><u>“time of the bankruptcy”, in respect of a person, means the time of</u></p> <p><u>(a) the granting of a bankruptcy order against the person,</u></p> <p><u>(b) the filing of an assignment by or in respect of the person, or</u></p> <p><u>(c) the event that causes an assignment by the person to be deemed;</u></p> <p><u>“transfer at undervalue” means a transaction in which the consideration received by a person is conspicuously less than the fair market value of the property or services sold or disposed of by the person in the transaction;</u></p>

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<p>2 In this Act,</p> <p>“court” except in paragraphs 178(1)(a) and (a.1) and sections 204.1 to 204.3 and subject to subsection 243(1), means the court having jurisdiction in bankruptcy or a judge thereof, and includes a registrar when exercising the powers of the court conferred on a registrar under this Act;</p> <p>“creditor” means a person having a claim, unsecured, preferred by virtue of priority under section 136 or secured, provable as a claim under this Act;</p> <p>“locality of a debtor”, means the principal place</p> <p>(a) where the debtor has carried on business during the year immediately preceding his bankruptcy,</p> <p>(b) where the debtor has resided during the year immediately preceding his bankruptcy, or</p> <p>(c) in cases not coming within paragraph (a) or (b), where the greater portion of the property of the debtor is situated;</p> <p>“person” includes a partnership, an unincorporated association, a corporation, a cooperative society or an organization, the successors of a partnership, association, corporation, society or organization, and the heirs, executors, liquidators of the succession, administrators or other legal representative of a person, according to the law of that part of Canada to which the context extends;</p>		<p>2 In this Act,</p> <p>“court”, except in paragraphs 178(1)(a) and (a.1) and sections 204.1 to 204.3 ^ <u>means a court referred to in subsections 183(1) and (1.1)</u> or a judge ^ <u>of that court</u>, and includes a registrar when exercising the powers of the court conferred on a registrar under this Act;</p> <p>“creditor” means a person having a claim ^ provable as a claim under this Act;</p> <p>“locality of a debtor” means the principal place</p> <p>(a) where the debtor has carried on business during the year immediately preceding ^ <u>the date of the initial bankruptcy event</u>,</p> <p>(b) where the debtor has resided during the year immediately preceding ^ <u>the date of the initial bankruptcy event</u>, or</p> <p>(c) in cases not coming within paragraph (a) or (b), where the greater portion of the property of the debtor is situated;</p> <p>“person” includes a partnership, an unincorporated association, a corporation, a cooperative society, ^ an organization <u>or an income trust</u>, the successors of a partnership, <u>of an</u> association, <u>of a</u> corporation, <u>of a</u> society, ^ <u>of an</u> organization <u>or of an income trust</u>, and the heirs, executors, liquidators of the succession, administrators or other legal representative ^ <u>of a person</u>;</p>
<p>2 In this Act,</p> <p>“settlement” includes a contract, covenant, transfer,</p>		<p>Repealed.</p>

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gift and designation of beneficiary in an insurance contract, to the extent that the contract, covenant, transfer, gift or designation is gratuitous or made for merely nominal consideration;		
<p>2.1 For the purposes of this Act, the bankruptcy or putting into bankruptcy of a person occurs at the time or date of</p> <p>(a) the granting of a bankruptcy order against the person;</p> <p>(b) the filing of an assignment by or in respect of the person; or</p> <p>(c) the event that causes an assignment by the person to be deemed.</p>		Repealed.
New.		<u>2.1 A change in the designation of a beneficiary in an insurance contract is deemed to be a disposition of property for the purpose of this Act.</u>
<p>3. (1) For the purposes of this Act, a person who has entered into a transaction with another person otherwise than at arm's length shall be deemed to have entered into a reviewable transaction.</p> <p>(2) It is a question of fact whether persons not related to one another within the meaning of section 4 were at a particular time dealing with each other at arm's length.</p> <p>(3) Persons related to each other within the meaning of section 4 shall be deemed not to deal with each other at arm's length while so related.</p>		Repealed.
New.		4 (1) In this section,

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<p>4 (2) For the purposes of this Act, persons are related to each other and are "related persons" if they are</p> <p>...</p> <p>(b) a corporation and</p> <p>(i) a person who controls the corporation, if it is controlled by one person,</p> <p>(ii) a person who is a member of a related group that controls the corporation, or</p> <p>(iii) any person connected in the manner set out in paragraph (a) to a person described in subparagraph (i) or (ii); or</p> <p>(c) two corporations</p> <p>(i) controlled by the same person or group of persons,</p> <p>(ii) each of which is controlled by one person and the person who controls one of the corporations is related to the person who controls the other corporation,</p> <p>(iii) one of which is controlled by one person and that person is related to any member of a related group that controls the other corporation,</p> <p>(iv) one of which is controlled by one person and that person is related to each member of an unrelated group that controls the other corporation,</p> <p>(v) one of which is controlled by a related group a</p>		<p><u>"entity" means a person other than an individual;</u></p> <p>4 (2) For the purposes of this Act, persons are related to each other and are "related persons" if they are</p> <p>...</p> <p>(b) ^ <u>an entity</u> and</p> <p>(i) a person who controls the ^ <u>entity</u>, if it is controlled by one person,</p> <p>(ii) a person who is a member of a related group that controls the ^ <u>entity</u>, or</p> <p>(iii) any person connected in the manner set out in paragraph (a) to a person described in subparagraph (i) or (ii); or</p> <p>(c) two ^ <u>entities</u></p> <p>(i) <u>both</u> controlled by the same person or group of persons,</p> <p>(ii) each of which is controlled by one person and the person who controls one of the ^ <u>entities</u> is related to the person who controls the other ^ <u>entity</u>,</p> <p>(iii) one of which is controlled by one person and that person is related to any member of a related group that controls the other ^ <u>entity</u>,</p> <p>(iv) one of which is controlled by one person and that person is related to each member of an unrelated group that controls the other ^ <u>entity</u>,</p> <p>(v) one of which is controlled by a related group a member of which is related to each member of an unrelated group that controls the other ^ <u>entity</u>, or</p>

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<p>member of which is related to each member of an unrelated group that controls the other corporation, or</p> <p>(vi) one of which is controlled by an unrelated group each member of which is related to at least one member of an unrelated group that controls the other corporation.</p>		<p>(vi) one of which is controlled by an unrelated group each member of which is related to at least one member of an unrelated group that controls the other [^] <u>entity</u>.</p>
<p>4 (3) For the purposes of this section,</p> <p>(a) where two corporations are related to the same corporation within the meaning of subsection (2), they shall be deemed to be related to each other;</p> <p>(b) where a related group is in a position to control a corporation, it shall be deemed to be a related group that controls the corporation whether or not it is part of a larger group by whom the corporation is in fact controlled;</p> <p>(c) a person who has a right under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, shares in a corporation, or to control the voting rights of shares in a corporation, shall, except where the contract provides that the right is not exercisable until the death of an individual designated therein, be deemed to have the same position in relation to the control of the corporation as if he owned the shares;</p> <p>(d) where a person owns shares in two or more corporations, he shall, as shareholder of one of the corporations, be deemed to be related to himself as shareholder of each of the other corporations;</p> <p>...</p>		<p>4 (3) For the purposes of this section,</p> <p>(a) [^] <u>if</u> two [^] <u>entities</u> are related to the same [^] <u>entity</u> within the meaning of subsection (2), they [^] <u>are</u> deemed to be related to each other;</p> <p>(b) [^] <u>if</u> a related group is in a position to control [^] <u>an entity</u>, it is deemed to be a related group that controls the [^] <u>entity</u> whether or not it is part of a larger group by whom the [^] <u>entity</u> is in fact controlled;</p> <p>(c) a person who has a right under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, [^] <u>ownership interests, however designated, in an entity</u>, or to control the voting rights [^] <u>in an entity</u>, <u>is</u>, except when the contract provides that the right is not exercisable until the death of an individual designated [^] <u>in the contract</u>, [^] deemed to have the same position in relation to the control of the [^] <u>entity</u> as if [^] <u>the person</u> owned the ownership interests;</p> <p>(d) [^] <u>if</u> a person [^] <u>has ownership interests</u> in two or more [^] <u>entities</u>, <u>the person is, as holder of any ownership interest in one of the entities</u>, deemed to be related to himself <u>or herself</u> as [^] <u>holder of any ownership interest in each of the other entities</u>;</p> <p>...</p>

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New.		<p>4 (4) It is a question of fact whether persons not related to one another were at a particular time dealing with each other at arm's length.</p> <p>(5) Persons related to each other are deemed not to deal with each other at arm's length while so related.</p>
<p>5 (1) The Governor in Council shall appoint a Superintendent of Bankruptcy to hold office during pleasure who shall be paid such salary as the Governor in Council may fix.</p>		<p>5 (1) The Governor in Council shall appoint a Superintendent of Bankruptcy to hold office during ^ <u>good behaviour for a term of not more than five years, but the Superintendent may be removed from office by the Governor in Council for cause. The Superintendent's term may be renewed for one or more further terms.</u></p> <p>(1.1) The Superintendent shall be paid the salary that the Governor in Council may fix.</p>
<p>5 (3) The Superintendent shall, without limiting the authority conferred by subsection (2),</p> <p>...</p> <p>(b) [Repealed]</p> <p>...</p> <p>(e) from time to time make or cause to be made such inspection or investigation of estates or other matters to which this Act applies, including the conduct of a trustee or a trustee acting as a receiver or interim receiver, as the Superintendent may deem expedient and for the purpose of the inspection or investigation the Superintendent or any person appointed by the Superintendent for the purpose shall have access to and the right to examine and make copies of all books, records, data, including data in electronic form, documents and papers pertaining or relating to any estate or other matter to which this Act applies;</p> <p>...</p>		<p>5 (3) The Superintendent shall, without limiting the authority conferred by subsection (2),</p> <p>...</p> <p><u>(b) monitor the conditions that led to a trustee being issued a licence to determine whether those conditions continue to exist after the licence has been issued and take the appropriate action if he or she determines that the conditions no longer exist;</u></p> <p>...</p> <p>(e) from time to time, make or cause to be made ^ <u>any inquiry or investigation of estates or other matters to which this Act applies, including the conduct of a trustee or a trustee acting as a receiver, within the meaning of subsection 243(2), or as an interim receiver, ^ that the Superintendent ^ considers appropriate, and for the purpose of the ^ inquiry or investigation the Superintendent or any person appointed by the Superintendent for the purpose shall have access to and the right to examine and make copies of all books, records, data, including data in electronic form,</u></p>

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		documents and papers, ^ <u>that are relevant to an inquiry or investigation pertaining or relating to any estate or other matter to which this Act applies;</u> ...
5 (4) The Superintendent may ... (d) issue directives governing the criteria to be applied by the Superintendent in determining whether a trustee licence is to be issued to a person and governing the qualifications and activities of trustees; and ...		5 (4) The Superintendent may ... (d) issue directives governing the criteria to be applied by the Superintendent in determining whether a trustee licence is to be issued to a person and governing the qualifications and activities of trustees; ^ <u>(d.1) issue directives respecting the rules governing hearings for the purposes of section 14.02; and</u> ...
6 (1) The Superintendent may engage such persons as the Superintendent may deem advisable to conduct any inspection or investigation or to take any other necessary action outside of the office of the Superintendent, and the cost and expenses thereof shall, when certified by the Superintendent, be payable out of the appropriation for the office of the Superintendent.		6 (1) The Superintendent may engage ^ <u>any persons that the Superintendent considers</u> advisable to conduct any ^ <u>inquiry</u> or investigation or to take any other necessary action outside of the office of the Superintendent, and the cost and expenses ^ <u>of those persons</u> shall, when certified by the Superintendent, be payable out of the appropriation for the office of the Superintendent.
10 (1) Where, on information supplied by an official receiver, trustee or other person, the Superintendent suspects, on reasonable grounds, that a person has, in connection with any estate or matter to which this Act applies, committed an offence under this Act or any other Act of Parliament, the Superintendent may, if it appears to the Superintendent that the alleged offence might not otherwise be investigated, make or cause to be made such inquiries or investigations as the Superintendent deems expedient with respect to the conduct, dealings and transactions of the debtor concerned, the causes of the bankruptcy or insolvency of the debtor and the disposition of the		10 (1) ^ <u>If</u> , on information supplied by an official receiver, trustee or other person, the Superintendent suspects, on reasonable grounds, that a person has, in connection with any estate or matter to which this Act applies, committed an offence under this ^ or any other Act of Parliament, the Superintendent may, if it appears to the Superintendent that the alleged offence might not otherwise be investigated, make or cause to be made ^ <u>any inquiries or investigations</u> ^ <u>that the Superintendent considers appropriate.</u>

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property of the debtor.		
<p>10 (3) If, on the application of the Superintendent or the Superintendent's authorized representative, a subpoena has been issued by the court, the Superintendent may, for the purpose of an investigation under subsection (1), examine or cause to be examined under oath before the registrar of the court or other authorized person, the debtor, any person who the Superintendent suspects, on reasonable grounds, has knowledge of the affairs of the debtor, or any person who is or has been an agent or a mandatary, or a clerk, a servant, an officer, a director or an employee of the debtor, with respect to the conduct, dealings and transactions of the debtor, the causes of the bankruptcy or insolvency of the debtor, and the disposition of the property of the debtor, and may order any person liable to be so examined to produce any books, records, papers or documents in the person's possession or under the control of the person relating to the debtor and the conduct, dealings and transactions of the debtor, the causes of the bankruptcy or insolvency of the debtor or the disposition of the debtor's property.</p>		<p>10 (3) If, on the application of the Superintendent or the Superintendent's authorized representative, a subpoena has been issued by the court, the Superintendent may, for the purpose of an <u>inquiry or</u> investigation under subsection (1), examine or cause to be examined under oath before the registrar of the court or other authorized person, <u>the trustee</u>, the debtor, any person who the Superintendent suspects, on reasonable grounds, has knowledge of the affairs of the debtor, or any person who is or has been an agent or a mandatary, or a clerk, a servant, an officer, a director or an employee of the debtor <u>or the trustee</u>, with respect to the conduct, dealings and transactions of the debtor, the causes of the bankruptcy or insolvency of the debtor, the disposition of the ^ <u>debtor's property or the administration of the estate</u>, and may order any person liable to be so examined to produce any books, records, ^ <u>data, including data in electronic form, documents or papers</u> in the person's possession or under the person's control ^.</p>
<p>13 (3) The Superintendent may refuse to issue a licence to an applicant who is insolvent or has been convicted of an indictable offence.</p>		<p>13 (3) The Superintendent may refuse to issue a licence to an applicant who is insolvent or has been <u>found guilty</u> of an indictable offence <u>that, in the Superintendent's opinion, is of a character that would impair the trustee's capacity to perform his or her fiduciary duties.</u></p>
<p>13.2 (5) A licence may be suspended or cancelled by the Superintendent</p> <p>(a) if the trustee is convicted of an indictable offence; ...</p>		<p>13.2 (5) A licence may be suspended or cancelled by the Superintendent</p> <p>(a) if the trustee <u>has been found guilty</u> of an indictable offence <u>that, in the Superintendent's opinion, is of a character that would impair the trustee's capacity to perform his or her fiduciary duties;</u></p>

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		...
New.		<u>13.3 (1.1) A trustee who applies for the permission of the court for the purposes of subsection (1) shall without delay send a copy of the application to the Superintendent.</u>
<p>13.3 (2) No trustee shall act as a trustee in relation to the estate of a debtor where the trustee is already</p> <p>(a) the trustee in the bankruptcy of, or in a proposal concerning, any person related to the debtor, or</p> <p>(b) the receiver or the liquidator of the property of any person related to the debtor,</p> <p>without making, at the time of being appointed as trustee in relation to the estate of the debtor and at the first meeting of creditors, full disclosure of that fact and of the potential conflict of interest.</p>		<p>13.3 (2) No trustee shall act as a trustee in relation to the estate of a debtor where the trustee is already</p> <p>(a) the trustee in the bankruptcy of, or in a proposal concerning, any person related to the debtor, or</p> <p>(b) the receiver, <u>within the meaning of subsection 243(2),</u> or the liquidator of the property of any person related to the debtor,</p> <p>without making, at the time of being appointed as trustee in relation to the estate of the debtor and at the first meeting of creditors, full disclosure of that fact and of the potential conflict of interest.</p>
<p>13.4 (1) No trustee shall, while acting as the trustee of an estate, act for or assist a secured creditor of the estate to assert any claim against the estate or to realize or otherwise deal with the security that the secured creditor holds, unless the trustee has obtained a written opinion of a legal counsel who does not act for the secured creditor that the security is valid and enforceable as against the estate.</p>		<p>13.4 (1) No trustee shall, while acting as the trustee of an estate, act for or assist a secured creditor of the estate to assert any claim against the estate or to realize or otherwise deal with the security that the secured creditor holds, unless the trustee has obtained a written opinion of ^ legal counsel who ^ <u>has not acted</u> for the secured creditor <u>in the previous two years and is not related to the trustee</u> that the security is valid and enforceable as against the estate.</p>
<p>13.5 A trustee shall comply with such code of ethics respecting the conduct of trustees as may be prescribed.</p>		<p>13.5 A trustee shall comply with ^ <u>the prescribed Code of Ethics.</u></p>
<p>13.6 A trustee shall not engage the services of a person whose trustee licence has been cancelled</p>		<p>13.6 A trustee shall not engage the services of a person ^</p>

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<p>under paragraph 13.2(5)(a) or subsection 14.01(1).</p>		<p><u>(a) whose trustee licence has been cancelled under paragraph 13.2(5)(a) or subsection 14.01(1); or</u></p> <p><u>(b) who is the subject of a direction made by the Superintendent under paragraph 14.03(1)(d).</u></p>
<p>14.01 (1) Where, after making or causing to be made an investigation into the conduct of a trustee, it appears to the Superintendent that</p> <p>...</p> <p>(e) place such conditions or limitations on the licence as the Superintendent considers appropriate including a requirement that the trustee successfully take an exam or enrol in a proficiency course, and</p> <p>(f) require the trustee to make restitution to the estate of such amount of money as the estate has been deprived of as a result of the trustee's conduct.</p>		<p>14.01 (1) Where, after making or causing to be made an investigation into the conduct of a trustee, it appears to the Superintendent that</p> <p>...</p> <p>(e) place such conditions or limitations on the licence as the Superintendent considers appropriate including a requirement that the trustee successfully take an exam or enrol in a proficiency course, ^</p> <p>(f) require the trustee to make restitution to the estate of such amount of money as the estate has been deprived of as a result of the trustee's conduct; <u>and</u></p> <p><u>(g) require the trustee to do anything that the Superintendent considers appropriate and that the trustee has agreed to.</u></p>
<p>14.02 (1) Where the Superintendent intends to exercise any of the powers referred to in subsection 14.01(1), the Superintendent shall send the trustee written notice of the powers that the Superintendent intends to exercise and the reasons therefor and afford the trustee a reasonable opportunity for a hearing.</p>		<p>14.02 (1) ^ <u>Before deciding whether to exercise any of the powers referred to in subsection 14.01(1),</u> the Superintendent shall send the trustee written notice of the powers that the Superintendent ^ <u>may exercise and the reasons why they may be exercised</u> and afford the trustee a reasonable opportunity for a hearing.</p>
<p>New.</p>		<p><u>14.02 (1.1) The Superintendent may, for the purpose of the hearing, issue a subpoena or other request or summons, requiring and commanding any person named in it</u></p> <p><u>(a) to appear at the time and place mentioned in it;</u></p>

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		<p><u>(b) to testify to all matters within his or her knowledge relative to the subject-matter of the investigation into the conduct of the trustee; and</u></p> <p><u>(c) to bring and produce any books, records, data, including data in electronic form, documents or papers in the person's possession or under the person's control relative to the subject-matter of the investigation.</u></p> <p><u>(1.2) A person may be summoned from any part of Canada by virtue of a subpoena, request or summons issued under subsection (1.1).</u></p> <p><u>(1.3) Any person summoned under subsection (1.1) is entitled to receive the like fees and allowances for so doing as if summoned to attend before the Federal Court.</u></p>
<p>14.03 (1) The Superintendent may, for the protection of an estate in the circumstances referred to in subsection (2),</p> <p>...</p>		<p>14.03 (1) <u>^ Subject to subsection (2), the Superintendent may, for the protection of an estate, the rights of the creditors or the debtor,</u></p> <p>...</p>
<p>14.03 (2) The circumstances in which the Superintendent is authorized to exercise the powers set out in subsection (1) are where</p> <p>...</p> <p>(b) the Superintendent makes or causes to be made any investigation pursuant to paragraph 5(3)(e);</p> <p>...</p> <p>(f) a trustee is convicted of an indictable offence or has failed to comply with any of the conditions or limitations to which the trustee's licence is subject; or</p> <p>...</p>		<p>14.03 (2) The circumstances in which the Superintendent is authorized to exercise the powers set out in subsection (1) are where</p> <p>...</p> <p>(b) the Superintendent makes or causes to be made any <u>inquiry or</u> investigation <u>^ under</u> paragraph 5(3)(e);</p> <p>...</p> <p>(f) a trustee <u>^ has been found guilty of an indictable offence that, in the Superintendent's opinion, is of a character that would impair the trustee's capacity to perform the trustee's fiduciary duties,</u> or has failed to comply with any of the conditions or limitations to which the trustee's licence is subject; or</p> <p>...</p>

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<p>14.06 (1.1) In subsections (1.2) to (6), a reference to a trustee means a trustee in a bankruptcy or proposal and includes an interim receiver or a receiver within the meaning of subsection 243(2).</p>		<p>14.06 (1.1) In subsections (1.2) to (6), a reference to a trustee means a trustee in a bankruptcy or proposal and includes ^</p> <p><u>(a) an interim receiver;</u></p> <p><u>(b) a receiver within the meaning of subsection 243(2);</u> <u>and</u></p> <p><u>(c) any other person who has been lawfully appointed to take, or has lawfully taken, possession or control of any property of an insolvent person or a bankrupt that was acquired for, or is used in relation to, a business carried on by the insolvent person or bankrupt.</u></p>
<p>14.06 (1.2) Notwithstanding anything in any federal or provincial law, where a trustee carries on in that position the business of the debtor or continues the employment of the debtor's employees, the trustee is not by reason of that fact personally liable in respect of any claim against the debtor or related to a requirement imposed on the debtor to pay an amount where the claim arose before or upon the trustee's appointment.</p>		<p>14.06 (1.2) ^ <u>Despite</u> anything in any federal or provincial law, ^ <u>if</u> a trustee carries on in that position the business of the debtor or continues the employment of the debtor's employees, the trustee is not by reason of that fact personally liable in respect of any claim against the debtor or related to a requirement imposed on the debtor to pay an amount ^ <u>if the claim is in relation to a debt or liability, present or future, to which the debtor is subject on the day on which the trustee is appointed.</u></p>
<p>19 (3) The trustee shall verify the bankrupt's statement of affairs.</p>		<p>See section 21.</p>
<p>21 The trustee may initiate such criminal proceedings as may be authorized by the creditors, the inspectors or the court against any person believed to have committed an offence under this Act.</p>		<p>Repealed.</p>
<p>See subsection 19(3).</p>		<p>^ <u>21</u> The trustee shall verify the bankrupt's statement of affairs <u>referred to in paragraph 158(d).</u></p>
<p>25 (1) Subject to subsections (1.1) and (1.2), a trustee</p>		<p>25 (1) ^ <u>When acting under the authority of this Act, a</u></p>

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<p>shall forthwith deposit in a bank all moneys received for an estate in a separate trust account for each estate.</p> <p>(1.1) The trustee may deposit moneys pursuant to subsection (1) in a deposit-taking institution, other than a bank as defined in section 2, only if deposits held by that institution are insured or guaranteed under a provincial or federal enactment that provides depositors with protection against the loss of money on deposit with that institution.</p> <p>(1.2) Where moneys referred to in subsection (1) are situated in a country other than Canada, the trustee may, where authorized by the Superintendent, deposit the moneys in a financial institution in that country that is similar to a bank.</p> <p>(1.3) The trustee shall not withdraw any money from the trust account of an estate without the permission in writing of the inspectors or, on application, the court, except for the payment of dividends and charges incidental to the administration of the estate.</p>		<p>trustee shall, <u>without delay</u>, deposit in a bank all <u>funds</u> received for an estate in a separate trust account for each estate.</p> <p>(1.1) The trustee may deposit the funds ^ in a deposit-taking institution, other than a bank as defined in section 2, only if deposits held by that institution are insured or guaranteed under a provincial or federal enactment that provides depositors with protection against the loss of ^ <u>funds</u> on deposit with that institution.</p> <p>(1.2) ^ <u>If the funds</u> ^ are situated in a country other than Canada, the trustee may, ^ <u>if</u> authorized by the Superintendent, deposit ^ <u>them</u> in a financial institution in that country that is similar to a bank.</p> <p>(1.3) The trustee shall not withdraw any ^ <u>funds</u> from the trust account of an estate without the permission in writing of the inspectors or, on application, the court, except for the payment of dividends and charges incidental to the administration of the estate.</p>
New.		<p><u>25 (1.4) A trustee may, with the permission of the court, invest the funds in short-term securities of the Government of Canada or the government of a province held in trust for the estate.</u></p>
25 (3) The trustee shall not deposit any sums received by the trustee in the trustee's official capacity as a trustee in any banking account kept by the trustee for the trustee's personal use.		<p>25 (3) The trustee shall not deposit any ^ <u>funds</u> received by the trustee ^ <u>when acting under the authority of this Act</u> in any banking account kept by the trustee for the trustee's personal use.</p>
28 (1) The trustee shall, forthwith after their receipt or preparation, mail to the Superintendent true copies of the documents referred to in section 155 and a true copy of		<p>28 (1) The trustee shall, ^ <u>without delay</u> after their receipt or preparation, ^ <u>send</u> to the Superintendent, <u>in the prescribed manner</u>, true copies of the documents referred to in section 155 and a true copy of</p>

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...		...
<p>29 (2) Every trustee before proceeding to his discharge shall, unless he has already done so, prepare and file the reports referred to in sections 170 and 171 and forward a copy of each to the Superintendent.</p>		<p>Repealed.</p>
<p>New.</p>		<p><u>30 (3) If no inspectors are appointed, the trustee may do all or any of the things referred to in subsection (1).</u></p> <p><u>(4) The trustee may sell or otherwise dispose of any of the bankrupt's property to a person who is related to the bankrupt only with the court's authorization.</u></p> <p><u>(5) For the purpose of subsection (4), in the case of a bankrupt other than an individual, a person who is related to the bankrupt includes a person who controls the bankrupt, a director or an officer of the bankrupt and a person who is related to a director or an officer of the bankrupt.</u></p> <p><u>(6) In deciding whether to grant the authorization, the court must consider, among other things,</u></p> <p><u>(a) whether the process leading to the proposed sale or disposal of the property was reasonable in the circumstances;</u></p> <p><u>(b) the extent to which the creditors were consulted in respect of the proposed sale or disposal;</u></p> <p><u>(c) the effects of the proposed sale or disposal on creditors and other interested parties;</u></p> <p><u>(d) whether the consideration to be received for the property is reasonable and fair, taking into account the market value of the property;</u></p>

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		<p>(e) <u>whether good faith efforts were made to sell or dispose of the property to persons who are not related to the bankrupt; and</u></p> <p>(f) <u>whether the consideration to be received is superior to the consideration that would be received under all other offers actually received in respect of the property.</u></p>
<p>31 (1) With the permission of the court, an interim receiver or a trustee, prior to the appointment of inspectors, may make necessary or advisable advances, incur obligations, borrow money and give security on the property of the debtor in such amounts, on such terms and on such property as may be authorized by the court and those advances, obligations and money borrowed shall be repaid out of the property of the debtor in priority to the claims of the creditors.</p> <p>(2) For the purpose of giving security under section 427 of the Bank Act, the trustee or interim receiver if authorized to carry on the business of the bankrupt is deemed to be a person engaged in the class of business previously carried on by the bankrupt.</p>		<p>31 (1) With the permission of the court, an interim receiver, <u>a receiver within the meaning of subsection 243(2)</u> or a trustee ^ may make necessary or advisable advances, incur obligations, borrow money and give security on the ^ <u>debtor's property</u> in ^ <u>any</u> amount, on ^ <u>any</u> terms and on ^ <u>any</u> property ^ <u>that</u> may be authorized by the court and those advances, obligations and money borrowed ^ <u>must</u> be repaid out of the ^ <u>debtor's property</u> in priority to ^ <u>the creditors' claims.</u></p> <p>(2) For the purpose of giving security under section 427 of the Bank Act, the ^ <u>interim receiver, receiver or trustee, when carrying on the business of the bankrupt,</u> is deemed to be a person engaged in the class of business previously carried on by the bankrupt.</p>
<p>33 (1) The court may make an order providing for the sale of any or all of the assets of the estate of the bankrupt, either by tender, private sale or public auction, setting out the terms and conditions of the sale and directing that the proceeds therefrom shall be used for the purpose of reimbursing the trustee in respect of any costs that may be owing to him or of any moneys he may have advanced for the benefit of the estate.</p>		<p>33 ^ The court may make an order providing for the sale of any or all of the assets of the estate of the bankrupt, either by tender, private sale or public auction, setting out the terms and conditions of the sale and directing that the proceeds ^ <u>from the sale are to</u> be used for the purpose of reimbursing the trustee in respect of any costs that may be owing to ^ <u>the trustee</u> or of any moneys ^ <u>the trustee</u> may have advanced ^ <u>as disbursements</u> for the benefit of the estate.</p>
<p>New.</p>		<p>34 (3) <u>The trustee must send notice to the Superintendent's division office of the day and time</u></p>

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		<p><u>when any application for directions made under subsection (1) is to be heard and of the day and time when the trustee intends to report to the court as required by the Superintendent under subsection (2).</u></p>
<p>35 (3) Where a bankrupt is an individual, a notice referred to in subsection (1) is operative only during the three month period immediately following the date of bankruptcy unless the court, on application, extends that period on such terms as the court considers fit.</p>		<p>35 (3) ^ <u>If</u> a bankrupt is an individual, a notice referred to in subsection (1) is operative only during the three-month period immediately ^ <u>after</u> the date of <u>the</u> bankruptcy unless the court, on application, extends that period on ^ <u>any terms that it considers fit.</u></p>
<p>36 (1) On the appointment of a substituted trustee, the former trustee shall forthwith pass his accounts before the court and deliver to the substituted trustee all the property of the estate, together with all books, records and documents of the bankrupt and of the administration.</p> <p>(2) A substituted trustee shall ... (b) if appointed by the creditors, file with the court a copy of the minutes of the meeting signed by the chairman; ...</p>		<p>36 (1) On the appointment of a substituted trustee, the former trustee shall ^ <u>without delay</u> pass his <u>or her</u> accounts before the court and deliver to the substituted trustee all the property of the estate, together with all books, records and documents of the bankrupt and of the administration <u>of the estate, as well as a statement of receipts and disbursements that contains a complete account of all moneys received by the trustee out of the property of the bankrupt or otherwise, the amount of interest received by the trustee, all moneys disbursed and expenses incurred and the remuneration claimed by the trustee, together with full particulars, description and value of all the bankrupt's property that has not been sold or realized, setting out the reason why the property has not been sold or realized and the disposition made of the property.</u></p> <p>(2) A substituted trustee shall ... (b) if appointed by the creditors, file with the court a copy of the minutes of the meeting signed by the ^ chair;</p>
<p>40 (1) With the permission of the inspectors, any property of a bankrupt found incapable of realization</p>		<p>40 (1) ^ <u>Any property of a bankrupt that is listed in the statement of affairs referred to in paragraph 158(d) or</u></p>

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<p>shall be returned to the bankrupt prior to the trustee's application for discharge.</p>		<p><u>otherwise disclosed to the trustee before the bankrupt's discharge and that is found incapable of realization ^ must be returned to the bankrupt ^ before the trustee's application for discharge, but if inspectors have been appointed, the trustee may do so only with their permission.</u></p>
<p>47 (1) Where the court is satisfied that a notice is about to be sent or has been sent under subsection 244(1), the court may, subject to subsection (3), appoint a trustee as interim receiver of all or any part of the debtor's property that is subject to the security to which the notice relates, for such term as the court may determine.</p>		<p>47 (1) ^ <u>If</u> the court is satisfied that a notice is about to be sent or has been sent under subsection 244(1), ^ <u>it</u> may, subject to subsection (3), appoint a trustee as interim receiver of all or any part of the debtor's property that is subject to the security to which the notice relates ^ <u>until the earliest of</u></p> <p><u>(a) the appointment of a receiver within the meaning of subsection 243(2) in respect of any of the debtor's property,</u></p> <p><u>(b) the filing of or making of an assignment by or in respect of the debtor,</u></p> <p><u>(c) the granting of a bankruptcy order against the debtor,</u></p> <p><u>(d) the filing of or making of a proposal by or in respect of the debtor,</u></p> <p><u>(e) the filing of a notice of intention by the debtor, and</u></p> <p><u>(f) the expiry of 60 days after the appointment, or any period specified by the court.</u></p>
<p>47 (2) The court may direct an interim receiver appointed under subsection (1) to do any or all of the following:</p> <p>(a) take possession of all or part of the debtor's property mentioned in the appointment;</p>		<p>47 (2) The court may direct an interim receiver appointed under subsection (1) to do any or all of the following:</p> <p>(a) take possession of all or part of the debtor's property mentioned in the appointment; <u>and</u></p>

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<p>(b) exercise such control over that property, and over the debtor's business, as the court considers advisable; and</p> <p>(c) take such other action as the court considers advisable.</p>		<p>(b) exercise such control over that property, and over the debtor's business, as the court considers advisable.</p> <p>^</p>
<p>47.1 (1) Where a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1), the court may at any time thereafter, subject to subsection (3), appoint as interim receiver of all or any part of the debtor's property, for such term as the court may determine, ...</p>		<p>47.1 (1) If a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1), the court may at any time ^ <u>after the filing</u>, subject to subsection (3), appoint as interim receiver of all or any part of the debtor's property, ^ ...</p>
<p>New.</p>		<p><u>47.1 (1.1) The appointment expires on the earliest of</u></p> <p><u>(a) the appointment of a receiver within the meaning of subsection 243(2) in respect of any of the debtor's property,</u></p> <p><u>(b) the filing of or making of an assignment by or in respect of the debtor,</u></p> <p><u>(c) the event that causes an assignment by the debtor to be deemed,</u></p> <p><u>(d) the granting of a bankruptcy order against the debtor, and</u></p> <p><u>(e) the day on which the court approves the proposal.</u></p>
<p>47.1 (2) The court may direct an interim receiver appointed under subsection (1) to do any or all of the following:</p> <p>(a) carry out the duties set out in subsection 50(10) or 50.4(7), in substitution for the trustee referred to</p>		<p>47.1 (2) The court may direct an interim receiver appointed under subsection (1) to do any or all of the following:</p> <p>(a) carry out the duties set out in subsection 50(10) or 50.4(7), in substitution for the trustee referred to in that</p>

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<p>in that subsection or jointly with that trustee;</p> <p>(b) take possession of all or part of the debtor's property mentioned in the order of the court;</p> <p>(c) exercise such control over that property, and over the debtor's business, as the court considers advisable; and</p> <p>(d) take such other action as the court considers advisable.</p>		<p>subsection or jointly with that trustee;</p> <p>(b) take possession of all or part of the debtor's property mentioned in the order of the court; <u>and</u></p> <p>(c) exercise such control over that property, and over the debtor's business, as the court considers advisable.</p> <p>^</p>
<p>47.2 (3) With respect to interim receivers appointed under section 46, 47 or 47.1,</p> <p>(a) the form and content of their accounts,</p> <p>(b) the procedure for the preparation and taxation of those accounts, and</p> <p>(c) the procedure for the discharge of the interim receiver</p> <p>shall be as prescribed.</p>		<p>47.2 (3) With respect to interim receivers appointed under section 46, 47 or 47.1,</p> <p>(a) the form and content of their accounts, <u>including their final statement of receipts and disbursements,</u></p> <p>(b) the procedure for the preparation and taxation of those accounts, and</p> <p>(c) the procedure for the discharge of the interim receiver</p> <p>shall be as prescribed.</p>
<p>49 (2) The assignment made under subsection (1) shall be accompanied by a sworn statement in the prescribed form showing the property of the debtor divisible among his creditors, the names and addresses of all his creditors and the amounts of their respective claims and the nature of each, whether secured, preferred or unsecured.</p>		<p>49 (2) The assignment ^ <u>must</u> be accompanied by a sworn statement in the prescribed form showing ^ <u>the debtor's property that is divisible among his or her creditors,</u> the names and addresses of all his <u>or her</u> creditors and the amounts of their respective claims ^.</p>
<p>50 (2) Subject to section 50.4, proceedings for a proposal shall be commenced in the case of an insolvent person by lodging with a licensed trustee, and in the case of a bankrupt by lodging with the</p>		<p>50 (2) Subject to section 50.4, proceedings for a proposal shall be commenced, in the case of an insolvent person, by ^ <u>filing</u> with a licensed trustee, and in the case of a bankrupt, by ^ <u>filing</u> with the trustee of</p>

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<p>trustee of the estate, a copy of the proposal in writing setting out the terms of the proposal and the particulars of any securities or sureties proposed, signed by the person making the proposal and the proposed sureties if any, and</p> <p>(a) if the person in respect of whom the proposal is made is bankrupt, the statement of affairs referred to in section 158; or</p> <p>(b) if the person in respect of whom the proposal is made is not bankrupt, a statement showing the financial position of the person at the date of the proposal, verified by affidavit as being correct to the belief and knowledge of the person making the proposal.</p>		<p>the estate, ^</p> <p><u>(a) a copy of the proposal in writing setting out the terms of the proposal and the particulars of any securities or sureties proposed, signed by the person making the proposal and the proposed sureties if any; and</u></p> <p><u>(b) the prescribed statement of affairs.</u></p>
<p>New.</p>		<p><u>50 (2.1) Copies of the documents referred to in subsection (2) must, at the time the proposal is filed under subsection 62(1), also be filed by the trustee with the official receiver in the locality of the debtor.</u></p>
<p>50 (6) The trustee shall, when filing a proposal under subsection 62(1) in respect of an insolvent person, file with the proposal</p> <p>(a) a statement indicating the projected cash-flow of the insolvent person (in this section referred to as the “cash-flow statement”), or a revised cash-flow statement where a cash-flow statement had previously been filed under subsection 50.4(2) in respect of that insolvent person, prepared by the person making the proposal, reviewed for its reasonableness by the trustee and signed by the trustee and the person making the proposal;</p> <p>...</p>		<p>50 (6) The trustee shall, when filing a proposal under subsection 62(1) in respect of an insolvent person, file with the proposal</p> <p>(a) a statement indicating <u>on a weekly basis</u>, the projected cash-flow of the insolvent person (in this section referred to as the “cash-flow statement”), or a revised cash-flow statement ^ <u>if</u> a cash-flow statement had previously been filed under subsection 50.4(2) in respect of that insolvent person, prepared by the person making the proposal, reviewed for its reasonableness by the trustee and signed by the trustee and the person making the proposal;</p> <p>...</p>
<p>50 (10) Subject to any direction of the court under</p>		<p>50 (10) Subject to any direction of the court under</p>

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<p>paragraph 47.1(2)(a), the trustee under a proposal in respect of an insolvent person shall, for the purpose of monitoring the insolvent person's business and financial affairs, have access to and examine the insolvent person's property, including his premises, books, records and other financial documents, to the extent necessary to adequately assess the insolvent person's business and financial affairs, from the filing of the proposal until the proposal is approved by the court or the insolvent person becomes bankrupt, and shall</p> <p>...</p>		<p>paragraph 47.1(2)(a), the trustee under a proposal in respect of an insolvent person shall, for the purpose of monitoring the insolvent person's business and financial affairs, have access to and examine the insolvent person's property, including his premises, books, records and other financial documents, to the extent necessary to adequately assess the insolvent person's business and financial affairs, from the filing of the proposal until the proposal is approved by the court or the insolvent person becomes bankrupt, and shall</p> <p>...</p> <p><u>(a.1) send a report about the material adverse change to the creditors without delay after ascertaining the change; and</u></p> <p>...</p>
<p>New.</p>		<p><u>50 (12.1) If the court declares that the proposal is deemed to have been refused by the creditors, paragraphs 57(a) to (c) apply.</u></p>
<p>50.4 (1) Before lodging a copy of a proposal with a licensed trustee, an insolvent person may file a notice of intention, in the prescribed form, with the official receiver in the insolvent person's locality, stating</p> <p>...</p> <p>(2) Within ten days after filing a notice of intention under subsection (1), the insolvent person shall file with the official receiver</p> <p>(a) a statement indicating the projected cash-flow of the insolvent person (in this section referred to as the "cash-flow statement"), prepared by the insolvent person, reviewed for its reasonableness by the trustee under the notice of intention, and signed by the trustee and the insolvent person;</p> <p>...</p>		<p>50.4 (1) Before [^]<u>filing</u> a copy of a proposal with a licensed trustee, an insolvent person may file a notice of intention, in the prescribed form, with the official receiver in the insolvent person's locality, stating</p> <p>...</p> <p>(2) Within ten days after filing a notice of intention under subsection (1), the insolvent person shall file with the official receiver</p> <p>(a) a statement indicating <u>on a weekly basis</u>, the projected cash-flow of the insolvent person (in this section referred to as the "cash-flow statement"), prepared by the insolvent person, reviewed for its reasonableness by the trustee under the notice of intention, and signed by the trustee and the insolvent person;</p> <p>...</p>

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<p>50.4 (6) Within five days after the filing of a notice of intention under subsection (1), the trustee named therein shall send to every known creditor, in the prescribed manner, a copy thereof.</p> <p>(7) Subject to any direction of the court under paragraph 47.1(2)(a), the trustee under a notice of intention in respect of an insolvent person</p> <p>(a) shall, for the purpose of monitoring the insolvent person's business and financial affairs, have access to and examine the insolvent person's property, including his premises, books, records and other financial documents, to the extent necessary to adequately assess the insolvent person's business and financial affairs, from the filing of the notice of intention until a proposal is filed or the insolvent person becomes bankrupt; and</p> <p>...</p> <p>(8) Where an insolvent person fails to comply with subsection (2), or where the trustee fails to file a proposal with the official receiver under subsection 62(1) within a period of thirty days after the day the notice of intention was filed under subsection (1), or within any extension of that period granted under subsection (9),</p> <p>(a) the insolvent person is, on the expiration of that period or that extension, as the case may be, deemed to have thereupon made an assignment;</p> <p>(b) the trustee shall forthwith file a report thereof in the prescribed form with the official receiver, who shall thereupon issue a certificate of assignment in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed pursuant to section 49; and</p>		<p>50.4 (6) Within five days after the filing of a notice of intention under subsection (1), the trustee named ^ <u>in the notice</u> shall send to every known creditor, in the prescribed manner, a copy ^ <u>of the notice including all of the information referred to in paragraphs (1) (a) to (c).</u></p> <p>(7) Subject to any direction of the court under paragraph 47.1(2)(a), the trustee under a notice of intention in respect of an insolvent person</p> <p>(a) shall, for the purpose of monitoring the insolvent person's business and financial affairs, have access to and examine the insolvent person's property, including his premises, books, records and other financial documents, to the extent necessary to adequately assess the insolvent person's business and financial affairs, from the filing of the notice of intention until a proposal is filed or the insolvent person becomes bankrupt; ^</p> <p>...</p> <p><u>(c) shall send a report about the material adverse change to the creditors without delay after ascertaining the change.</u></p> <p>(8) Where an insolvent person fails to comply with subsection (2), or where the trustee fails to file a proposal with the official receiver under subsection 62(1) within a period of thirty days after the day the notice of intention was filed under subsection (1), or within any extension of that period granted under subsection (9),</p> <p>(a) the insolvent person is, on the expiration of that period or that extension, as the case may be, deemed to have thereupon made an assignment;</p> <p>(b) the trustee shall ^ <u>without delay</u>, file ^ with the</p>

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<p>...</p> <p>(9) The insolvent person may, before the expiration of the thirty day period mentioned in subsection (8) or any extension thereof granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court may grant such extensions, not exceeding forty-five days for any individual extension and not exceeding in the aggregate five months after the expiration of the thirty day period mentioned in subsection (8), if satisfied on each application that</p> <p>...</p>		<p>official receiver ^, in the prescribed form, a report of the <u>deemed assignment</u>;</p> <p><u>(b.1) the official receiver shall issue a certificate of assignment, in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed under section 49; and</u></p> <p>...</p> <p>(9) The insolvent person may, before the ^ <u>expiry</u> of the ^ <u>30-day period</u> ^ <u>referred to</u> in subsection (8) or of any extension ^ granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court, <u>on notice to any interested persons that the court may direct</u>, may grant the extensions, not exceeding ^ <u>45</u> days for any individual extension and not exceeding in the aggregate five months after the ^ expiry of the ^ <u>30-day period</u> ^ <u>referred to</u> in subsection (8), if satisfied on each application that</p> <p>...</p>
<p>New.</p>		<p><u>50.6 (1) A court may, on the application of a debtor, other than an individual, in respect of whom a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1), make an order, on any conditions that the court considers appropriate, declaring that the debtor's property is subject to a security or charge in favour of any person specified in the order who agrees to lend to the debtor an amount that is approved by the court as being required by the debtor, having regard to the debtor's cash-flow statement referred to in paragraph 50(6)(a) or 50.4(2)(a), as the case may be,</u></p> <p><u>(a) for the period of 30 days after the filing of the notice of intention;</u></p> <p><u>(b) for the period of 30 days after the filing of the</u></p>

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		<p><u>proposal, if no notice of intention has been filed under section 50.4 in respect of the debtor; or</u></p> <p><u>(c) for any period specified in the order, if notice of the application has been given to the secured creditors likely to be affected by the security or charge.</u></p> <p><u>(2) The court may specify in the order that the security or charge ranks in priority over the claim of any secured creditor of the debtor.</u></p> <p><u>(3) The court may, in the order, specify that the security or charge ranks in priority over any security or charge arising from a previous order made under subsection (1) only with the consent of the person in whose favour the previous order was made.</u></p> <p><u>(4) In deciding whether to make the order, the court must consider, among other things,</u></p> <p><u>(a) the period the debtor is expected to be subject to proceedings under this Act;</u></p> <p><u>(b) how the debtor's business and financial affairs are to be governed during the proceedings;</u></p> <p><u>(c) whether the debtor's management has the confidence of its major creditors;</u></p> <p><u>(d) whether the loan agreement will enhance the debtor's prospects as a going concern if the proposal is approved;</u></p> <p><u>(e) the nature and value of the debtor's property;</u></p> <p><u>(f) whether any creditor will be materially prejudiced as a result of the debtor's continued operations; and</u></p>

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		<u>(g) if notice of the application was given to the secured creditors, whether the debtor has provided a cash-flow statement for the period ending 120 days after the making of the application for the order.</u>
51 (3) The official receiver, or the nominee thereof, shall be the chairman of the meeting referred to in subsection (1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.		51 (3) The official receiver, or the nominee thereof, shall be the ^ <u>chair</u> of the meeting referred to in subsection (1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.
51 (3) The official receiver, or the nominee thereof, shall be the chairman of the meeting referred to in subsection (1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.		51 (3) The official receiver, or the nominee thereof, shall be the ^ <u>chair</u> of the meeting referred to in subsection (1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.
54 (2) For the purpose of subsection (1), (a) the following creditors with proven claims are entitled to vote: (i) all unsecured creditors, and ...		54 (2) For the purpose of subsection (1), (a) the following creditors with proven claims are entitled to vote: (i) all unsecured creditors, <u>other than a creditor having a claim against the debtor arising from the rescission of a purchase or sale of a share or unit of the debtor — or a claim for damages arising from the purchase or sale of a share or unit of the debtor,</u> and ...
New.		54 (5) <u>Unless the court orders otherwise, a vote on a proposal may not be held until all disallowances of claims that could have an impact on the outcome of the vote have been dealt with by the court or until all appeal periods have elapsed.</u> <u>(6) No person is entitled to vote on a claim acquired after the filing of a notice of intention in respect of a debtor or, if no such notice was filed, after the filing of a proposal in respect of the debtor, unless the entire claim</u>

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<p>57 Where the creditors refuse a proposal in respect of an insolvent person, ... (b) the trustee shall forthwith file a report thereof in the prescribed form with the official receiver, who shall thereupon issue a certificate of assignment in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed pursuant to section 49; and ...</p>		<p><u>is acquired.</u></p> <p>57 Where the creditors refuse a proposal in respect of an insolvent person, ... (b) the trustee shall <u>^ without delay,</u> file <u>^</u> with the official receiver, <u>^</u> in the prescribed form, <u>^ a report of the deemed assignment;</u></p> <p><u>(b.1) the official receiver shall issue a certificate of assignment, in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed under section 49; and</u></p> <p>...</p>
<p>60 (1.3) No proposal in respect of an employer shall be approved by the court unless</p> <p>(a) it provides for payment to the employees and former employees, immediately after court approval of the proposal, of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(d) if the employer became bankrupt on the date of the filing of the notice of intention, or proposal if no notice of intention was filed, as well as wages, salaries, commissions or compensation for services rendered after that date and before the court approval of the proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the bankrupt's business during the same period; and ...</p>		<p>60 (1.3) No proposal in respect of an employer shall be approved by the court unless</p> <p>(a) it provides for payment to the employees and former employees, immediately after court approval of the proposal, of amounts <u>at least</u> equal to the amounts that they would be qualified to receive under paragraph 136(1)(d) if the employer became bankrupt on the date of the filing of the notice of intention, or proposal if no notice of intention was filed, as well as wages, salaries, commissions or compensation for services rendered after that date and before the court approval of the proposal, together with, in the case of travelling <u>^ salespersons,</u> disbursements properly incurred by <u>^ them</u> in and about the bankrupt's business during the same period; and ...</p>
<p>New.</p>		<p><u>60 (1.5) No proposal in respect of an employer who participates in a prescribed pension plan for the benefit of its employees shall be approved by the court unless</u></p>

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		<p><u>(a) the proposal provides for payment of the following amounts that are unpaid to the fund established for the purpose of the pension plan:</u></p> <p><u>(i) an amount equal to the sum of all amounts that were deducted from the employees' remuneration for payment to the fund,</u></p> <p><u>(ii) if the prescribed pension plan is regulated by an Act of Parliament,</u></p> <p><u>(A) an amount equal to the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that was required to be paid by the employer to the fund, and</u></p> <p><u>(B) an amount equal to the sum of all amounts that were required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985; and</u></p> <p><u>(iii) in the case of any other prescribed pension plan,</u></p> <p><u>(A) an amount equal to the amount that would be the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that the employer would be required to pay to the fund if the prescribed plan were regulated by an Act of Parliament, and</u></p> <p><u>(B) an amount equal to the sum of all amounts that would have been required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985, if the prescribed plan were regulated by an Act of Parliament; and</u></p> <p><u>(b) the court is satisfied that the employer can and will</u></p>

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		<p>make the payments as required under paragraph (a).</p> <p><u>(1.6) Despite subsection (1.5), the court may approve a proposal that does not allow for the payment of the amounts referred to in that subsection if it is satisfied that the relevant parties have entered into an agreement, approved by the relevant pension regulator, respecting the payment of those amounts.</u></p>
<p>61 (2) Where the court refuses to approve a proposal in respect of an insolvent person a copy of which has been filed under section 62, ... (b) the trustee shall forthwith file a report thereof in the prescribed form with the official receiver, who shall thereupon issue a certificate of assignment in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed pursuant to section 49; and ...</p>		<p>61 (2) Where the court refuses to approve a proposal in respect of an insolvent person a copy of which has been filed under section 62, ... (b) the trustee shall <u>^, without delay,</u> file <u>^</u> with the official receiver <u>^</u>, in the prescribed form, <u>^ a report of the deemed assignment;</u></p> <p><u>(b.1) the official receiver shall issue a certificate of assignment, in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed under section 49; and</u> ...</p>
<p>62 (1) Where a proposal is made in respect of an insolvent person, the trustee shall file a copy thereof with the official receiver.</p>		<p>62 (1) <u>^ If</u> a proposal is made in respect of an insolvent person, the trustee shall file <u>^ with the official receiver a copy of the proposal and the prescribed statement of affairs.</u></p>
<p>62 (2) A proposal accepted by the creditors and approved by the court is binding on creditors in respect of ... (b) the secured claims in respect of which the proposal was made and that were in classes in which the secured creditors voted for the acceptance of the proposal by a majority in number and two thirds in value of the secured creditors present, personally or by proxy, at the meeting and voting on the resolution</p>		<p>62 (2) <u>Subject to subsection (2.1),</u> a proposal accepted by the creditors and approved by the court is binding on creditors in respect of ... (b) the secured claims in respect of which the proposal was made and that were in classes in which the secured creditors voted for the acceptance of the proposal by a majority in number and two thirds in value of the secured creditors present <u>^, or represented by a proxyholder,</u> at the meeting and voting on the resolution</p>

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<p>to accept the proposal,</p> <p>but does not release the insolvent person from the debts and liabilities referred to in section 178, unless the creditor assents thereto.</p>		<p>to accept the proposal.</p> <p>^</p> <p><u>(2.1) A proposal accepted by the creditors and approved by the court does not release the insolvent person from any particular debt or liability referred to in subsection 178(1) unless the proposal explicitly provides for the compromise of that debt or liability and the creditor in relation to that debt or liability has assented to the proposal.</u></p> <p>...</p>
<p>New.</p>		<p><u>64 (1) The court may, on the application of any person interested in the matter, make an order removing from office any director of a debtor in respect of whom a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1) if the court is satisfied that the director is unreasonably impairing or is likely to unreasonably impair the possibility of a viable proposal being made in respect of the debtor or is acting or is likely to act inappropriately as a director in the circumstances.</u></p> <p><u>(2) The court may, by order, fill any vacancy created under subsection (1).</u></p>
<p>New.</p>		<p><u>64.1 (1) The court may, on the application of a person in respect of whom a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1), make an order declaring that the assets of the person are subject to a security or charge, in an amount that the court considers appropriate, in favour of any director or officer of the person to indemnify the director or officer against obligations and liabilities that he or she may incur as a director or an officer of the person after the filing of the notice of intention or the proposal, as the case may be.</u></p>

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		<p><u>(2) The court may specify in the order that the security or charge ranks in priority over the claim of any secured creditor of the person.</u></p> <p><u>(3) The court shall not make the order if in its opinion the person could obtain adequate indemnification insurance for the director or officer at a reasonable cost.</u></p> <p><u>(4) The court shall make an order declaring that the security or charge does not apply in respect of a specific obligation or liability incurred by a director or an officer if it is of the opinion that the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct or, in the Province of Quebec, the director's gross or intentional fault.</u></p>
New.		<p><u>64.2 (1) The court may make an order declaring that property of a person, other than an individual, in respect of whom a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1) is subject to a security or charge, in an amount that the court considers appropriate, in respect of</u></p> <p><u>(a) the costs of the interim receiver, the receiver-manager and the trustee, including their legal costs;</u></p> <p><u>(c) the costs of any interested party incurred in relation to the remuneration and expenses of any financial, legal or other experts engaged by the party, if the court is satisfied that the incurring of those costs is necessary for the effective participation of the interested party in the proceedings under this Division in relation to the person.</u></p> <p><u>(2) The court may specify in the order that the security or charge ranks in priority over the claim of any secured</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>65.1 (1) If a notice of intention or a proposal has been filed in respect of an insolvent person, no person may terminate or amend any agreement with the insolvent person, or claim an accelerated payment, or a forfeiture of the term, under any agreement with the insolvent person, by reason only that</p> <p>...</p>		<p><u>creditor of the person.</u></p> <p>65.1 (1) If a notice of intention or a proposal has been filed in respect of an insolvent person, no person may terminate or amend any agreement [^], <u>including a security agreement,</u> with the insolvent person, or claim an accelerated payment, or a forfeiture of the term, under any agreement, <u>including a security agreement,</u> with the insolvent person, by reason only that</p> <p>...</p>
<p>65.1 (4) Nothing in subsections (1) to (3) shall be construed</p> <p>(a) as prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the filing of</p> <p>(i) the notice of intention, if one was filed, or</p> <p>(ii) the proposal, if no notice of intention was filed; or</p> <p>(b) as requiring the further advance of money or credit.</p>		<p>65.1 (4) Nothing in subsections (1) to (3) shall be construed</p> <p>(a) as prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the filing of</p> <p>(i) the notice of intention, if one was filed, or</p> <p>(ii) the proposal, if no notice of intention was filed; [^]</p> <p>(b) as requiring the further advance of money or credit; <u>or</u></p> <p><u>(c) as preventing a lessor of aircraft objects under an agreement with the insolvent person from taking possession of the aircraft objects</u></p> <p><u>(i) if, after the commencement of proceedings under this Act, the insolvent person defaults in protecting or maintaining the aircraft objects in accordance with the agreement,</u></p> <p><u>(ii) 60 days after the commencement of proceedings under this Act unless, during that period, the insolvent person</u></p>

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		<p><u>(A) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the insolvent person's financial condition,</u></p> <p><u>(B) agreed to perform the obligations under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition, until the day on which proceedings under this Act end, and</u></p> <p><u>(C) agreed to perform all the obligations arising under the agreement after the proceedings under this Act end, or</u></p> <p><u>(iii) if, during the period that begins on the expiry of the 60-day period and ends on the day on which proceedings under this Act end, the insolvent person defaults in performing an obligation under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition.</u></p>
New.		<p><u>65.11 (1) A debtor, other than an individual, in respect of whom a notice of intention has been filed under section 50.4 or a proposal has been filed under subsection 62(1) may, subject to subsection (3), disclaim or resiliate any agreement to which the debtor is a party on the date the notice of intention or the proposal was filed by giving 30 days notice to the other parties to the agreement in the prescribed manner.</u></p> <p><u>(2) Subsection (1) does not apply in respect of</u></p> <p><u>(a) an eligible financial contract within the meaning of subsection 65.1(8);</u></p>

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		<p><u>(b) a lease referred to in subsection 65.2(1);</u></p> <p><u>(c) a collective agreement;</u></p> <p><u>(d) a financing agreement if the debtor is the borrower;</u> <u>and</u></p> <p><u>(e) a lease of real property or an immovable if the debtor is the lessor.</u></p> <p><u>(3) Within 15 days after being given notice of the disclaimer or resiliation, a party to the agreement may apply to the court for a declaration that subsection (1) does not apply in respect of the agreement, and the court, on notice to any parties that it may direct, shall, subject to subsection (4), make that declaration.</u></p> <p><u>(4) No declaration under subsection (3) shall be made if the court is satisfied that a viable proposal could not be made in respect of the debtor without the disclaimer or resiliation of the agreement and all other agreements that the debtor has disclaimed or resiliated under subsection (1) or 65.2(1).</u></p> <p><u>(5) If the debtor has, in any agreement, granted the use of any intellectual property to a party to the agreement, the disclaimer or resiliation of the agreement does not affect the party's right to use the intellectual property so long as that party continues to perform its obligations in relation to the use of the intellectual property.</u></p> <p><u>(6) If an agreement is disclaimed or resiliated, every other party to the agreement is deemed to have a claim for damages as an unsecured creditor.</u></p>
New.		<u>65.12 (1) An insolvent person in respect of whom a notice of intention is filed under section 50.4 or a</u>

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		<p><u>proposal is filed under subsection 62(1) who is a party to a collective agreement and who is unable to reach a voluntary agreement with the bargaining agent to revise any of its provisions may, on giving five days notice to the bargaining agent, apply to the court for an order authorizing the insolvent person to serve a notice to bargain under the laws of the jurisdiction governing collective bargaining between the insolvent person and the bargaining agent.</u></p> <p><u>(2) The court may issue the order only if it is satisfied that</u></p> <p><u>(a) the insolvent person would not be able to make a viable proposal, taking into account the terms of the collective agreement;</u></p> <p><u>(b) the insolvent person has made good faith efforts to renegotiate the provisions of the collective agreement; and</u></p> <p><u>(c) the failure to issue the order is likely to result in irreparable damage to the insolvent person.</u></p> <p><u>(3) The vote of the creditors in respect of a proposal may not be delayed solely because the period provided in the laws of the jurisdiction governing collective bargaining between the insolvent person and the bargaining agent has not expired.</u></p> <p><u>(4) If the parties to the collective agreement agree to revise the collective agreement after proceedings have been commenced under this Act in respect of the insolvent person, the bargaining agent that is a party to the agreement has a claim, as an unsecured creditor, for an amount equal to the value of concessions granted by the bargaining agent with respect to the remaining term of the collective agreement.</u></p>

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		<p><u>(5) On the application of the bargaining agent and on notice to the person to whom the application relates, the court may, subject to any terms and conditions it specifies, make an order requiring the person to make available to the bargaining agent any information specified by the court in the person's possession or control that relates to the insolvent person's business or financial affairs and that is relevant to the collective bargaining between the insolvent person and the bargaining agent. The court may make the order only after the insolvent person has been authorized to serve a notice to bargain under subsection (1).</u></p> <p><u>(6) For greater certainty, any collective agreement that the insolvent person and the bargaining agent have not agreed to revise remains in force.</u></p> <p><u>(7) For the purpose of this section, the parties to a collective agreement are the insolvent person and the bargaining agent who are bound by the collective agreement.</u></p>
New.		<p><u>65.13 (1) An insolvent person, other than an individual, in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court.</u></p> <p><u>(2) An insolvent person who applies to the court for the authorization must give notice of the application to all secured creditors who are likely to be affected by the proposed sale or disposal of the assets to which the application relates.</u></p> <p><u>(3) In deciding whether to grant the authorization, the court must consider, among other things,</u></p>

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		<p><u>(a) whether the process leading to the proposed sale or disposal of the assets was reasonable in the circumstances;</u></p> <p><u>(b) whether the trustee approved the process leading to the proposed sale or disposal of the assets;</u></p> <p><u>(c) whether the trustee has filed with the court a report stating that in his or her opinion the sale or disposal of the assets is necessary for a viable proposal that will provide a better result for creditors than if the assets were sold or disposed of under a bankruptcy;</u></p> <p><u>(d) the extent to which the creditors were consulted in respect of the proposed sale or disposal;</u></p> <p><u>(e) the effects of the proposed sale or disposal on creditors and other interested parties; and</u></p> <p><u>(f) whether the consideration to be received for the assets is reasonable and fair, taking into account the market value of the assets.</u></p> <p><u>(4) In addition to taking the factors referred to in subsection (3) into account, if the proposed sale or disposal is to a person who is related to the insolvent person, the court may grant the authorization only if it is satisfied that</u></p> <p><u>(a) good faith efforts were made to sell or dispose of the assets to persons who are not related to the person proposing to sell or dispose of them; and</u></p> <p><u>(b) the consideration to be received is superior to the consideration that would be received under all other offers actually received in respect of the assets.</u></p>

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		<p><u>(5) For the purpose of subsection (4), a person who is related to the insolvent person includes a person who controls the insolvent person, a director or an officer of the insolvent person and a person who is related to a director or an officer of the insolvent person.</u></p> <p><u>(6) In granting an authorization for the sale or disposal of assets, the court may order that the assets may be sold or disposed of free and clear of any security, charge or other restriction, but if it so orders, it shall also order that the proceeds realized from the sale or disposal of the assets are subject to a security, charge or other restriction in favour of the creditors whose security, charges or other restrictions are affected by the order.</u></p>
New.		<p><u>66 (1.1) For the purposes of subsection (1), in deciding whether to make an assignment under subsection 84.1(1), the court must, in addition to the factors referred to in subsection 84.1(4), also consider whether the insolvent person would not be able to make a viable proposal without the assignment.</u></p> <p><u>(1.2) For the purposes of subsection (1), the trustee is to prepare the final statement of receipts and disbursements referred to in section 151 without delay after</u></p> <p><u>(a) the debtor files or is deemed to have filed an assignment;</u></p> <p><u>(b) the trustee informs the creditors and the official receiver of a default made in the performance of any provision in a proposal; or</u></p> <p><u>(c) the trustee gives the certificate referred to in section 65.3 in respect of the proposal.</u></p> <p><u>(1.3) For the purposes of subsection (1), the</u></p>

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		<p><u>examination under oath by the official receiver under subsection 161(1) is to be held, on the attendance of the person who has filed a notice of intention under section 50.4 or a proposal, before the proposal is approved by the court or the person becomes bankrupt.</u></p>
<p>66.11 In this Division, ... “consumer debtor” means a natural person who is bankrupt or insolvent and whose aggregate debts, excluding any debts secured by the person's principal residence, do not exceed seventy-five thousand dollars or such other maximum as is prescribed;</p>		<p>66.11 In this Division, ... “consumer debtor” means ^ <u>an individual</u> who is bankrupt or insolvent and whose aggregate debts, excluding any debts secured by the ^ <u>individual's</u> principal residence, ^ <u>are not more than \$250,000 or any other prescribed amount;</u></p>
<p>66.12 (2) A consumer debtor who has filed a notice of intention or lodged a proposal under Division I may not make a consumer proposal until the trustee appointed in respect of the notice of intention or proposal under Division I has been discharged.</p>		<p>66.12 (2) A consumer debtor who has filed a notice of intention or ^ a proposal under Division I may not make a consumer proposal until the trustee appointed in respect of the notice of intention or proposal under Division I has been discharged.</p>
<p>66.13 (2) An administrator who agrees to assist a consumer debtor shall ... (d) subject to subsection (3), file a copy of the consumer proposal, signed by the consumer debtor, with the official receiver.</p>		<p>66.13 (2) An administrator who agrees to assist a consumer debtor shall ... (d) subject to subsection (3), file ^ with the official receiver <u>a copy of the consumer proposal, signed by the consumer debtor, and the prescribed statement of affairs.</u></p>
<p>66.14 The administrator shall, within ten days after filing a consumer proposal with the official receiver, (a) prepare and file with the official receiver a report in the prescribed form setting out (i) the results of the investigation made under paragraph 66.13(2)(a), (ii) the administrator's opinion as to whether the</p>		<p>66.14 The administrator shall, within ten days after filing a consumer proposal with the official receiver, (a) prepare and file with the official receiver a report in the prescribed form setting out (i) the results of the investigation made under paragraph 66.13(2)(a), (ii) the administrator's opinion as to whether the</p>

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<p>consumer proposal is reasonable and fair to the consumer debtor and the creditors, and whether the consumer debtor will be able to perform it,</p> <p>(iii) a condensed statement of the consumer debtor's assets, liabilities, income and expenses, and</p> <p>(iv) a list of the creditors whose claims exceed two hundred and fifty dollars; and</p> <p>(b) send to every known creditor, in the prescribed form and manner,</p> <p>(i) a copy of the consumer proposal,</p> <p>(ii) a copy of the report referred to in paragraph (a),</p> <p>(iii) a form of proof of claim as prescribed, and</p> <p>(iv) a statement explaining that a meeting of creditors will be called only if required under section 66.15 and that a review of the consumer proposal by a court will be made only if it is requested in accordance with subsection 66.22(1).</p>		<p>consumer proposal is reasonable and fair to the consumer debtor and the creditors, and whether the consumer debtor will be able to perform it, <u>and</u></p> <p>^</p> <p>(iv) a list of the creditors whose claims exceed two hundred and fifty dollars; and</p> <p>(b) send to every known creditor, in the prescribed form and manner,</p> <p>(i) a copy of the consumer proposal <u>and a copy of the statement of affairs referred to in paragraph 66.13(2)(d),</u></p> <p>(ii) a copy of the report referred to in paragraph (a),</p> <p>(iii) a form of proof of claim as prescribed, and</p> <p>(iv) a statement explaining that a meeting of creditors will be called only if required under section 66.15 and that a review of the consumer proposal by a court will be made only if it is requested in accordance with subsection 66.22(1).</p>
<p>66.16 (1) The official receiver, or the nominee thereof, shall be the chairman of a meeting called pursuant to section 66.15 and subsection 66.37(1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.</p> <p>(2) Where the creditors by ordinary resolution at the meeting so require, the meeting shall be adjourned to such time and place as may be fixed by the chairman</p> <p>...</p>		<p>66.16 (1) The official receiver, or the nominee thereof, shall be the ^ chair of a meeting called pursuant to section 66.15 and subsection 66.37(1) and shall decide any questions or disputes arising at the meeting, and any creditor may appeal any such decision to the court.</p> <p>(2) Where the creditors by ordinary resolution at the meeting so require, the meeting shall be adjourned to such time and place as may be fixed by the ^ chair</p> <p>...</p>

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<p>66.17 (2) Any dissent received by the administrator prior to the expiration of the forty-five day period mentioned in subsection (1) is deemed to be a request for a meeting of creditors for the purpose of paragraph 66.15(2)(b), and any assent or dissent received by the administrator at or prior to a meeting of creditors has effect as if the creditor had been present and had voted at the meeting.</p>		<p>Repealed.</p>
<p>New.</p>		<p>66.17 (2) ^ <u>Unless it is rescinded, any assent or dissent received by the administrator at or before a meeting of creditors has effect as if the creditor had been present and had voted at the meeting.</u></p>
<p>66.28 (2) A consumer proposal accepted, or deemed accepted, by the creditors and approved, or deemed approved, by the court is binding on creditors in respect of</p> <p>(a) all unsecured claims, and</p> <p>(b) secured claims for which proofs of claim have been filed in the manner provided for in sections 124 to 134,</p> <p>but does not release the consumer debtor from the debts and liabilities referred to in section 178, unless the creditor assents thereto.</p>		<p>66.28 (2) <u>Subject to subsection (2.1), a consumer proposal accepted, or deemed accepted, by the creditors and approved, or deemed approved, by the court is binding on creditors in respect of</u></p> <p>(a) all unsecured claims; and</p> <p>(b) secured claims for which proofs of claim have been filed in the manner provided for in sections 124 to 134.</p> <p><u>(2.1) A consumer proposal accepted, or deemed accepted, by the creditors and approved, or deemed approved, by the court does not release the consumer debtor from any particular debt or liability referred to in subsection 178(1) unless the consumer proposal explicitly provides for the compromise of that debt or liability and the creditor in relation to that debt or liability has assented to the consumer proposal.</u></p>
<p>66.31 (1) Independently of section 66.3,</p> <p>(a) where payments under a consumer proposal are to be made monthly or more frequently and the consumer debtor is in default to the extent of three</p>		<p>Repealed.</p>

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<p>months payments, or</p> <p>(b) where payments under a consumer proposal are to be made less frequently than monthly and the consumer debtor is in default for more than three months on any payment,</p> <p>the consumer proposal shall thereupon be deemed to be annulled unless the court has previously ordered otherwise or unless an amendment to the consumer proposal has previously been filed, and the administrator shall forthwith so inform the creditors and file a report thereof in the prescribed form with the official receiver.</p>		
<p>New.</p>		<p>66.31 (1) <u>Unless the court has previously ordered otherwise or unless an amendment to the consumer proposal has previously been filed, a consumer proposal is deemed to be annulled on</u></p> <p><u>(a) in the case when payments under the consumer proposal are to be made monthly or more frequently, the day on which the consumer debtor is in default for an amount that is equal to or more than the amount of three payments; or</u></p> <p><u>(b) in the case when payments under the consumer proposal are to be made less frequently than monthly, the day that is three months after the day on which the consumer debtor is in default in respect of any payment.</u></p>
<p>66.31 (2) Where an amendment to a consumer proposal filed before the deemed annulment of the consumer proposal by virtue of subsection (1) is withdrawn or refused by the creditors or the court, the consumer proposal shall thereupon be deemed to be annulled.</p>		<p>66.31 (2) ^ <u>If an amendment to a consumer proposal filed before the deemed annulment of the consumer proposal under subsection (1) is withdrawn or refused by the creditors or the court, the consumer proposal ^ is deemed to be annulled on the day on which the amendment is withdrawn or refused.</u></p>

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<p>66.31 (3) A deemed annulment of a consumer proposal by virtue of subsection (1) or (2) does not prejudice the validity of any sale, disposition of property or payment duly made, or anything duly done under or in pursuance of the consumer proposal, and notwithstanding the deemed annulment of the consumer proposal, a guarantee given pursuant to the consumer proposal remains in full force and effect in accordance with its terms.</p>		<p>Repealed.</p>
<p>New.</p>		<p><u>66.31(3) Without delay after a consumer proposal is deemed to be annulled, the administrator shall</u></p> <p><u>(a) file with the official receiver, in the prescribed form, a report in relation to the deemed annulment; and</u></p> <p><u>(b) send a notice to the creditors informing them of the deemed annulment.</u></p> <p><u>(4) When a consumer proposal made by a bankrupt is deemed to be annulled,</u></p> <p><u>(a) the consumer debtor is deemed to have made an assignment on the date of the deemed annulment;</u></p> <p><u>(b) the trustee who is the administrator of the consumer proposal shall, within five days after the deemed annulment, send notice of the meeting of creditors under section 102, at which meeting the creditors may by ordinary resolution, despite section 14, affirm the appointment of the trustee or appoint another trustee in lieu of that trustee; and</u></p> <p><u>(c) the trustee shall, without delay, file with the official receiver, in the prescribed form, a report of the deemed annulment and the official receiver shall, without delay, issue a certificate of assignment, in the prescribed form,</u></p>

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		<p>which has the same effect for the purposes of this Act as an assignment filed under section 49.</p> <p><u>(5) A deemed annulment of a consumer proposal does not prejudice the validity of any sale, disposition of property or payment duly made, or anything duly done under or in pursuance of the consumer proposal, and despite the deemed annulment, a guarantee given under the consumer proposal remains in full force and effect in accordance with its terms.</u></p> <p><u>(6) If the administrator, in the case of a deemed annulment of a consumer proposal made by a person other than a bankrupt, considers it appropriate to do so in the circumstances, he or she may, with notice to the official receiver, send to the creditors, within 10 days after the day on which the consumer proposal was deemed to be annulled, a notice in the prescribed form informing them that the consumer proposal will be automatically revived 45 days after the day on which it was deemed to be annulled unless one of them files with the administrator a notice of objection, in the prescribed manner, to the revival.</u></p> <p><u>(7) If the notice is sent by the administrator and no notice of objection is filed during the 45-day period, the consumer proposal is automatically revived on the expiry of those 45 days.</u></p> <p><u>(8) If a notice of objection is filed with the administrator during the 45-day period, the administrator must, without delay, send to the official receiver and to each creditor a notice in the prescribed form informing them that the consumer proposal is not going to be automatically revived on the expiry of the 45-day period.</u></p> <p><u>(9) The administrator may at any time apply to the court, with notice to the official receiver and the creditors, for an order reviving any consumer proposal of a consumer</u></p>

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		<p><u>debtor who is not a bankrupt that has been deemed to be annulled, and the court, if it considers it appropriate to do so in the circumstances, may make an order reviving the consumer proposal, on any terms that the court considers appropriate.</u></p> <p><u>(10) Without delay after a consumer proposal is revived, the administrator shall</u></p> <p><u>(a) file with the official receiver, in the prescribed form, a report in relation to the revival; and</u></p> <p><u>(b) send a notice to the creditors informing them of the revival.</u></p> <p><u>(11) The revival of a consumer proposal does not prejudice the validity of anything duly done — between the day on which the consumer proposal is deemed to be annulled and the day on which it is revived — by a creditor in the exercise of any rights revived by subsection 66.32(2).</u></p>
<p>66.33 Where a consumer debtor in respect of whom a consumer proposal has been filed makes an assignment at any time before the court has approved or deemed to have approved the consumer proposal, the date of the assignment shall be deemed to be the earlier of</p> <p>(a) the day on which the consumer proposal was filed, and</p> <p>(b) the day on which the first application, if any, for a bankruptcy order in respect of that consumer debtor was filed.</p>		<p>Repealed.</p>
<p>66.34 (1) If a consumer proposal has been filed in respect of a consumer debtor, no person may</p>		<p>66.34 (1) If a consumer proposal has been filed in respect of a consumer debtor, no person may terminate</p>

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<p>terminate or amend any agreement with the consumer debtor, or claim an accelerated payment, or a forfeiture of the term, under any agreement with the consumer debtor, by reason only that ...</p>		<p>or amend any agreement, <u>including a security agreement</u>, with the consumer debtor, or claim an accelerated payment, or the forfeiture of the term, under any agreement, <u>including a security agreement</u>, with the consumer debtor, by reason only that ...</p>
<p>66.37 (1) Where an administrator files an amendment to a consumer proposal</p> <p>(a) before the withdrawal, refusal, approval or deemed approval by the court of the consumer proposal, or</p> <p>(b) after the approval or deemed approval by the court of the consumer proposal and before it has been fully performed or annulled or deemed annulled,</p> <p>the administrator shall call a meeting of creditors to be held within twenty-one days after the amendment is filed, to consider the consumer proposal as amended.</p> <p>(2) With respect to an amendment to a consumer proposal and the amended consumer proposal,</p> <p>(a) the provisions of this Division, except subsections 66.15(1) and (2), apply, with such modifications as the circumstances require; and</p> <p>(b) the definition “consumer debtor” in section 66.11 shall be read as follows:</p> <p>“consumer debtor” means an insolvent natural person;”.</p>		<p>Repealed.</p>
<p>New.</p>		<p>66.37 ^ <u>If an administrator files an amendment to a</u></p>

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		<p><u>consumer proposal before the withdrawal, refusal, approval or deemed approval by the court of the consumer proposal, or after the approval or deemed approval by the court of the consumer proposal and before it has been fully performed or annulled or deemed annulled, the provisions of this Division apply to the consumer proposal and the amended consumer proposal, with any modifications that the circumstances require, and, for that purpose, the definition “consumer debtor” in section 66.11 is to be read as follows:</u></p> <p><u>“consumer debtor” means an individual who is insolvent;</u></p>
<p>66.38 Where a consumer proposal is fully performed, the administrator shall give a certificate to that effect, in the prescribed form, to the consumer debtor and to the official receiver.</p>		<p>66.38 (1) [^] <u>If</u> a consumer proposal is fully performed, the administrator shall [^] <u>issue</u> a certificate to that effect, in the prescribed form, to the consumer debtor and to the official receiver.</p> <p><u>(2) Subsection (1) does not apply in respect of a consumer debtor who has refused or neglected to receive counselling provided under paragraph 66.13(2)(b).</u></p>
<p>67 (1) The property of a bankrupt divisible among his creditors shall not comprise ... (b) any property that as against the bankrupt is exempt from execution or seizure under any laws applicable in the province within which the property is situated and within which the bankrupt resides, or (b.1) such goods and services tax credit payments and prescribed payments relating to the essential needs of an individual as are made in prescribed circumstances and are not property referred to in paragraph (a) or (b),</p>		<p>67 (1) The property of a bankrupt divisible among his creditors shall not comprise ... (b) any property, <u>other than property in a registered retirement savings plan or a registered retirement income fund, as those expressions are defined in the Income Tax Act, or in any prescribed plan, that as against the bankrupt is exempt from execution or seizure under any laws applicable in the province within which the property is situated and within which the bankrupt resides,</u> (b.1) [^] goods and services tax credit payments [^] <u>that are made in prescribed circumstances</u> [^] <u>to the bankrupt and</u></p>

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<p>but it shall comprise</p> <p>(c) all property wherever situated of the bankrupt at the date of his bankruptcy or that may be acquired by or devolve on him before his discharge, and</p> <p>...</p>		<p><u>that</u> are not property referred to in paragraph (a) or (b),</p> <p><u>(b.2) prescribed payments relating to the essential needs of an individual that are made in prescribed circumstances to the bankrupt and that are not property referred to in paragraph (a) or (b),</u></p> <p><u>(b.3) subject to any prescribed conditions and limitations, property in a registered retirement savings plan or a registered retirement income fund, as those expressions are defined in the Income Tax Act, other than property contributed to any such plan or fund in the 12 months, or in any longer period that the court may specify, before the date of bankruptcy.</u></p> <p>but it shall comprise</p> <p>(c) all property wherever situated of the bankrupt at the date of [^] <u>the</u> bankruptcy or that may be acquired by or devolve on [^] <u>the bankrupt</u> before his <u>or her</u> discharge, <u>including any refund owing to the bankrupt under the Income Tax Act in respect of the calendar year — or the fiscal year of the bankrupt if it is different from the calendar year — in which the bankrupt became a bankrupt, except the portion of any such refund that is not subject to the operation of this Act,</u> and</p> <p>...</p>
<p>68 (1) The Superintendent shall, by directive, establish in respect of the provinces or one or more bankruptcy districts or parts of bankruptcy districts, the standards for determining the portion of the total income of an individual bankrupt that exceeds that which is necessary to enable the bankrupt to maintain a reasonable standard of living.</p>		<p>68 (1) The Superintendent shall, by directive, establish in respect of the provinces or one or more bankruptcy districts or parts of bankruptcy districts, the standards for determining the [^] <u>surplus income of an individual bankrupt and the amount that a bankrupt who has surplus income is required to pay to the estate of the bankrupt.</u></p>
<p>68 (2) For the purposes of this section,</p>		<p>Repealed.</p>

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<p>(a) “total income” referred to in subsection (1) includes, notwithstanding paragraphs 67(1)(b) and (b.1), all revenues of a bankrupt of whatever nature or source; and</p> <p>(b) a requirement that a bankrupt pay an amount to the estate of the bankrupt is enforceable against all property of the bankrupt, other than property referred to in paragraphs 67(1)(b) and (b.1).</p> <p>(3) The trustee shall</p> <p>(a) having regard to the applicable standards established under subsection (1), and to the personal and family situation of the bankrupt, fix the amount that the bankrupt is required to pay to the estate of the bankrupt;</p> <p>(b) inform the official receiver in writing of the amount fixed under paragraph (a); and</p> <p>(c) take reasonable measures to ensure that the bankrupt complies with the requirement to pay.</p> <p>(4) The trustee may, at any time, amend an amount fixed under subsection (3) to take into account</p> <p>(a) material changes that have occurred in the personal or family situation of the bankrupt; or</p> <p>(b) a recommendation made by the official receiver under subsection (5).</p> <p>(5) Where the official receiver determines that the amount required to be paid by the bankrupt under subsection (3) or (4) is substantially not in accordance with the applicable standards established under subsection (1), the official receiver shall</p>		

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<p>recommend to the trustee and to the bankrupt an amount required to be paid that the official receiver determines is in accordance with the applicable standards.</p> <p>(6) Where the trustee and the bankrupt are not in agreement with the amount that the bankrupt is required to pay under subsection (3) or (4), the trustee shall, forthwith, in the prescribed form, send to the official receiver a request that the matter be determined by mediation and send a copy of the request to the bankrupt.</p> <p>(7) On the request in writing of a creditor made within thirty days after the date of bankruptcy or an amendment referred to in subsection (4), the trustee shall, within the five days following the thirty day period, send to the official receiver a request in the prescribed form that the matter of the amount the bankrupt is required to pay under subsection (3) or (4) be determined by mediation and send a copy of the request to the bankrupt and the creditor.</p> <p>...</p> <p>(10) Where</p> <p>(a) the trustee has not implemented a recommendation made by the official receiver under subsection (5),</p> <p>(b) the issue submitted to mediation requested under subsection (6) or (7) is not thereby resolved, or</p> <p>(c) the bankrupt fails to comply with the requirement to pay as determined under this section,</p> <p>the trustee may, or on the request of the inspectors, any of the creditors or the official receiver shall, apply to the court for the hearing of the matter, and the court may, on the hearing, in accordance with the</p>		

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<p>standards established under subsection (1) and having regard to the personal and family situation of the bankrupt, by order, fix the amount that the bankrupt is required to pay to the estate of the bankrupt.</p> <p>...</p> <p>(12) On the application of any interested person, the court may, at any time, amend an order made under this section to take into account material changes that have occurred in the personal or family situation of the bankrupt.</p> <p>...</p> <p>(14) For the purposes of section 38, an application referred to in subsection (10) is deemed to be a proceeding for the benefit of the estate.</p>		
<p>New.</p>		<p>69 (2) The following definitions apply in this section.</p> <p><u>“surplus income” means the portion of the total income of an individual bankrupt that exceeds that which is necessary to enable the bankrupt to maintain a reasonable standard of living, having regard to the applicable standards established under subsection (1).</u></p> <p><u>“total income”, for the purposes of the definition “surplus income”,</u></p> <p><u>(a) includes, despite paragraphs 67(1)(b) and (b.1), all of a bankrupt’s revenues from whatever nature or source that are received by the bankrupt between the date of the bankruptcy and the date of the bankrupt’s discharge, including any amounts received as damages for wrongful dismissal, as a pay equity settlement or under any Act of Parliament or Act of the legislature of a province that relates to workers’ or workmen’s compensation; but</u></p> <p><u>(b) does not include any amounts received by the bankrupt between the date of the bankruptcy and the</u></p>

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		<p>date of the bankrupt's discharge, as a gift, a legacy or an inheritance or as any other windfall.</p> <p><u>(3) The trustee shall, having regard to the applicable standards and to the personal and family situation of the bankrupt, determine whether the bankrupt has surplus income. The determination must also be made</u></p> <p><u>(a) whenever the trustee becomes aware of a material change in the bankrupt's financial situation; and</u></p> <p><u>(b) whenever the trustee is required to prepare a report referred to in subsection 170(1).</u></p> <p><u>(4) Whenever the trustee is required to determine whether the bankrupt has surplus income, the trustee shall</u></p> <p><u>(a) if the trustee determines that there is surplus income,</u></p> <p><u>(i) fix, having regard to the applicable standards, the amount that the bankrupt is required to pay to the estate of the bankrupt,</u></p> <p><u>(ii) inform, in the prescribed manner, the official receiver, and every creditor who has requested such information, of the amount fixed under subparagraph (i), and</u></p> <p><u>(iii) take reasonable measures to ensure that the bankrupt complies with the requirement to pay; and</u></p> <p><u>(b) if the trustee determines that there is no surplus income, inform, in the prescribed manner, the official receiver, and every creditor who has requested such information, of that determination.</u></p> <p><u>(5) If the official receiver determines that the amount required to be paid by the bankrupt is substantially not</u></p>

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		<p><u>in accordance with the applicable standards, the official receiver shall recommend to the trustee and to the bankrupt an amount required to be paid that the official receiver determines is in accordance with the applicable standards.</u></p> <p><u>(5.1) On receipt of the official receiver's recommendation, the trustee may fix, having regard to the applicable standards, another amount as the amount that the bankrupt is required to pay to the estate of the bankrupt, and if the trustee does so, the trustee shall</u></p> <p><u>(a) inform the official receiver and every creditor, in the prescribed manner, of the amount fixed under this subsection; and</u></p> <p><u>(b) take reasonable measures to ensure that the bankrupt complies with the requirement to pay.</u></p> <p><u>(6) If the trustee and the bankrupt are not in agreement with the amount that the bankrupt is required to pay under subsection (4) or (5.1), the trustee shall, without delay, in the prescribed form, send to the official receiver a request that the matter be determined by mediation and send a copy of the request to the bankrupt.</u></p> <p><u>(7) On a creditor's request made within 30 days after the trustee has informed the creditor of the amount fixed under subsection (4) or (5.1), the trustee shall, within five days after the 30-day period, send to the official receiver a request, in the prescribed form, that the matter of the amount that the bankrupt is required to pay be determined by mediation and send a copy of the request to the bankrupt and the creditor.</u></p> <p>...</p>

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		<p>(10) <u>The trustee may, in any of the following circumstances — and shall apply if requested to do so by the official receiver in the circumstances referred to in paragraph (a) — apply to the court to fix, by order, in accordance with the applicable standards, and having regard to the personal and family situation of the bankrupt, the amount that the bankrupt is required to pay to the estate of the bankrupt:</u></p> <p><u>(a) if the trustee has not implemented a recommendation made by the official receiver under subsection (5);</u></p> <p><u>(b) if the matter submitted to mediation has not been resolved by the mediation; or</u></p> <p><u>(c) if the bankrupt has failed to comply with the requirement to pay as determined under this section.</u></p> <p>...</p> <p>(12) On the application of any interested person, the court may, at any time, amend an order made under this section to take into account material changes that have occurred in the financial ^ situation of the bankrupt.</p> <p>...</p> <p><u>(14) For the purpose of this section, a requirement that a bankrupt pay an amount to the estate of the bankrupt is enforceable against all the bankrupt's property, including property referred to in paragraphs 67(1)(b) and (b.1).</u></p> <p><u>(15) If an opposition to the automatic discharge of an individual bankrupt who is required to pay an amount to the estate of the bankrupt is filed, the bankrupt's obligation under this section ceases on the day on which the bankrupt would have been automatically discharged had the opposition not been filed, but nothing in this subsection precludes the court from determining that the bankrupt is required to pay an amount that the court considers appropriate to the estate of the bankrupt.</u></p>

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<p>68.1 (2) An assignment of existing or future amounts receivable as payment for or commission or professional fees in respect of services rendered made by a debtor who is a natural person before the debtor became bankrupt is of no effect in respect of such amounts earned or generated after the bankruptcy.</p>		<p>68.1 (2) An assignment of existing or future amounts receivable as payment for or commission or professional fees in respect of services rendered ^ by a debtor who is an ^ <u>individual</u> before the debtor became bankrupt is of no effect in respect of such amounts earned or generated after the bankruptcy.</p>
<p>69 (2) The stays provided by subsection (1) do not apply ... (b) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security against the insolvent person more than ten days before the notice of intention under section 50.4 was filed, from enforcing that security, unless the secured creditor consents to the stay; or (c) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security from enforcing the security if the insolvent person has, under subsection 244(2), consented to the enforcement action.</p>	<p>69 (2) The stays provided by subsection (1) do not apply ... (b) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security against the insolvent person more than ten days before the notice of intention under section 50.4 was filed, from enforcing that security, unless the secured creditor consents to the stay; ^ (c) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security from enforcing the security if the insolvent person has, under subsection 244(2), consented to the enforcement action; <u>or</u> <u>(d) to prevent a creditor who holds security on aircraft objects — or who is a lessor of aircraft objects or a conditional seller of aircraft objects — under an agreement with the insolvent person from taking possession of the equipment</u> <u>(i) if, after the commencement of proceedings under this Act, the insolvent person defaults in protecting or maintaining the equipment in accordance with the agreement,</u></p>	<p>69 (2) The stays provided by subsection (1) do not apply ... (d) to prevent a creditor who holds security on aircraft objects ^ under an agreement with the insolvent person from taking possession of the ^aircraft objects^ ...</p>

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	<p><u>(ii) sixty days after the commencement of proceedings under this Act unless, during that period, the insolvent person</u></p> <p><u>(A) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the insolvent person's financial condition,</u></p> <p><u>(B) agreed to perform the obligations under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition, until the day on which proceedings under this Act end, and</u></p> <p><u>(C) agreed to perform all the obligations arising under the agreement after the proceedings under this Act end, or</u></p> <p><u>(iii) if, during the period that begins on the expiry of the sixty-day period and ends on the day on which proceedings under this Act end, the insolvent person defaults in performing an obligation under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition.</u></p>	
<p>69.1 (2) The stays provided by subsection (1) do not apply</p> <p>...</p> <p>(b) unless the secured creditor otherwise agrees, to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security against the insolvent person more</p>	<p>69.1 (2) The stays provided by subsection (1) do not apply</p> <p>...</p> <p>(b) unless the secured creditor otherwise agrees, to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security against the insolvent person</p>	<p>69.1 (2) The stays provided by subsection (1) do not apply</p> <p>...</p> <p>(d) to prevent a creditor who holds security on aircraft objects — or who is a lessor of aircraft objects or a conditional seller of aircraft objects — under an agreement with the insolvent person from taking</p>

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<p>than ten days before</p> <p>(i) a notice of intention was filed in respect of the insolvent person under section 50.4, or</p> <p>(ii) the proposal was filed, if no notice of intention under section 50.4 was filed</p> <p>from enforcing that security; or</p> <p>(c) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security from enforcing the security if the insolvent person has, under subsection 244(2), consented to the enforcement action.</p>	<p>more than ten days before</p> <p>(i) a notice of intention was filed in respect of the insolvent person under section 50.4, or</p> <p>(ii) the proposal was filed, if no notice of intention under section 50.4 was filed</p> <p>from enforcing that security; ^</p> <p>(c) to prevent a secured creditor who gave notice of intention under subsection 244(1) to enforce that creditor's security from enforcing the security if the insolvent person has, under subsection 244(2), consented to the enforcement action; <u>or</u></p> <p><u>(d) to prevent a creditor who holds security on aircraft objects — or who is a lessor of aircraft objects or a conditional seller of aircraft objects — under an agreement with the insolvent person from taking possession of the equipment</u></p> <p><u>(i) if, after the commencement of proceedings under this Act, the insolvent person defaults in protecting or maintaining the equipment in accordance with the agreement,</u></p> <p><u>(ii) sixty days after the commencement of proceedings under this Act unless, during that period, the insolvent person</u></p> <p><u>(A) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the insolvent person's financial condition,</u></p>	<p>possession of the equipment</p> <p>(i) if, after the commencement of proceedings under this Act, the insolvent person defaults in protecting or maintaining the ^ <u>aircraft objects</u> in accordance with the agreement,</p> <p>...</p>

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	<p><u>(B) agreed to perform the obligations under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition, until the day on which proceedings under this Act end, and</u></p> <p><u>(C) agreed to perform all the obligations arising under the agreement after the proceedings under this Act end, or</u></p> <p><u>(iii) if, during the period that begins on the expiry of the sixty-day period and ends on the day on which proceedings under this Act end, the insolvent person defaults in performing an obligation under the agreement, other than an obligation not to become insolvent or an obligation relating to the insolvent person's financial condition.</u></p>	
<p>69.3 (1) Subject to subsection (2) and sections 69.4 and 69.5, on the bankruptcy of any debtor, no creditor has any remedy against the debtor or the debtor's property, or shall commence or continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy, until the trustee has been discharged.</p>	<p>69.3 (1) Subject to subsections (2) <u>and (3)</u> and sections 69.4 and 69.5, on the bankruptcy of any debtor, no creditor has any remedy against the debtor or the debtor's property, or may commence or continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy, until the trustee has been discharged.</p>	<p>69.3 (1) Subject to subsections <u>(1.1)</u> and (2) and sections 69.4 and 69.5, on the bankruptcy of any debtor, no creditor has any remedy against the debtor or the debtor's property, or shall commence or continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy.</p> <p><u>(1.1) Subsection (1) ceases to apply in respect of a creditor on the day on which the trustee is discharged.</u></p>
<p>69.3 (2) Subject to sections 79 and 127 to 135 and subsection 248(1), the bankruptcy of a debtor does not prevent a secured creditor from realizing or otherwise dealing with his security in the same manner as he would have been entitled to realize or deal with it if this section had not been passed, unless the court otherwise orders, but in so ordering the</p>		<p>69.3 (2) Subject to subsection (3), sections 79 and 127 to 135 and subsection 248(1), the bankruptcy of a debtor does not prevent a secured creditor from realizing or otherwise dealing with his or her security in the same manner as he or she would have been entitled to realize or deal with it if this section had not been passed, unless the court otherwise orders, but in so ordering the court</p>

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<p>court shall not postpone the right of the secured creditor to realize or otherwise deal with his security, except as follows: ...</p>		<p>shall not postpone the right of the secured creditor to realize or otherwise deal with his or her security, except as follows: ...</p>
<p>New.</p>	<p><u>69.3 (3) The bankruptcy of a debtor does not prevent a creditor who holds security on aircraft objects — or who is a lessor of aircraft objects or a conditional seller of aircraft objects — under an agreement with the bankrupt from taking possession of the equipment</u></p> <p><u>(a) if, after the commencement of proceedings under this Act, the trustee defaults in protecting or maintaining the equipment in accordance with the agreement;</u></p> <p><u>(b) sixty days after the commencement of proceedings under this Act unless, during that period, the trustee</u></p> <p><u>(i) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the bankrupt’s financial condition,</u></p> <p><u>(ii) agreed to perform the obligations under the agreement, other than an obligation not to become insolvent or an obligation relating to the bankrupt’s financial condition, until the day on which proceedings under this Act end, and</u></p> <p><u>(iii) agreed to perform all the obligations arising under the agreement after the proceedings under this Act end; or</u></p>	<p><u>69.3 (3) ^ If a secured creditor who holds security on aircraft objects under an agreement with the bankrupt is postponed from realizing or otherwise dealing with that security, the order under which the postponement is made is terminated</u></p> <p><u>(a) if, ^ after the order is made, the trustee defaults in protecting or maintaining the ^ aircraft objects in accordance with the agreement;</u></p> <p><u>(b) ^ 60 days after the ^ day on which the order is made unless, during that period, the trustee</u></p> <p><u>(i) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the bankrupt’s financial condition, and</u></p> <p><u>(ii) agreed to perform the obligations under the agreement ^, other than the bankrupt’s obligation not to become insolvent or an obligation relating to the bankrupt’s financial condition, until the day on which the secured creditor is able to realize or otherwise deal with his or her security; or</u></p> <p>...</p>

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	<p><u>(c) if, during the period that begins on the expiry of the sixty-day period and ends on the day on which proceedings under this Act end, the trustee defaults in performing an obligation under the agreement, other than an obligation not to become insolvent or an obligation relating to the bankrupt's financial condition.</u></p>	
<p>70 (2) Despite subsection (1), one bill of costs of a barrister or solicitor or, in the Province of Quebec, an advocate, including the executing officer's fees and land registration fees, shall be payable to the creditor who has first attached by way of garnishment or lodged with the executing officer an attachment, execution or other process against the property of the bankrupt.</p>		<p>70 (2) Despite subsection (1), one bill of costs of a barrister or solicitor or, in the Province of Quebec, an advocate, including the executing officer's fees and land registration fees, shall be payable to the creditor who has first attached by way of garnishment or [^] <u>filed</u> with the executing officer an attachment, execution or other process against the property of the bankrupt.</p>
<p>74 (3) If a bankrupt owns any real property or immovable or holds any charge registered in a land registry office or has or is believed to have any interest, estate or right in any of them, and for any reason a copy of the bankruptcy order or assignment has not been registered as provided in subsection (1), a caveat or caution may be lodged with the official in charge of the land registry by the trustee, and any registration made after the lodging of the caveat or caution in respect of the real property, immovable or charge is subject to the caveat or caution unless it has been removed or cancelled under the provisions of the Act under which the real property, immovable, charge, interest, estate or right is registered.</p>		<p>74 (3) If a bankrupt owns any real property or immovable or holds any charge registered in a land registry office or has or is believed to have any interest, estate or right in any of them, and for any reason a copy of the bankruptcy order or assignment has not been registered as provided in subsection (1), a caveat or caution may be [^] <u>filed</u> with the official in charge of the land registry by the trustee, and any registration made after the [^] <u>filing</u> of the caveat or caution in respect of the real property, immovable or charge is subject to the caveat or caution unless it has been removed or cancelled under the provisions of the Act under which the real property, immovable, charge, interest, estate or right is registered.</p>
<p>81 (2) The trustee with whom a proof of claim is filed under subsection (1) shall within fifteen days thereafter or within fifteen days after the first meeting of creditors, whichever is the later, either admit the claim and deliver possession of the property to the claimant or give notice in writing to</p>		<p>81 (2) The trustee with whom a proof of claim is filed under subsection (1) shall within [^] <u>15</u> days [^] <u>after the filing of the claim</u> or within [^] <u>15</u> days after the first meeting of creditors, whichever is the later, either admit the claim and deliver possession of the property to the claimant or [^] <u>send notice in the prescribed manner</u> to</p>

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<p>the claimant that the claim is disputed with his reasons therefor, and, unless the claimant appeals therefrom to the court within fifteen days after the mailing of the notice of dispute, he shall be deemed to have abandoned or relinquished all his right to or interest in the property to the trustee who thereupon may sell or dispose of the property free of any lien, right, title or interest of the claimant.</p>		<p>the claimant that the claim is disputed, with [^] <u>the trustee's reasons for disputing it</u>, and, unless the claimant appeals [^] <u>the trustee' decision</u> to the court within [^] <u>15</u> days after the [^] <u>sending</u> of the notice of dispute, [^] <u>the claimant is</u> deemed to have abandoned or relinquished all his <u>or her</u> right to or interest in the property to the trustee who [^] <u>may then</u> sell or dispose of the property free of any [^] <u>right, title or interest of the claimant.</u></p>
<p>81 (4) The trustee may give notice in writing to any person to prove his claim to or in property under this section, and, unless that person files with the trustee a proof of claim in the prescribed form within fifteen days after the mailing of the notice, the trustee may thereupon with the leave of the court sell or dispose of the property free of any lien, right, title or interest of that person.</p>		<p>81 (4) The trustee may [^] <u>send</u> notice in [^] <u>the prescribed manner</u> to any person to prove his <u>or her</u> claim to or in property under this section, and, unless that person files with the trustee a proof of claim, in the prescribed form, within [^] <u>15</u> days after the [^] <u>sending</u> of the notice, the trustee may [^] <u>then</u>, with the leave of the court, sell or dispose of the property free of any [^] <u>right, title or interest of that person.</u></p>
<p>81.1 (1) Subject to this section, where a person (in this section referred to as the “supplier”) has sold and delivered goods to another person (in this section referred to as the “purchaser”) for use in relation to the purchaser's business, and the purchaser has not fully paid for the goods, the supplier may have access to and repossess the goods at the supplier's own expense, and the purchaser, trustee or receiver shall release the goods, if</p> <p>(a) the supplier presents a written demand for repossession to the purchaser, trustee or receiver, in prescribed form and containing the details of the transaction, within a period of thirty days after the delivery of the goods to the purchaser;</p> <p>(b) at the time when the demand referred to in paragraph (a) is presented,</p>		<p>81.1 (1) Subject to this section, [^] <u>if</u> a person (in this section referred to as the “supplier”) has sold [^] to another person (in this section referred to as the “purchaser”) <u>goods</u> for use in relation to the purchaser's business <u>and delivered the goods to the purchaser or to the purchaser's agent or mandatary</u>, and the purchaser has not fully paid for the goods, the supplier may have access to and repossess the goods at the supplier's own expense, and the purchaser, trustee or receiver, <u>or the purchaser's agent or mandatary, as the case may be</u>, shall release the goods, if</p> <p>(a) the supplier presents a written demand for repossession to the purchaser, trustee or receiver, in the prescribed form and containing the details of the transaction, within a period of [^] <u>15 days after the day on which the purchaser became bankrupt or became a person who is subject to a receivership;</u></p>

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<p>(i) the purchaser is bankrupt, or</p> <p>(ii) there is a receiver, within the meaning of subsection 243(2), in relation to the purchaser;</p> <p>...</p>		<p>(b) ^ <u>the goods were delivered within 30 days before the day on which the purchaser became bankrupt or became a person who is subject to a receivership;</u></p> <p>...</p>
<p>81.1 (4) Where a notice of intention under section 50.4 or a proposal was filed in respect of the purchaser after the delivery of the goods to the purchaser and before there was a receiver, within the meaning of subsection 243(2), in relation to the purchaser or the purchaser became bankrupt, the period between</p> <p>(a) the earlier of the filing of the notice of intention or proposal, and</p> <p>(b) the earlier of the first day there was a receiver, within the meaning of subsection 243(2), in relation to the purchaser or the day the purchaser became bankrupt</p> <p>shall not be counted in determining the end of the thirty day period referred to in paragraph (1)(a).</p>		<p>81.1 (4) ^ <u>If a notice of intention under section 50.4 or a proposal was filed in respect of the purchaser after the delivery of the goods to the purchaser and before ^ the purchaser became bankrupt or became a person who is subject to a receivership, the 30-day period referred to in paragraph (1)(b) is the 30-day period before the filing of the notice of intention or, if there was no notice of intention, the filing of the proposal.</u> ^</p>
<p>81.1 (5) A supplier's right to repossess goods pursuant to this section expires if not exercised within ten days after the purchaser, trustee or receiver presents the supplier with a written notice admitting that right, unless the ten day period is extended by mutual agreement.</p>		<p>81.1 (5) A supplier's right to repossess goods ^ <u>under this section expires if not exercised within ^ the 15-day period referred to in paragraph (1)(a), unless the period is extended before its expiry by the trustee or receiver, or by the court.</u></p>
<p>New.</p>		<p>81.1 (12) <u>The following definitions apply in this section.</u></p> <p><u>“person who is subject to a receivership” means a person in respect of whom any property is under the possession or control of a receiver.</u></p>

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		<p><u>“receiver” means a receiver within the meaning of subsection 243(2).</u></p>
New.		<p><u>81.3 (1) The claim of a clerk, servant, travelling salesperson, labourer or worker who is owed wages, salaries, commissions or compensation by a bankrupt for services rendered during the six months immediately before the date of bankruptcy is secured, as of that date, to the extent of \$2,000, by security on all the current assets of the bankrupt on that date.</u></p> <p><u>(2) For the purposes of subsection (1), commissions payable when goods are shipped, delivered or paid for, if shipped, delivered or paid for within the six month period referred to in that subsection, are deemed to have been earned in those six months.</u></p> <p><u>(3) The claim of a travelling salesperson who is owed money by a bankrupt for disbursements properly incurred in and about the bankrupt’s business during the six months immediately before the date of bankruptcy is secured, as of that date, to the extent of \$1,000, by security on all the bankrupt’s current assets on that date.</u></p> <p><u>(4) A security under this section ranks above every other claim, right, charge or security against the bankrupt’s current assets, regardless of when that other claim, right, charge or security arose, except rights under sections 81.1 and 81.2 and amounts referred to in subsection 67(3) that have been deemed to be held in trust.</u></p> <p><u>(5) If the trustee disposes of current assets covered by the security, the trustee is liable for the claim of the clerk, servant, travelling salesperson, labourer or worker to the extent of the amount realized on the disposition of the current assets, and is subrogated in and to all rights of the clerk, servant, travelling salesperson, labourer or worker of the amounts paid to that person</u></p>

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		<p>by the trustee.</p> <p><u>(6) For the purpose of this section and section 81.4, “compensation” includes vacation pay but does not include termination or severance pay.</u></p> <p><u>(7) A claim referred to in this section is proved by delivering to the trustee a proof of claim in the prescribed form.</u></p> <p><u>81.4 (1) The claim of a clerk, servant, travelling salesperson, labourer or worker who is owed wages, salaries, commissions or compensation by a person who is subject to a receivership for services rendered during the six months immediately before the first day on which there was a receiver in relation to the person is secured, as of that day, to the extent of \$2,000, by security on all the person’s current assets that are in the possession or under the control of the receiver.</u></p> <p><u>(2) For the purposes of subsection (1), commissions payable when goods are shipped, delivered or paid for, if shipped, delivered or paid for within the six-month period referred to in that subsection, are deemed to have been earned in those six months.</u></p> <p><u>(3) The claim of a travelling salesperson who is owed money by a person who is subject to a receivership for disbursements properly incurred in and about the person’s business during the six months immediately before the first day on which there was a receiver in relation to the person is secured, as of that day, to the extent of \$1,000, by security on all the person’s current assets that are in the possession or under the control of the receiver.</u></p> <p><u>(4) A security under this section ranks above every other claim, right, charge or security against the person’s current assets, regardless of when that other claim, right,</u></p>

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		<p><u>charge or security arose, except rights under sections 81.1 and 81.2.</u></p> <p><u>(5) If the receiver takes possession or in any way disposes of current assets covered by the security, the receiver is liable for the claim of the clerk, servant, travelling salesperson, labourer or worker to the extent of the amount realized on the disposition of the current assets, and is subrogated in and to all rights of the clerk, servant, travelling salesperson, labourer or worker of the amounts paid to that person by the receiver.</u></p> <p><u>(6) A claim referred to in this section is proved by delivering to the receiver a proof of claim in the prescribed form.</u></p> <p><u>(7) The following definitions apply in this section.</u></p> <p><u>“person who is subject to a receivership” means a person in respect of whom any property is under the possession or control of a receiver.</u></p> <p><u>“receiver” means a receiver within the meaning of subsection 243(2).</u></p> <p><u>81.5 (1) If the bankrupt is an employer who participated or participates in a prescribed pension plan for the benefit of the bankrupt’s employees, the following amounts that are unpaid on the date of bankruptcy to the fund established for the purpose of the pension plan are secured by security on all the assets of the bankrupt:</u></p> <p><u>(a) an amount equal to the sum of all amounts that were deducted from the employees’ remuneration for payment to the fund;</u></p> <p><u>(b) if the prescribed pension plan is regulated by an Act of Parliament,</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(i) an amount equal to the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that was required to be paid by the employer to the fund, and</u></p> <p><u>(ii) an amount equal to the sum of all amounts that were required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985; and</u></p> <p><u>(c) in the case of any other prescribed pension plan,</u></p> <p><u>(i) an amount equal to the amount that would be the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that the employer would be required to pay to the fund if the prescribed plan were regulated by an Act of Parliament, and</u></p> <p><u>(ii) an amount equal to the sum of all amounts that would have been required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985, if the prescribed plan were regulated by an Act of Parliament.</u></p> <p><u>(2) A security under this section ranks above every other claim, right, charge or security against the bankrupt's assets, regardless of when that other claim, right, charge or security arose, except</u></p> <p><u>(a) rights under sections 81.1 and 81.2;</u></p> <p><u>(b) amounts referred to in subsection 67(3) that have been deemed to be held in trust; and</u></p> <p><u>(c) securities under sections 81.3 and 81.4.</u></p>

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		<p><u>(3) If the trustee disposes of assets covered by the security, the trustee is liable for the amounts referred to in subsection (1) to the extent of the amount realized on the disposition of the assets, and is subrogated in and to all rights of the fund established for the purpose of the pension plan in respect of those amounts.</u></p> <p><u>81.6 (1) If a person who is subject to a receivership is an employer who participated or participates in a prescribed pension plan for the benefit of the person's employees, the following amounts that are unpaid immediately before the first day on which there was a receiver in relation to the person are secured by security on all the person's assets:</u></p> <p><u>(a) an amount equal to the sum of all amounts that were deducted from the employees' remuneration for payment to the fund;</u></p> <p><u>(b) if the prescribed pension plan is regulated by an Act of Parliament,</u></p> <p><u>(i) an amount equal to the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that was required to be paid by the employer to the fund, and</u></p> <p><u>(ii) an amount equal to the sum of all amounts that were required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985; and</u></p> <p><u>(c) in the case of any other prescribed pension plan,</u></p> <p><u>(i) an amount equal to the amount that would be the normal cost, within the meaning of subsection 2(1) of</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>the Pension Benefits Standards Regulations, 1985, that the employer would be required to pay to the fund if the prescribed plan were regulated by an Act of Parliament, and</u></p> <p><u>(ii) an amount equal to the sum of all amounts that would have been required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985, if the prescribed plan were regulated by an Act of Parliament.</u></p> <p><u>(2) A security under this section ranks above every other claim, right, charge or security against the person's assets, regardless of when that other claim, right, charge or security arose, except rights under sections 81.1 and 81.2 and securities under sections 81.3 and 81.4.</u></p> <p><u>(3) If the receiver disposes of assets covered by the security, the receiver is liable for the amounts referred to in subsection (1) to the extent of the amount realized on the disposition of the assets, and is subrogated in and to all rights of the fund established for the purpose of the pension plan in respect of those amounts.</u></p> <p><u>(4) The following definitions apply in this section.</u> <u>"person who is subject to a receivership" means a person in respect of whom any property is under the possession or control of a receiver.</u> <u>"receiver" means a receiver within the meaning of subsection 243(2).</u></p>
New.		<p><u>84.1 (1) The court may, on application by an insolvent person or a trustee, make an order assigning the rights and obligations of the insolvent person under any agreement to any person, specified by the court, who has agreed to the assignment.</u></p> <p><u>(2) The applicant must give notice of the assignment, in</u></p>

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		<p><u>the prescribed manner, to every party to the agreement.</u></p> <p><u>(3) Subsection (1) does not apply in respect of rights and obligations</u></p> <p><u>(a) under an eligible financial contract within the meaning of subsection 65.1(8);</u></p> <p><u>(b) under a lease referred to in subsection 65.2(1);</u></p> <p><u>(c) under a collective agreement; and</u></p> <p><u>(d) that are not assignable by reason of their nature.</u></p> <p><u>(4) In deciding whether to make an assignment, the court must consider, among other things,</u></p> <p><u>(a) whether the person to whom the rights and obligations are to be assigned would be able to perform the obligations; and</u></p> <p><u>(b) whether it would be appropriate to assign the rights and obligations to that person.</u></p> <p><u>(5) The court may not make the assignment if the court is satisfied that the insolvent person is in default under the agreement.</u></p> <p><u>84.2 (1) No person may terminate or amend any agreement, including a security agreement, with an individual bankrupt, or claim an accelerated payment, or a forfeiture of the term, under any agreement, including a security agreement, with the bankrupt, by reason only of the bankruptcy.</u></p> <p><u>(2) If the agreement referred to in subsection (1) is a lease, the lessor may not terminate or amend the lease by reason only of the bankruptcy or that the bankrupt</u></p>

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		<p><u>has not paid rent in respect of any period before the date of bankruptcy.</u></p> <p><u>(3) No public utility may discontinue service to an individual bankrupt by reason only of the bankruptcy or that the bankrupt has not paid for services rendered, or material provided, before the date of bankruptcy.</u></p> <p><u>(4) Nothing in this section is to be construed as</u></p> <p><u>(a) prohibiting a person from requiring payments to be made in cash for goods, services, use of leased property or other valuable consideration provided after the date of bankruptcy; or</u></p> <p><u>(b) requiring the further advance of money or credit.</u></p> <p><u>(5) Any provision in an agreement that has the effect of providing for, or permitting, anything that, in substance, is contrary to this section is of no force or effect.</u></p> <p><u>(6) The court may, on application by a party to an agreement, declare that this section does not apply, or applies only to the extent declared by the court, if the applicant satisfies the court that the operation of this section would likely cause the applicant significant financial hardship.</u></p>
<p>86 (2) Subsection (1) does not apply</p> <p>(a) to claims that are secured by a security or privilege of a kind that can be obtained by persons other than Her Majesty or a workers' compensation body</p> <p>...</p>		<p>86 (2) Subsection (1) does not apply</p> <p>(a) to claims that are secured by a security or [^]charge of a kind that can be obtained by persons other than Her Majesty or a workers' compensation body</p> <p>...</p>
<p>87 (1) A security provided for in federal or provincial legislation for the sole or principal purpose of securing a claim of Her Majesty in right of Canada or</p>		<p>87 (1) A security provided for in federal or provincial legislation for the sole or principal purpose of securing a claim of Her Majesty in right of Canada or of a province</p>

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<p>a province or of a workers' compensation body is valid in relation to a bankruptcy or proposal only if the security is registered, before the earliest of</p> <p>(a) the date an application is filed against the debtor,</p> <p>(b) the date the debtor makes an assignment,</p> <p>(c) the date the debtor files a notice of intention under section 50.4, and</p> <p>(d) the date on which a proposal is filed,</p> <p>pursuant to a prescribed system of registration.</p>		<p>or of a workers' compensation body is valid in relation to a bankruptcy or proposal only if the security is registered [^] <u>under a prescribed system of registration before the date of the initial bankruptcy event.</u></p> <p>[^]</p>
Settlements and Preferences		[^] Preferences
<p>91 (1) Any settlement of property made within the period beginning on the day that is one year before the date of the initial bankruptcy event in respect of the settlor and ending on the date that the settlor became bankrupt, both dates included, is void as against, or in the Province of Quebec, may not be set up against, the trustee.</p> <p>(2) Any settlement of property made within the period beginning on the day that is five years before the date of the initial bankruptcy event in respect of the settlor and ending on the date that the settlor became bankrupt, both dates included, is void as against, or in the Province of Quebec, may not be set up against, the trustee if the trustee can prove that the settlor was, at the time of making the settlement, unable to pay all the settlor's debts without the aid of the property that was the subject of the settlement or that the interest of the settlor in the property did not pass on the execution of the settlement.</p>		Repealed.

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<p>(3) This section does not extend to any settlement made in favour of a purchaser, incumbrancer or holder of a charge in good faith and for valuable consideration.</p>		
<p>94 (1) If a person engaged in any trade or business makes an assignment of their existing or future book debts or any class or part of those debts and subsequently becomes bankrupt, the assignment of book debts is void as against, or in the Province of Quebec, may not be set up against, the trustee with respect to any book debts that have not been paid at the date of the bankruptcy.</p> <p>(2) This section does not apply to an assignment of book debts that is registered pursuant to any statute of any province providing for the registration thereof if the assignment is valid in accordance with the laws of the province.</p> <p>(3) Nothing in this section renders void or, in the Province of Quebec, null any assignment of book debts due at the date of the assignment from specified debtors, or of debts growing due under specified contracts, or any assignment of book debts included in a transfer of a business made in good faith and for adequate valuable consideration.</p> <p>(4) For the purposes of this section, “assignment” includes assignment by way of security, hypothec and other charges on book debts.</p>		<p>Repealed.</p>
<p>96 If the transfer, charge, payment, obligation or judicial proceeding mentioned in section 95 is in favour of a person related to the insolvent person, the period referred to in subsection 95(1) shall be one year instead of three months.</p>		<p>96 If the transfer, charge, payment, obligation or judicial proceeding ^ <u>referred to</u> in section 95 ^ <u>has the effect of giving a creditor who is not at arm’s length a preference over other creditors</u>, the period referred to in subsection 95(1) ^ <u>is</u> one year instead of three months.</p>

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New.		<p><u>96.1 (1) If a debtor has entered into a transaction with another party, the court may, on the application of the trustee, inquire into whether the transaction was a transfer at undervalue and whether or not the other party was at arm’s length with the debtor.</u></p> <p><u>(2) If the court finds that the other party in the transaction was at arm’s length with the debtor and that the transaction was a transfer at undervalue, the court may give judgment to the trustee against the other party to the transaction, against any other person being privy to the transaction with the debtor or against all those persons for the difference between the actual consideration given or received by the debtor and the fair market value, as determined by the court, of the property or services concerned in the transaction, if</u></p> <p><u>(a) the transaction occurred during the period that begins on the day that is one year before the date of the initial bankruptcy event and that ends on the date of the bankruptcy; and</u></p> <p><u>(b) the debtor was insolvent at the time of, or was rendered insolvent by, the transaction, and the debtor intended to defeat the interests of creditors.</u></p> <p><u>(3) If the court finds that the other party in the transaction was not at arm’s length with the debtor and that the transaction was a transfer at undervalue, the court may give judgment to the trustee against the other party to the transaction, against any other person being privy to the transaction with the debtor or against all those persons for the difference between the actual consideration given or received by the debtor and the fair market value, as determined by the court, of the property or services concerned in the transaction, if the transaction occurred during the period</u></p>

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		<p><u>(a) that begins on the day that is one year before the date of the initial bankruptcy event and ends on the date of the bankruptcy; or</u></p> <p><u>(b) that begins five years before the date of the initial bankruptcy event and that ends one day before one year before the date of the initial bankruptcy event in the case where</u></p> <p><u>(i) the debtor was insolvent at the time of, or was rendered insolvent by, the transaction, or</u></p> <p><u>(ii) the debtor intended to defeat the interests of creditors.</u></p> <p><u>(4) In making the application referred to in this section, the trustee shall state what, in the trustee's opinion, was the fair market value of the property or services concerned in the transaction and what, in the trustee's opinion, was the value of the actual consideration given or received by the debtor in the transaction, and the values on which the court makes any finding under this section are the values so stated by the trustee unless other values are proved.</u></p>
<p>97 (1) No payment, contract, dealing or transaction to, by or with a bankrupt made between the date of the initial bankruptcy event and the date of the bankruptcy is valid, except the following, which are valid if made in good faith, subject to the foregoing provisions of this Act with respect to the effect of bankruptcy on an execution, attachment or other process against property, and subject to the provisions of this Act respecting settlements, preferences and reviewable transactions:</p> <p>...</p>		<p>97 (1) No payment, contract, dealing or transaction to, by or with a bankrupt made between the date of the initial bankruptcy event and the date of the bankruptcy is valid, except the following, which are valid if made in good faith, subject to the ^ provisions of this Act with respect to the effect of bankruptcy on an execution, attachment or other process against property, and subject to the provisions of this Act respecting ^ preferences and ^ <u>transfers at undervalue</u>:</p> <p>...</p>
New.		<u>98.1 (1) If a person engaged in any trade or business</u>

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		<p><u>makes an assignment of their existing or future book debts, or any class or part of those debts, and subsequently becomes bankrupt, the assignment of book debts is void as against, or, in the Province of Quebec, may not be set up against, the trustee with respect to any book debts that have not been paid at the date of the bankruptcy.</u></p> <p><u>(2) Subsection (1) does not apply to an assignment of book debts that is registered under any statute of any province providing for the registration of assignments of book debts if the assignment is valid in accordance with the laws of the province.</u></p> <p><u>(3) Nothing in subsection (1) renders void or, in the Province of Quebec, null any assignment of book debts due at the date of the assignment from specified debtors, or of debts growing due under specified contracts, or any assignment of book debts included in a transfer of a business made in good faith and for adequate valuable consideration.</u></p> <p><u>(4) For the purposes of this section, “assignment” includes assignment by way of security, hypothec and other charges on book debts.</u></p>
<p>100 (1) Where a bankrupt sold, purchased, leased, hired, supplied or received property or services in a reviewable transaction within the period beginning on the day that is one year before the date of the initial bankruptcy event and ending on the date of the bankruptcy, both dates included, the court may, on the application of the trustee, inquire into whether the bankrupt gave or received, as the case may be, fair market value in consideration for the property or services concerned in the transaction.</p> <p>(2) Where the court in proceedings under this section</p>		<p>Repealed.</p>

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<p>finds that the consideration given or received by the bankrupt in the reviewable transaction was conspicuously greater or less than the fair market value of the property or services concerned in the transaction, the court may give judgment to the trustee against the other party to the transaction, against any other person being privy to the transaction with the bankrupt or against all those persons for the difference between the actual consideration given or received by the bankrupt and the fair market value, as determined by the court, of the property or services concerned in the transaction.</p> <p>(3) In making an application under this section, the trustee shall state what in his opinion was the fair market value of the property or services concerned in the transaction and what in his opinion was the value of the actual consideration given or received by the bankrupt in the transaction, and the values on which the court makes any finding pursuant to this section shall be the values so stated by the trustee unless other values are proven.</p>		
<p>102 (3) In the case of the bankruptcy of an individual, the trustee shall</p> <p>(a) set out in the notice, in the prescribed form, information concerning the financial situation of the bankrupt and the obligation of the bankrupt to make payments required under section 68 to the estate of the bankrupt; and</p> <p>(b) forthwith advise the official receiver, and any creditors who have requested such information, of</p> <p>(i) any material change relating to the financial situation of the bankrupt, and</p>		<p>102 (3) In the case of the bankruptcy of an individual, ^ <u>the trustee shall set out in the notice, in the prescribed form, information concerning the financial situation of the bankrupt and the obligation of the bankrupt, if any, to make payments required under section 68 to the estate of the bankrupt.</u></p> <p>^</p>

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(ii) any amendment made under subsection 68(4) to the amount that the bankrupt is required to pay to the estate of the bankrupt.		
104 (1) Meetings of creditors other than the first shall be called by sending a notice of the time and place thereof not less than five days before the time of each meeting to each creditor at the address given in the creditor's proof of claim.		104 (1) Meetings of creditors other than the first shall be called by sending a notice of the time and place [^] <u>of the meeting together with an agenda outlining the items for discussion with a reasonable explanation of what is expected to be discussed for each item</u> , not less than five days before the time of each meeting to each creditor at the address given in the creditor's proof of claim.
<p>105 (1) The official receiver or his nominee shall be the chairman at the first meeting of creditors and shall decide any questions or disputes arising at the meeting and from any such decision any creditor may appeal to the court.</p> <p>(2) At all meetings of creditors other than the first, the trustee shall be the chairman unless by resolution at the meeting some other person is appointed.</p> <p>(3) The chairman of any meeting of creditors shall, in the case of a tie, have a second or casting vote.</p> <p>(4) The chairman of any meeting of creditors shall cause minutes of the proceedings at the meeting to be drawn up and entered in a book kept for that purpose, and the minutes shall be signed by him or by the chairman of the next ensuing meeting.</p> <p>...</p>		<p>105 (1) The official receiver or his nominee shall be the [^] <u>chair</u> at the first meeting of creditors and shall decide any questions or disputes arising at the meeting and from any such decision any creditor may appeal to the court.</p> <p>(2) At all meetings of creditors other than the first, the trustee shall be the [^] <u>chair</u> unless by resolution at the meeting some other person is appointed.</p> <p>(3) The [^] <u>chair</u> of any meeting of creditors shall, in the case of a tie, have a second or casting vote.</p> <p>(4) The [^] <u>chair</u> of any meeting of creditors shall, <u>within a reasonable time after each meeting</u>, cause minutes of the proceedings at the meeting to be [^] <u>prepared. The minutes shall be signed by the chair or by the chair of the next meeting and shall be retained as part of the books, records and documents referred to in section 26 relating to the administration of the estate.</u></p> <p>...</p>
106 (2) Where there is no quorum at the first meeting of creditors,		106 (2) Where there is no quorum at the first meeting of creditors,

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<p>(a) the appointment of the trustee shall be deemed to be confirmed; and</p> <p>(b) the chairman shall adjourn the meeting</p> <p>(i) to such time and place as the chairman fixes, or</p> <p>(ii) without fixing a time or place for a future meeting.</p> <p>(2.1) Where there is no quorum at any meeting of creditors other than the first meeting, the chairman shall adjourn the meeting to such time and place as the chairman fixes.</p> <p>(3) The chairman of any meeting of creditors may with the consent of the meeting adjourn the meeting from time to time.</p>		<p>(a) the appointment of the trustee shall be deemed to be confirmed; and</p> <p>(b) the ^ <u>chair</u> shall adjourn the meeting</p> <p>(i) to such time and place as the ^ <u>chair</u> fixes, or</p> <p>(ii) without fixing a time or place for a future meeting.</p> <p>(2.1) Where there is no quorum at any meeting of creditors other than the first meeting, the ^ <u>chair</u> shall adjourn the meeting to such time and place as the chairman fixes.</p> <p>(3) The ^ <u>chair</u> of any meeting of creditors may with the consent of the meeting adjourn the meeting from time to time.</p>
<p>108 (1) The chairman of any meeting of creditors has power to admit or reject a proof of claim for the purpose of voting but his decision is subject to appeal to the court.</p> <p>(2) Notwithstanding anything in this Act, the chairman may, for the purpose of voting, accept any letter or printed matter transmitted by any form or mode of telecommunication as proof of the claim of a creditor.</p> <p>(3) Where the chairman is in doubt as to whether a proof of claim should be admitted or rejected, he shall mark the proof as objected to and allow the creditor to vote subject to the vote being declared invalid in the event of the objection being sustained.</p>		<p>108 (1) The ^ <u>chair</u> of any meeting of creditors has power to admit or reject a proof of claim for the purpose of voting but his decision is subject to appeal to the court.</p> <p>(2) Notwithstanding anything in this Act, the ^ <u>chair</u> may, for the purpose of voting, accept any letter or printed matter transmitted by any form or mode of telecommunication as proof of the claim of a creditor.</p> <p>(3) Where the ^ <u>chair</u> is in doubt as to whether a proof of claim should be admitted or rejected, he shall mark the proof as objected to and allow the creditor to vote subject to the vote being declared invalid in the event of the objection being sustained.</p>
<p>109 (1) A person is not entitled to vote as a creditor at any meeting of creditors unless he has duly proved</p>		<p>109 (1) A person is not entitled to vote as a creditor at any meeting of creditors unless ^ <u>the person</u> has duly</p>

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<p>a claim provable in bankruptcy and the proof of claim has been duly lodged with the trustee before the time appointed for the meeting.</p>		<p>proved a claim provable in bankruptcy and the proof of claim has been duly [^] <u>filed</u> with the trustee before the time appointed for the meeting.</p>
<p>109 (6) Except as otherwise provided by this Act, a creditor is not entitled to vote at any meeting of creditors if the creditor did not, at all times within the period beginning on the day that is one year before the date of the initial bankruptcy event in respect of the debtor and ending on the date of the bankruptcy, both dates included, deal with the debtor at arm's length.</p> <p>(7) A creditor who is not entitled to vote at a meeting of creditors by virtue of subsection (6) may with leave of the court vote at the meeting of creditors when all the creditors who have dealt with the debtor at arm's length do not together represent at least twenty per cent in value of the claims against the debtor.</p>		<p>Repealed.</p>
<p>New.</p>		<p><u>109 (6) If, in respect of the vote on any particular matter at a meeting of creditors, the chair is of the opinion that the outcome of the vote was determined by the vote of a person who did not deal with the debtor at arm's length at any time within the period that begins on the day that is one year before the date of the initial bankruptcy event and that ends on the date of the bankruptcy, the chair shall redetermine the outcome of the vote by not including the votes of all such creditors, and that new outcome, as redetermined by the chair, is the outcome of the vote, unless an application is made to the court within 10 days by one of the creditors whose vote was not included and the court, if it decides to include the vote of the applicant, determines another outcome for the vote.</u></p>
<p>110 (1) No person is entitled to vote on a claim</p>		<p>110 (1) No person is entitled to vote on a claim acquired</p>

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acquired after the bankruptcy of a debtor unless the entire claim is acquired.		after [^] <u>the date of bankruptcy in respect</u> of a debtor unless the entire claim is acquired.
<p>113 (1) Where the trustee is a creditor or a proxy for a creditor, he may vote as a creditor at any meeting of creditors.</p> <p>(2) The vote of the trustee or of their partner, clerk, legal counsel or legal counsel's clerk, either as creditor or as proxy for a creditor, shall not be reckoned in the majority required for passing any resolution affecting the remuneration or conduct of the trustee.</p>		<p>113 (1) [^] <u>If</u> the trustee is [^] <u>a proxyholder</u> for a creditor, [^] <u>the trustee</u> may vote as a creditor at any meeting of creditors.</p> <p>(2) The vote of the trustee [^] <u>— or of the partner, clerk or legal counsel of the trustee, or of the clerk of the legal counsel of the trustee —</u> as proxyholder for a creditor, shall not be counted in respect of any resolution affecting the remuneration or conduct of the trustee.</p>
113 (3) The following persons are not entitled to vote on the appointment of a trustee or inspectors:		<p>113 (3) The following persons are not entitled to vote on the appointment of a trustee [^] <u>— and except with the permission of the court and on any condition that the court may impose, the following persons are not entitled to vote on the appointment of inspectors:</u></p> <p>...</p>
<p>114 (1) A minute of proceedings at a meeting of creditors under this Act signed at the same or the next ensuing meeting by a person describing himself as or appearing to be chairman of the meeting at which the minute is signed shall be admitted in evidence without further proof.</p> <p>(2) Until the contrary is proved, every meeting of creditors in respect of the proceedings whereof a minute has been signed by the chairman shall be deemed to have been duly convened and held and all resolutions passed or proceedings thereat to have been duly convened and held and to have been duly passed or had.</p>		<p>114 (1) A minute of proceedings at a meeting of creditors under this Act signed at the same or the next ensuing meeting by a person describing himself as or appearing to be [^] <u>chair</u> of the meeting at which the minute is signed shall be admitted in evidence without further proof.</p> <p>(2) Until the contrary is proved, every meeting of creditors in respect of the proceedings whereof a minute has been signed by the [^] <u>chair</u> shall be deemed to have been duly convened and held and all resolutions passed or proceedings thereat to have been duly convened and held and to have been duly passed or had.</p>
116 (1) At the first or a subsequent meeting of creditors, the creditors shall appoint one or more,		116 (1) At the first or a subsequent meeting of creditors, the creditors shall [^] <u>, by resolution, appoint up to five</u>

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but not exceeding five, inspectors of the estate of the bankrupt.		inspectors of the estate of the bankrupt <u>or agree not to appoint any inspectors.</u>
118 Where there are no inspectors of the estate of the bankrupt or where the inspectors fail to exercise the powers conferred on them, the trustee shall call a meeting of the creditors for the purpose of appointing inspectors or substituting other inspectors, taking such action or giving such directions as may be necessary.		118 [^] <u>If</u> [^] the inspectors fail to exercise the powers conferred on them, the trustee shall call a meeting of the creditors for the purpose of [^] substituting other inspectors <u>and for the purpose of taking</u> [^] <u>any</u> action or giving [^] <u>any</u> directions [^] <u>that may</u> be necessary.
120 (3) The inspectors shall from time to time verify the bank balance of the estate, examine the trustee's accounts and inquire into the adequacy of the security filed by the trustee and, subject to subsection (4), shall approve the trustee's final statement of receipts and disbursements, dividend sheet and disposition of unrealized property.		120 (3) <u>In addition to the other duties that are attributed to them under this Act,</u> the inspectors shall from time to time verify the bank balance of the estate, examine the trustee's accounts and inquire into the adequacy of the security filed by the trustee and, subject to subsection (4), shall approve the trustee's final statement of receipts and disbursements, dividend sheet and disposition of unrealized property.
124 (5) The proof of claim shall state whether the creditor is or is not a secured or preferred creditor.		Repealed.
126 (1) Every creditor who has lodged a proof of claim is entitled to see and examine the proofs of other creditors.		126 (1) Every creditor who has [^] <u>filed</u> a proof of claim is entitled to see and examine the proofs of other creditors.
126 (2) Proofs of claims for wages of workers and others employed by the bankrupt may be made in one proof by the bankrupt or someone on behalf of the bankrupt or by a representative of a federal or provincial ministry responsible for labour matters or a representative of a union representing workers and others employed by the bankrupt, by attaching thereto a schedule setting out the names and addresses of the workers and others and the amounts severally due to them, but that proof does not disentitle any worker or other wage-earner to file a		126 (2) Proofs of claims for wages of workers and others employed by the bankrupt may be made in one proof by the bankrupt [^] , <u>by someone on the bankrupt's behalf,</u> [^] by a representative of a federal or provincial ministry responsible for labour matters, [^] <u>by</u> a representative of a union representing workers and others employed by the bankrupt <u>or by a court-appointed representative, and that proof is to be made</u> by attaching [^] <u>to it</u> a schedule setting out the names and addresses of the workers and others and the amounts severally due to them, but that proof does not disentitle

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separate proof on their own behalf.		any worker or other wage earner to file a separate proof on [^] <u>his or her</u> own behalf.
<p>136 (1) Subject to the rights of secured creditors, the proceeds realized from the property of a bankrupt shall be applied in priority of payment as follows:</p> <p>...</p> <p>(d) wages, salaries, commissions or compensation of any clerk, servant, travelling salesman, labourer or workman for services rendered during the six months immediately preceding the bankruptcy to the extent of two thousand dollars in each case, together with, in the case of a travelling salesman, disbursements properly incurred by that salesman in and about the bankrupt's business, to the extent of an additional one thousand dollars in each case, during the same period, and for the purposes of this paragraph commissions payable when goods are shipped, delivered or paid for, if shipped, delivered or paid for within the six month period, shall be deemed to have been earned therein;</p> <p>...</p>		<p>136 (1) Subject to the rights of secured creditors, the proceeds realized from the property of a bankrupt shall be applied in priority of payment as follows:</p> <p>...</p> <p><u>(d) ^ the amount of any wages, salaries, commissions, compensation or disbursements referred to in sections 81.3 and 81.4 that was not paid;</u></p> <p><u>(d.01) the amount equal to the difference a secured creditor would have received but for the operation of sections 81.3 and 81.4 and the amount actually received by the secured creditor;</u></p> <p><u>(d.02) the amount equal to the difference a secured creditor would have received but for the operation of sections 81.5 and 81.6 and the amount actually received by the secured creditor;</u></p> <p>...</p>
<p>137 (1) A creditor who entered into a reviewable transaction with a debtor at any time prior to the bankruptcy of the debtor is not entitled to claim a dividend in respect of a claim arising out of that transaction until all claims of the other creditors have been satisfied unless the transaction was in the opinion of the trustee or of the court a proper transaction.</p>		<p>137 (1) <u>^ A creditor who, at any time before the bankruptcy of a debtor, entered into a transaction with the debtor and who was not at arm's length with the debtor at that time</u> is not entitled to claim a dividend in respect of a claim arising out of that transaction until all claims of the other creditors have been satisfied, unless the transaction was in the opinion of the trustee or of the court a proper transaction.</p>
New.		<p><u>140.1 A creditor is not entitled to claim a dividend in respect of a claim arising from the rescission of a purchase or sale of a share or unit of the bankrupt — or in respect of a claim for damages arising from the purchase or sale of a share or unit of the bankrupt —</u></p>

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		<u>until all claims of the other creditors have been satisfied.</u>
147 (1) For the purpose of defraying the expenses of the supervision by the Superintendent, there shall be payable to the Superintendent for deposit with the Receiver General a levy on all payments, except the costs referred to in subsection 70(2), made by the trustee by way of dividend or otherwise on account of the claims of creditors, whether unsecured, preferred or secured creditors, and including Her Majesty in right of Canada or a province claiming in respect of taxes or otherwise.		147 (1) For the purpose of defraying the expenses of the supervision by the Superintendent, there shall be payable to the Superintendent for deposit with the Receiver General a levy on all payments, except the costs referred to in subsection 70(2), made by the trustee by way of dividend or otherwise on account of [^] <u>the creditor's claims, including Her Majesty in right of Canada or of a province claiming in respect of taxes or otherwise.</u>
149 (1) The trustee may, after the first meeting of the creditors, give notice by registered or certified mail to every person with a claim of which the trustee has notice or knowledge but whose claim has not been proved that if that person does not prove his claim within a period of thirty days after the mailing of the notice the trustee will proceed to declare a dividend or final dividend without regard to that person's claim.		149 (1) The trustee may, after the first meeting of the creditors, [^] <u>send a notice, in the prescribed manner,</u> to every person with a claim of which the trustee has notice or knowledge but whose claim has not been proved. [^] <u>The notice must inform the person that, if that person does not prove the claim within a period of 30 days after the sending of the notice, the trustee will proceed to declare a dividend or final dividend without regard to that person's claim.</u>
149 (4) Unless the trustee retains sufficient funds to provide for payment of any claims that may be filed under the Income Tax Act, no dividend shall be declared until the expiration of three months after the trustee has filed all returns that the trustee is required to file.		Repealed.
New.		149 (4) <u>Despite subsection (2), a claim may be filed for an amount payable under the following provisions within the time limit referred to in subsection (2), or within three months after the time the return of income or other evidence of the facts on which the claim is based is filed or comes to the attention of the Minister of National Revenue or, in the case of an amount payable under a provision referred to in paragraph (c),</u>

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		<p>the minister in that province responsible for the provision:</p> <p><u>(a) subsection 224(1.2) of the Income Tax Act;</u></p> <p><u>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts;</u></p> <p><u>(c) any provision of provincial legislation that has a purpose similar to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, if the sum</u></p> <p><u>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</u></p> <p><u>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;</u></p> <p><u>(d) subsection 82(1.1) of the Excise Tax Act;</u></p> <p><u>(e) subsection 284(1.1) of the Excise Act, 2001;</u></p> <p><u>(f) subsections 97.22(1) and (5) of the Customs Act; and</u></p> <p><u>(g) subsection 72(1.1) of the Air Travellers Security Charge Act.</u></p>

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		<p><u>(5) Unless the trustee retains sufficient funds to provide for payment of any claims that may be filed under a provision referred to in any of paragraphs (4)(a) to (g), no dividend shall be declared until the expiry of three months after the trustee has filed all returns that the trustee is required to file.</u></p>
<p>152 (1) The trustee's final statement of receipts and disbursements shall contain a complete account of all moneys received by the trustee out of the property of the bankrupt or otherwise, the amount of interest received by the trustee, all moneys disbursed and expenses incurred and the remuneration claimed by the trustee, together with full particulars, description and value of all property of the bankrupt that has not been sold or realized, setting out the reason why the property has not been sold or realized and the disposition made thereof.</p>		<p>152 (1) The trustee's final statement of receipts and disbursements shall contain ^</p> <p><u>(a) a complete account of</u></p> <p><u>(i) all moneys received by the trustee out of the bankrupt's property or otherwise,</u></p> <p><u>(ii) the amount of interest received by the trustee,</u></p> <p><u>(iii) all moneys disbursed and expenses incurred by the trustee,</u></p> <p><u>(iv) all moneys disbursed by the trustee for services provided by persons related to the trustee, and</u></p> <p><u>(v) the remuneration claimed by the trustee; and</u></p> <p><u>(b) full particulars of, and a description and value of, all the bankrupt's property that has not been sold or realized together with the reason why it has not been sold or realized and the disposition made of that property.</u></p>
<p>152 (5) After the Superintendent has commented on the taxation of the trustee's accounts or advised the trustee that the Superintendent has no comments to make and the trustee's accounts have been taxed, the trustee shall, in the prescribed manner, forward to every creditor whose claim has been proved, to the</p>		<p>152 (5) After the Superintendent has commented on the taxation of the trustee's accounts or advised the trustee that the Superintendent has no comments to make and the trustee's accounts have been taxed, the trustee shall ^ <u>send, in the prescribed manner,</u> to every creditor whose claim has been proved, to the registrar, to the</p>

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<p>registrar, to the Superintendent and to the bankrupt ... (c) a notice in the prescribed form of his intention to pay a final dividend after the expiration of fifteen days from the mailing of the notice, statement and dividend sheet and to apply to the court for his discharge on a subsequent date not less than thirty days after the payment of the dividend.</p>		<p>Superintendent and to the bankrupt ... (c) a notice, in the prescribed form, of the trustee's intention to pay a final dividend after the expiry of 15 days from the sending of the notice, statement and dividend sheet and to apply to the court for his or her discharge on a subsequent date that is not less than [^] 30 days after the payment of the dividend.</p>
<p>155 The following provisions apply to the summary administration of estates under this Act: ... (d) all notices, statements and other documents shall be sent by ordinary mail or by any prescribed manner; (d.1) a first meeting of the creditors (i) is required to be called by the trustee only if it is requested within thirty days after the date of the bankruptcy by the official receiver or by creditors who have in the aggregate at least twenty-five per cent in value of the proven claims, (ii) must be called in the prescribed form and manner, and (iii) must be held within twenty-one days after being called; ... (i) notwithstanding section 152, the procedure respecting the trustee's accounts, including the taxation thereof shall be as prescribed; and (j) notwithstanding subsections 41(1), (5) and (6), the procedure for the trustee's discharge shall be as prescribed.</p>		<p>155 The following provisions apply to the summary administration of estates under this Act: ... (d) all notices, statements and other documents shall be sent [^] <u>in the prescribed manner</u>; (d.1) [^] <u>if a first meeting of the creditors is requested by the official receiver or by creditors who have in the aggregate at least 25% in value of the proven claims, the trustee shall call the meeting, in the prescribed form and manner, and it must be held within 21 days after being called</u>; ... (i) notwithstanding section 152, the procedure respecting the trustee's accounts, including the taxation thereof shall be as prescribed; [^] (j) notwithstanding subsections 41(1), (5) and (6), the procedure for the trustee's discharge shall be as prescribed; <u>and</u> (k) <u>the court's authorization referred to in subsection 30(4) for a sale or disposal of any of the bankrupt's property to a person who is related to the bankrupt is required only if the creditors decide that the authorization is required.</u></p>
New.		<u>156.1 An individual bankrupt who has never before</u>

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		<p>been bankrupt under the laws of Canada or of any prescribed jurisdiction and who is not required to make payments under section 68 to the estate of the bankrupt <u>may enter into an agreement with the trustee to pay the trustee's fees and disbursements if the total amount required to be paid under the agreement is not more than the prescribed amount and that total amount is to be paid before the expiry of the 12-month period after the bankrupt's discharge. The agreement may be enforced after the bankrupt's discharge.</u></p>
<p>157.1 (3) Paragraph 168.1(1)(f) does not apply to an individual bankrupt who has refused or neglected to receive counselling provided pursuant to subsection (1).</p>		<p>157.1 (3) ^ <u>Subsection</u> 168.1(1)^ does not apply to an individual bankrupt who has refused or neglected to receive counselling under subsection (1).</p>
<p>161 (2) The official receiver shall make notes of an examination made under subsection (1) and shall forward a copy of the notes to the Superintendent, the trustee and the court for deposit therein.</p> <p>(2.1) Where the examination under subsection (1) is held</p> <p>(a) before the first meeting of creditors, the notes shall be communicated to the creditors at the meeting; or</p> <p>(b) after the first meeting of creditors, the notes shall be made available to any creditor who requests them.</p>		<p>161 (2) The official receiver shall make ^ <u>a record of the examination and shall forward a copy of the record to the Superintendent and the trustee.</u></p> <p>(2.1) ^ <u>If the examination</u> is held</p> <p>(a) before the first meeting of creditors, ^ <u>the record of the examination</u> shall be communicated to the creditors at the meeting; or</p> <p>(b) after the first meeting of creditors, ^ <u>the record of examination</u> shall be made available to any creditor who requests ^ <u>it.</u></p>
<p>162 (2) Where, pursuant to subsection (1), an inquiry or investigation is made by the official receiver on the direction of the Superintendent, the Superintendent shall, out of the moneys appropriated by Parliament to defray the expenses of the office of the Superintendent, reimburse the official receiver for such reasonable costs and expenses incurred by</p>		<p>Repealed.</p>

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<p>him in connection with the inquiry or investigation, not being ordinary costs or expenses of his office, as are approved by the Superintendent.</p>		
<p>166 Where the bankrupt fails to present himself for examination before the official receiver as required by paragraph 158(c) or where he or any other person is served with an appointment or summons to attend for examination and is paid or tendered the proper conduct money and witness fees as fixed by the General Rules but refuses or neglects to attend as required by the appointment or summons, the court may, on the application of the trustee, by warrant cause the bankrupt or other person so in default to be apprehended and brought up for examination.</p>		<p>166 ^ <u>If</u> the bankrupt fails to present himself <u>or herself</u> for examination before the official receiver as required by paragraph 158(c) or ^ <u>if the bankrupt</u> or any other person is served with an appointment or a summons to attend for examination and is paid or tendered the proper conduct money and witness fees as fixed by the General Rules but refuses or neglects to attend as required by the appointment or summons, the court may, on the application of the trustee <u>or the official receiver</u>, by warrant cause the bankrupt or other person so in default to be apprehended and brought up for examination.</p>
<p>168.1 (1) Except as provided in subsection (2), the following provisions apply in respect of an individual bankrupt who has never before been bankrupt under the laws of Canada or of any prescribed jurisdiction:</p> <p>(a) the trustee shall, before the end of the eight-month period immediately following the date on which a bankruptcy order is made against, or an assignment is made by, the individual bankrupt, file a report prepared under subsection 170(1) with the Superintendent and send a copy of the report to the bankrupt and to each creditor who requested a copy;</p> <p>(a.1) the trustee shall, not less than fifteen days before the date of automatic discharge provided for in paragraph (f), give notice of the impending discharge, in the prescribed form, to the Superintendent, the bankrupt and every creditor who has proved a claim, at the creditor's latest known address;</p>		<p>168.1 (1) ^ <u>Subject to subsections (2) and 157.1(3), the following provisions apply in respect of an individual bankrupt ^ other than a bankrupt referred to in subsection 172.1(1):</u></p> <p><u>(a) in the case of a bankrupt who has never before been bankrupt under the laws of Canada or of any prescribed jurisdiction, the bankrupt is automatically discharged</u></p> <p><u>(i) on the expiry of 9 months after the date of bankruptcy unless, in that 9-month period, an opposition to the discharge has been filed or the bankrupt has been required to make payments under section 68 to the estate of the bankrupt, or</u></p> <p><u>(ii) on the expiry of 21 months after the date of bankruptcy unless an opposition to the discharge has been filed before the automatic discharge takes effect; and</u></p> <p><u>(b) in the case of a bankrupt who has been a bankrupt</u></p>

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<p>(b) where the Superintendent intends to oppose the discharge of the bankrupt, the Superintendent shall give notice of the intended opposition, stating the grounds therefor, to the trustee and to the bankrupt at any time prior to the expiration of the nine month period immediately following the bankruptcy;</p> <p>(c) where a creditor intends to oppose the discharge of the bankrupt, the creditor shall give notice of the intended opposition, stating the grounds therefor, to the Superintendent, to the trustee and to the bankrupt at any time prior to the expiration of the nine month period immediately following the bankruptcy;</p> <p>(d) where the trustee intends to oppose the discharge of the bankrupt, the trustee shall give notice of the intended opposition in prescribed form and manner, stating the grounds therefor, to the bankrupt and the Superintendent at any time prior to the expiration of the nine month period immediately following the bankruptcy;</p> <p>(e) where the Superintendent, the trustee or a creditor opposes the discharge of the bankrupt, the trustee shall, unless the matter is to be dealt with by mediation under section 170.1, forthwith apply to the court for an appointment for the hearing of the opposition in the manner referred to in sections 169 to 176, which hearing shall be held</p> <p>(i) within thirty days after the day the appointment is made, or</p> <p>(ii) at such later time as may be fixed by the court at the request of the bankrupt or the trustee; and</p> <p>(f) where the Superintendent, the trustee or a creditor</p>		<p><u>one time before under the laws of Canada or of any prescribed jurisdiction, the bankrupt is automatically discharged</u></p> <p><u>(i) on the expiry of 24 months after the date of bankruptcy unless, in that 24-month period, an opposition to the discharge has been filed or the bankrupt has been required to make payments under section 68 to the estate of the bankrupt, or</u></p> <p><u>(ii) on the expiry of 36 months after the date of bankruptcy unless an opposition to the discharge has been filed before the automatic discharge takes effect.</u></p> <p><u>(2) Nothing in subsection (1) precludes a bankrupt from applying to the court for a discharge before the bankrupt would otherwise be automatically discharged, and that subsection ceases to apply to a bankrupt who makes such an application.</u></p> <p>(3) The provisions of this Act concerning the discharge of bankrupts apply in respect of an individual bankrupt who has never before been bankrupt under the laws of Canada or of any prescribed jurisdiction, to the extent that those provisions are not inconsistent with this section, whether or not the bankrupt applies to the court for a discharge referred to in subsection (2).</p> <p><u>(4) The trustee shall, not less than 15 days before the date of a bankrupt's automatic discharge, give notice of the impending discharge, in the prescribed form, to the Superintendent, the bankrupt and every creditor who has proved a claim, at the creditor's latest known address.</u></p> <p>^ (5) An automatic discharge ^ is deemed, for all purposes, to be an absolute and immediate order of discharge.</p>

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<p>has not opposed the discharge of the bankrupt in the nine month period immediately following the bankruptcy, then, subject to subsection 157.1(3),</p> <p>(i) on the expiration of that nine month period, the bankrupt is automatically discharged, and</p> <p>(ii) forthwith after the expiration of that nine month period, the trustee shall issue a certificate to the discharged bankrupt, in the prescribed form, declaring that the bankrupt is discharged and is released from all debts except those matters referred to in subsection 178(1), and shall send a copy of the certificate to the Superintendent.</p> <p>(2) Nothing in subsection (1) precludes an individual bankrupt from applying to the court for discharge before the expiration of the nine month period immediately following the bankruptcy, and subsection (1) ceases to apply to an individual bankrupt who makes such an application before the expiration of that period.</p> <p>(3) The provisions of this Act concerning the discharge of bankrupts apply in respect of an individual bankrupt who has never before been bankrupt under the laws of Canada or of any prescribed jurisdiction, to the extent that those provisions are not inconsistent with this section, whether or not the bankrupt applies to the court for a discharge referred to in subsection (2).</p> <p>(4) An automatic discharge by virtue of paragraph (1)(f) is deemed, for all purposes, to be an absolute and immediate order of discharge.</p>		<p><u>(6) Without delay after a bankrupt has been automatically discharged, the trustee shall issue a certificate to the discharged bankrupt, in the prescribed form, declaring that the bankrupt is discharged and is released from all debts except those matters referred to in subsection 178(1). The trustee shall send a copy of the certificate to the Superintendent.</u></p>
New.		<u>168.2 (1) The following provisions apply in respect of oppositions to the automatic discharge of an individual</u>

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		<p>bankrupt:</p> <p><u>(a) if the Superintendent opposes the discharge, the Superintendent must give notice of the opposition, together with the grounds for it, to the trustee and to the bankrupt before the automatic discharge would otherwise take effect;</u></p> <p><u>(b) if a creditor opposes the discharge, the creditor must give notice of the opposition, together with the grounds for it, to the Superintendent, to the trustee and to the bankrupt before the automatic discharge would otherwise take effect; and</u></p> <p><u>(c) if the trustee opposes the discharge, the trustee must give notice of the opposition in the prescribed form and manner, together with the grounds for the opposition, to the bankrupt and the Superintendent before the automatic discharge would otherwise take effect.</u></p> <p><u>(2) If the Superintendent, a creditor or the trustee opposes the automatic discharge of an individual bankrupt, the trustee shall, unless the matter is to be dealt with by mediation under section 170.1, apply without delay to the court for an appointment for the hearing of the opposition in the manner referred to in sections 169 to 176, and the hearing must be held</u></p> <p><u>(a) within 30 days after the day on which the appointment is made; or</u></p> <p><u>(b) at any later time that may be fixed by the court at the bankrupt's or trustee's request.</u></p>
<p>169 (1) Subject to section 168.1, the making of a bankruptcy order against, or an assignment by, any person except a corporation operates as an application for discharge, unless the bankrupt, by</p>		<p>169 (1) ^ The making of a bankruptcy order against, or an assignment by, ^ a person ^ <u>other than</u> a corporation ^ <u>or an individual in respect of whom subsection 168.1(1) applies</u> operates as an application for discharge</p>

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<p>notice in writing, files in the court and serves on the trustee a waiver of application before being served by the trustee with a notice of the trustee's intention to apply to the court for an appointment for the hearing of the application as provided in this section.</p> <p>(2) The trustee, before proceeding to the discharge and in any case not earlier than three months and not later than one year following the bankruptcy of any person who has not served a notice of waiver on the trustee, shall on five days notice to the bankrupt apply to the court for an appointment for a hearing of the application on a date not more than thirty days after the date of the appointment or at such other time as may be fixed by the court at the request of the bankrupt or trustee.</p>		<p>^.</p> <p>(2) The trustee, before proceeding to ^ <u>his or her</u> discharge and in any case not earlier than three months and not later than one year ^ <u>after</u> the bankruptcy of ^ <u>a person ^ for whom there is an application for discharge by virtue of subsection (1)</u> shall, on five days notice to the bankrupt, apply to the court for an appointment for a hearing of the application ^ <u>for the bankrupt's discharge, and the hearing must be held within 30 days</u> after the ^ <u>day on which the appointment is made</u> or at ^ <u>any</u> other time ^ <u>that</u> may be fixed by the court at the ^ <u>bankrupt's or trustee's request.</u></p>
<p>169 (3) A bankrupt who has given a notice of waiver as provided in subsection (1) may, at any time at the bankrupt's own expense, apply for a discharge by obtaining from the court an appointment for a hearing, which shall be served on the trustee not less than twenty-one days before the date fixed for the hearing of the application, and the trustee on being served therewith shall proceed as provided in this section.</p>		<p>Repealed.</p>
<p>169 (6) The trustee, on obtaining or being served with an appointment for hearing on application for discharge, shall, not less than fifteen days before the day appointed for the hearing of the application, send a notice thereof in the prescribed form to the Superintendent, the bankrupt and every creditor who has proved a claim, at the creditor's latest known address.</p>		<p>169 (6) The trustee, on obtaining or being served with an appointment for hearing an application for discharge, shall, not less than ^ <u>15</u> days before the day appointed for the hearing of the application, send a notice ^ <u>of the hearing,</u> in the prescribed form <u>and manner,</u> to the Superintendent, the bankrupt and every <u>known</u> creditor, ^ at the creditor's latest known address.</p>
<p>170. (1) The trustee shall prepare a report in the prescribed form with respect to</p>		<p>170. (1) The trustee shall, <u>in the prescribed circumstances and at the prescribed times,</u> prepare a</p>

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<p>...</p> <p>170.1 (1) The report prepared under subsection 170(1) shall include a recommendation as to whether or not the bankrupt should be discharged subject to conditions, having regard to the bankrupt's conduct and ability to make payments.</p> <p>(2) The trustee shall consider the following matters in making a recommendation under subsection (1):</p> <p>(a) whether the bankrupt has complied with a requirement imposed on the bankrupt under section 68;</p> <p>(b) the total amount paid to the estate by the bankrupt, having regard to the bankrupt's indebtedness and financial resources; and</p> <p>(c) whether the bankrupt, if the bankrupt could have made a viable proposal, chose to proceed to bankruptcy rather than to make a proposal as the means to resolve the indebtedness.</p> <p>(3) A recommendation that the bankrupt be discharged subject to conditions is deemed to be an opposition to the discharge of the bankrupt.</p> <p>(4) Where the bankrupt does not agree with the recommendation of the trustee, the bankrupt may, before the expiration of the ninth month after the date of the bankruptcy, send the trustee a request in writing to have the matter determined by mediation.</p> <p>(5) Where a request for mediation has been made under subsection (4) or the discharge of the bankrupt is opposed by a creditor or the trustee in whole or in part on a ground referred to in paragraph 173(1)(m)</p>		<p>report, <u>in the prescribed form</u>, with respect to ...</p> <p>170.1 (1) <u>^ If the discharge of an individual bankrupt is opposed by a creditor or the trustee in whole or in part on a ground referred to in paragraph 173(1)(m) or (n), the trustee shall send an application for mediation, in the prescribed form, to the official receiver within five days after the day on which the bankrupt would have been automatically discharged had the opposition not been made, or within any further time after that day that the official receiver may allow.</u></p> <p>^</p> <p>^ (2) A mediation shall be in accordance with prescribed procedures.</p> <p>^ (3) Where the issues submitted to mediation are not thereby resolved or the bankrupt has failed to comply with conditions that were established by the trustee or as a result of the mediation, the trustee shall forthwith apply to the court for an appointment for the hearing of the matter, which hearing shall be held</p> <p>(a) within thirty days after the day the appointment is made, or</p> <p>(b) at such later time as may be fixed by the court, and the provisions of this Part relating to applications to the court in relation to the discharge of a bankrupt apply, with such modifications as the circumstances require, in respect of an application to the court under this subsection.</p> <p>^ (4) Where the bankrupt complies with the conditions imposed on the bankrupt by the trustee in relation to the discharge of the bankrupt or as a result of mediation</p>

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<p>or (n), the trustee shall send an application for mediation in prescribed form to the official receiver within five days after the expiration of the nine month period referred to in subsection (4) or within such further time as the official receiver may allow.</p> <p>(6) A mediation shall be in accordance with prescribed procedures.</p> <p>(7) Where the issues submitted to mediation are not thereby resolved or the bankrupt has failed to comply with conditions that were established by the trustee or as a result of the mediation, the trustee shall forthwith apply to the court for an appointment for the hearing of the matter, which hearing shall be held</p> <p>(a) within thirty days after the day the appointment is made, or</p> <p>(b) at such later time as may be fixed by the court,</p> <p>and the provisions of this Part relating to applications to the court in relation to the discharge of a bankrupt apply, with such modifications as the circumstances require, in respect of an application to the court under this subsection.</p> <p>(8) Where the bankrupt complies with the conditions imposed on the bankrupt by the trustee in relation to the discharge of the bankrupt or as a result of mediation referred to in this section, the trustee shall</p> <p>(a) issue to the bankrupt a certificate of discharge in the prescribed form releasing the bankrupt from all debts other than a debt referred to in subsection 178(1); and</p>		<p>referred to in this section, the trustee shall</p> <p>(a) issue to the bankrupt a certificate of discharge in the prescribed form releasing the bankrupt from all debts other than a debt referred to in subsection 178(1); and</p> <p>(b) send a copy of the certificate of discharge to the Superintendent.</p> <p>^ (5) Documents contained in a file on the mediation of a matter under this section form part of the records referred to in subsection 11.1(2).</p>

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<p>(b) send a copy of the certificate of discharge to the Superintendent.</p> <p>(9) Documents contained in a file on the mediation of a matter under this section form part of the records referred to in subsection 11.1(2).</p>		
<p>172 (1) On the hearing of an application of a bankrupt for a discharge, the court may either grant or refuse an absolute order of discharge or suspend the operation of the order for a specified time, or grant an order of discharge subject to any terms or conditions with respect to any earnings or income that may afterwards become due to the bankrupt or with respect to his after-acquired property.</p>		<p>172 (1) On the hearing of an application of a bankrupt for a discharge, <u>other than a bankrupt referred to in section 172.1</u>, the court may ^</p> <p><u>(a) grant or refuse an absolute order of discharge;</u></p> <p><u>(b) suspend the operation of an absolute order of discharge for a specified time; or</u></p> <p><u>(c) grant an order of discharge subject to any terms or conditions with respect to any earnings or income that may afterwards become due to the bankrupt or with respect to the bankrupt's after-acquired property.</u></p>
<p>172 (2) The court shall on proof of any of the facts mentioned in section 173</p> <p>...</p>		<p>172 (2) The court shall, on proof of any of the facts referred to in section 173 <u>given orally under oath or by affidavit</u>,</p> <p>...</p>
<p>New.</p>		<p>172 (2.1) <u>If the court imposes as a condition of discharge that the bankrupt pay money, the court may direct that the bankrupt pay the money to any creditor, to any class of creditors, to the trustee or to the trustee and one or more creditors, in any amount and manner that the court considers appropriate.</u></p>
<p>New.</p>		<p>172.1 (1) <u>In the case of a bankrupt who has \$200,000 or more of personal income tax debt and whose personal income tax debt represents 75% or more of the bankrupt's total unsecured proven claims, the hearing of an application for a discharge may not be held before</u></p>

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		<p><u>the expiry of (a) if the bankrupt has never before been bankrupt under the laws of Canada or of any prescribed jurisdiction,</u></p> <p><u>(i) 9 months after the date of bankruptcy if the bankrupt has not been required to make payments under section 68 to the estate of the bankrupt at any time during those 9 months, or</u></p> <p><u>(ii) 21 months after the date of bankruptcy, in any other case;</u></p> <p><u>(b) if the bankrupt has been a bankrupt one time before under the laws of Canada or of any prescribed jurisdiction,</u></p> <p><u>(i) 24 months after the date of bankruptcy if the bankrupt has not been required to make payments under section 68 to the estate of the bankrupt at any time during those 24 months, or</u></p> <p><u>(ii) 36 months after the date of bankruptcy, in any other case; and</u></p> <p><u>(c) in the case of any other bankrupt, 36 months after the date of the bankruptcy.</u></p> <p><u>(2) Before proceeding to the trustee's discharge and before the first day that the hearing could be held in respect of a bankrupt referred to in subsection (1), the trustee must, on five days notice to the bankrupt, apply to the court for an appointment for a hearing of the application for the bankrupt's discharge.</u></p> <p><u>(3) On the hearing of an application for a discharge referred to in subsection (1), the court shall, subject to subsection (4),</u></p> <p><u>(a) refuse the discharge;</u></p>

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		<p><u>(b) suspend the discharge for any period that the court thinks proper; or</u></p> <p><u>(c) require the bankrupt, as a condition of his or her discharge, to perform any acts, pay any moneys, consent to any judgments or comply with any other terms that the court may direct.</u></p> <p><u>172.1 (4) In making a decision in respect of the application, the court must take into account</u></p> <p><u>(a) the circumstances of the bankrupt at the time the personal income tax debt was incurred; (b) the efforts, if any, made by the bankrupt to pay the personal income tax debt;</u></p> <p><u>(c) whether the bankrupt made payments in respect of other debts while failing to make reasonable efforts to pay the personal income tax debt; and</u></p> <p><u>(d) the bankrupt’s financial prospects for the future.</u></p> <p><u>(5) If the court makes an order suspending the discharge, the court shall, in the order, require the bankrupt to file income and expense statements with the trustee each month and to file all returns of income required by law to be filed.</u></p> <p><u>(6) If, at any time after the expiry of one year after the day on which any order is made under this section, the bankrupt satisfies the court that there is no reasonable probability that he or she will be in a position to comply with the terms of the order, the court may modify the terms of the order or of any substituted order, in any manner and on any conditions that it thinks fit.</u></p> <p><u>(7) The powers of suspending and of attaching</u></p>

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		<p>conditions to the discharge of a bankrupt may be exercised concurrently.</p> <p><u>(8) For the purpose of this section, “personal income tax debt” means the amount payable, within the meaning of subsection 223(1) of the Income Tax Act without reference to paragraphs (b) to (c), by an individual and the amount that is payable by an individual under any provincial legislation that imposes a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, including, for greater certainty, the amount of any interest, penalties or fines imposed under the Income Tax Act or the provincial legislation.</u></p>
<p>175 (1) A statutory disqualification on account of bankruptcy ceases when the bankrupt obtains from the court his discharge with a certificate to the effect that the bankruptcy was caused by misfortune without any misconduct on his part.</p> <p>(2) The court may, if it thinks fit, grant a certificate mentioned in subsection (1), and a refusal to grant such a certificate is subject to appeal.</p>		<p>Repealed.</p>
<p>178 (1) An order of discharge does not release the bankrupt from</p> <p>...</p> <p>(e) any debt or liability for obtaining property by false pretences or fraudulent misrepresentation;</p> <p>...</p> <p>(g) any debt or obligation in respect of a loan made under the Canada Student Loans Act, the Canada Student Financial Assistance Act or any enactment of a province that provides for loans or guarantees of loans to students where the date of bankruptcy of the bankrupt occurred</p>		<p>178 (1) An order of discharge does not release the bankrupt from</p> <p>...</p> <p>(e) any debt or liability for obtaining property <u>or services</u> by false pretences or fraudulent misrepresentation;</p> <p>...</p> <p>(g) any debt or obligation in respect of a loan made under the Canada Student Loans Act, the Canada Student Financial Assistance Act or any enactment of a province that provides for loans or guarantees of loans to students where the date of bankruptcy of the bankrupt occurred</p>

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<p>... (ii) within ten years after the date on which the bankrupt ceased to be a full- or part-time student; or ...</p>		<p>... (ii) within ^ <u>seven</u> years after the date on which the bankrupt ceased to be a full- or part-time student; or ...</p>
<p>178 (1.1) At any time after ten years after a bankrupt who has a debt referred to in paragraph (1)(g) ceases to be a full- or part-time student, as the case may be, under the applicable Act or enactment, the court may, on application, order that subsection (1) does not apply to the debt if the court is satisfied that</p> <p>(a) the bankrupt has acted in good faith in connection with the bankrupt's liabilities under the loan; and</p> <p>(b) the bankrupt has and will continue to experience financial difficulty to such an extent that the bankrupt will be unable to pay the liabilities under the loan.</p>		<p>178 (1.1) At any time after ^ <u>five</u> years after a bankrupt who has a debt referred to in paragraph (1)(g) ceases to be a full- or part-time student, as the case may be, under the applicable Act or enactment, the court may, on application, order that subsection (1) does not apply to the debt if the court is satisfied that</p> <p>(a) the bankrupt has acted in good faith in connection with the bankrupt's liabilities under the ^ <u>debt</u>; and</p> <p>(b) the bankrupt has and will continue to experience financial difficulty to such an extent that the bankrupt will be unable to pay the ^ <u>debt</u>.</p>
<p>179 An order of discharge does not release a person who at the date of the bankruptcy was a partner or co-trustee with the bankrupt or was jointly bound or had made a joint contract with him, or a person who was surety or in the nature of a surety for him.</p>		<p>179 An order of discharge does not release a person who at the time of the bankruptcy was a partner or co-trustee with the bankrupt or was jointly bound or had made a joint contract with ^ <u>the bankrupt</u>, or a person who was surety or in the nature of a surety for ^ <u>the bankrupt</u>.</p>
<p>New.</p>		<p><u>181 (3) If an order is made under subsection (1), the trustee shall, without delay, prepare the final statements of receipts and disbursements referred to in section 151.</u></p>
<p>197 (5) Legal costs shall be paid according to the tariff provided by the General Rules or according to the item in the tariff most nearly analogous or comparable to the services rendered, or, where no provision may be found therein applicable to the particular services rendered or disbursements made,</p>		<p>Repealed.</p>

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according to the tariff in effect in other civil matters.		
197 (6.1) Where a creditor opposes the discharge of a bankrupt, the court may, if it grants the discharge on condition that the bankrupt pay an amount or consent to a judgment to pay an amount, award costs to the opposing creditor out of the estate in an amount not exceeding the amount realized by the estate under the conditional order, including any amount brought into the estate pursuant to the consent to judgment.		197 (6.1) ^ <u>If</u> a creditor opposes the discharge of a bankrupt, the court may, if it grants the discharge on the condition that the bankrupt pay an amount or consent to a judgment to pay an amount, award costs, <u>including legal costs</u> , to the opposing creditor out of the estate in an amount ^ <u>that is not more than</u> the amount realized by the estate under the conditional order, including any amount brought into the estate ^ <u>under</u> the consent to the judgment.
197 (7) Notwithstanding anything in this section, the total legal costs exclusive of disbursements for all legal services specified in paragraph (6)(e) shall not exceed ten per cent of the gross receipts less amounts paid to secured creditors, except with the approval of the inspectors and the court, and, where the amount thereby available or authorized for payment of the legal fees is insufficient, the fees shall be abated proportionately.		Repealed.
New.		197 (7) ^ <u>If a creditor opposes the discharge of a bankrupt and the court finds the opposition to be frivolous or vexatious, the court may order the creditor to pay costs, including legal costs, to the estate.</u>
197 (8) Where the gross receipts, less amounts paid to secured creditors, are certified by the trustee to be not more than one thousand dollars, or more than one thousand dollars but not more than two thousand dollars, the legal costs payable, other than disbursements, shall be reduced by one-half and one-third, respectively.		Repealed.
199 An undischarged bankrupt who ... (b) obtains credit to a total of five hundred dollars or		199 An undischarged bankrupt who ... (b) obtains credit to a total of ^ <u>\$1,000</u> or more from

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<p>more from any person or persons without informing such persons that the undischarged bankrupt is an undischarged bankrupt,</p> <p>is guilty of an offence punishable on summary conviction and is liable to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding one year, or to both.</p>		<p>any person or persons without informing ^ <u>them</u> that the undischarged bankrupt is an undischarged bankrupt,</p> <p>is guilty of an offence punishable on summary conviction and is liable to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding one year, or to both.</p>
<p>202 (1) A person who ... (h) being a trustee, makes any arrangement under any circumstances with the bankrupt, or any legal counsel, auctioneer or other person employed in connection with a bankruptcy, for any gift, remuneration or pecuniary or other consideration or benefit whatever beyond the remuneration payable out of the estate, or accepts any such consideration or benefit from any such person, or makes any arrangement for giving up, or gives up, any part of remuneration, either as a receiver or trustee, to the bankrupt or any legal counsel, auctioneer or other person employed in connection with the bankruptcy,</p> <p>is guilty of an offence punishable on summary conviction and is liable to a fine not exceeding five thousand dollars, or to imprisonment for a term not exceeding one year, or to both.</p>		<p>202 (1) A person who ... (h) being a trustee, makes any arrangement under any circumstances with the bankrupt, or any legal counsel, auctioneer or other person employed in connection with a bankruptcy, for any gift, remuneration or pecuniary or other consideration or benefit whatever beyond the remuneration payable out of the estate, or accepts any such consideration or benefit from any such person, or makes any arrangement for giving up, or gives up, any part of <u>the</u> remuneration, either as a receiver <u>within the meaning of subsection 243(2)</u> or trustee, to the bankrupt or any legal counsel, auctioneer or other person employed in connection with the bankruptcy,</p> <p>is guilty of an offence punishable on summary conviction and is liable to a fine not exceeding five thousand dollars, or to imprisonment for a term not exceeding one year, or to both.</p>
<p>New.</p>		<p><u>202 (5) Every person who fails, without valid excuse, to comply with a subpoena, request or summons issued under subsection 14.02(1.1) is guilty of an offence punishable on summary conviction and liable to a fine of not more than \$1,000.</u></p>
<p>209 (2) All the General Rules, as from time to time made, shall be laid before Parliament within three weeks after being made or, if Parliament is not then</p>		<p>Repealed.</p>

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sitting, within three weeks after the beginning of the next session of Parliament.		
See section 275.		<p>^ <u>215.1</u> A claim for a debt that is payable in a currency other than Canadian currency is to be converted to Canadian currency</p> <p>(a) in the case of a proposal in respect of an insolvent person and unless otherwise provided in the proposal, if a notice of intention was filed under subsection 50.4(1), as of the date the notice was filed or, if no notice was filed, as of the date the proposal was filed with the official receiver under subsection 62(1);</p> <p>(b) in the case of a proposal in respect of a bankrupt and unless otherwise provided in the proposal, as of the date of the bankruptcy; or</p> <p>(c) in the case of a bankruptcy, as of the date of the bankruptcy.</p>
<p>243 (1) In paragraphs (2)(b) and 250(2)(a) and (b), “court” means</p> <p>(a) any court other than a court as defined in section 2; and</p> <p>(b) a court as defined in section 2 when not exercising jurisdiction in bankruptcy.</p>		Repealed.
New.		<p><u>243 (1) On the application of a secured creditor, the court may appoint a person to act as a receiver to take possession or control of all or substantially all of the inventory, the accounts receivable or the other property of an insolvent person or a bankrupt that was acquired for, or is used in relation to, a business carried on by the insolvent person or bankrupt.</u></p>

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<p>243 (2) Subject to subsection (3), in this Part, “receiver” means a person who has been appointed to take, or has taken, possession or control, pursuant to</p> <p>(a) an agreement under which property becomes subject to a security (in this Part referred to as a “security agreement”), or</p> <p>(b) an order of a court made under any law that provides for or authorizes the appointment of a receiver or receiver-manager,</p> <p>of all or substantially all of</p> <p>(c) the inventory,</p> <p>(d) the accounts receivable, or</p> <p>(e) the other property</p> <p>of an insolvent person or a bankrupt that was acquired for, or is used in relation to, a business carried on by the insolvent person or bankrupt.</p>		<p>243 (2) Subject to [^] <u>subsections (3) and (4)</u>, in this Part, “receiver” means a person who has been appointed to take, or has taken, possession or control, [^] <u>under</u></p> <p>(a) an agreement under which property becomes subject to a security (in this Part referred to as a “security agreement”), or</p> <p>(b) a court order made under [^] <u>subsection (1)</u> that provides for or authorizes the appointment of a receiver or receiver-manager,</p> <p>of all or substantially all of</p> <p>(c) the inventory,</p> <p>(d) the accounts receivable, or</p> <p>(e) the other property</p> <p>of an insolvent person or a bankrupt that was acquired for, or is used in relation to, a business carried on by the insolvent person or bankrupt.</p>
<p>New.</p>		<p><u>243 (4) Only a trustee may be appointed under subsection (1) or under an agreement or order referred to in paragraph (2)(a) or (b).</u></p>
<p>244 (4) This section does not apply where there is a receiver in respect of the insolvent person.</p>		<p>244 (4) This section does not apply [^] <u>with respect to the inventory, accounts receivable or other property of an insolvent person or of a bankrupt if there is a receiver.</u></p>
<p>253 In this Part, ... “customer name securities” means securities that on the date of bankruptcy of a securities firm are held</p>		<p>253 In this Part, ... “customer name securities” means securities that on the date of bankruptcy of a securities firm are held by or on</p>

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<p>by or on behalf of the securities firm for the account of a customer and are registered in the name of the customer or are in the process of being so registered, but does not include securities registered in the name of the customer that, by endorsement or otherwise, are in negotiable form;</p> <p>“deferred customer” means a customer whose misconduct caused or materially contributed to the insolvency of a securities firm;</p> <p>...</p>		<p>behalf of the securities firm for the account of a customer and are registered <u>or recorded in the appropriate manner</u> in the name of the customer or are in the process of being so registered <u>or recorded</u>, but does not include securities registered <u>or recorded in the appropriate manner</u> in the name of the customer that, by endorsement or otherwise, are [^] <u>negotiable by the securities firm</u>;</p> <p>“deferred customer” means a customer whose misconduct [^] <u>either in the customer’s capacity as a customer or otherwise</u>, caused or materially contributed to the insolvency of a securities firm;</p> <p>...</p> <p><u>“hold”, in relation to a security, includes holding it in electronic form;</u></p>
<p>256 (1) In addition to any creditor who may file an application in accordance with sections 43 to 45, an application for a bankruptcy order against a securities firm may be filed by</p> <p>...</p> <p>(d) a person who, in respect of property of a securities firm, is a receiver, receiver-manager, liquidator or other person with similar functions appointed under a federal or provincial enactment relating to securities that provides for the appointment of that other person, if the securities firm has committed an act of bankruptcy referred to in section 42 within the six months before the filing of the application.</p>		<p>256 (1) In addition to any creditor who may file an application in accordance with sections 43 to 45, an application for a bankruptcy order against a securities firm may be filed by</p> <p>...</p> <p>(d) a person who, in respect of property of a securities firm, is a receiver <u>within the meaning of subsection 243(2)</u>, a receiver-man-ager, <u>a</u> liquidator or <u>any</u> other person with similar functions appointed under a federal or provincial enactment relating to securities that provides for the appointment of that other person, if the securities firm has committed an act of bankruptcy referred to in section 42 within the six months before the filing of the application.</p>
<p>261 (1) Where a securities firm becomes bankrupt, securities owned by the securities firm and securities and cash held by or for the account of the securities firm or a customer, other than customer name securities, vest in the trustee.</p>		<p>261 (1) [^] <u>If</u> a securities firm becomes bankrupt, <u>the following securities and cash vest in the trustee:</u></p> <p>(a) <u>securities owned by the securities firm;</u></p> <p>(b) <u>securities and cash held by any person for the</u></p>

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		<p><u>account of the securities firm; and</u></p> <p><u>(c) securities and cash held by the securities firm for the account of a customer, other than customer name securities.</u></p>
<p>262 (2) To the extent that securities of a particular type are available in the customer pool fund, the trustee shall distribute them to customers with claims to such securities, in proportion to their claims to such securities, up to the appropriate portion of their net equity.</p>		<p>262 (2) To the extent that securities of a particular type are available in the customer pool fund, the trustee shall distribute them to customers with claims to [^] <u>the securities</u>, in proportion to their claims to [^] <u>the securities</u>, up to the appropriate portion of their net equity, <u>unless the trustee determines that, in the circumstances, it would be more appropriate to sell the securities and distribute the proceeds to the customers with claims to the securities in proportion to their claims to the securities.</u></p>
<p>262 (3) Property in the general fund shall be allocated in the following priority:</p> <p>(a) to preferred creditors in the order set out in subsection 136(1);</p> <p>...</p>		<p>262 (3) Property in the general fund shall be allocated in the following priority:</p> <p>(a) to [^] creditors in the order set out in subsection 136(1);</p> <p>...</p>
<p>263 (3) Where a customer to whom customer name securities belong and who is indebted to the securities firm on account of customer name securities not fully paid for, or on another account, does not discharge their indebtedness in full, the trustee may, on notice to the customer, sell sufficient customer name securities to discharge the indebtedness, which securities are thereupon free of any lien, right, title or interest of the customer. Where the trustee so discharges the customer's indebtedness, the trustee shall deliver any remaining customer name securities to the customer.</p>		<p>263 (3) [^] <u>If</u> a customer to whom customer name securities belong and who is indebted to the securities firm on account of customer name securities not fully paid for, or on another account, does not discharge their indebtedness in full, the trustee may, on notice to the customer, sell sufficient customer name securities to discharge the indebtedness [^] <u>, and those securities are then</u> free of any [^] right, title or interest of the customer. [^] <u>If</u> the trustee so discharges the customer's indebtedness, the trustee shall deliver any remaining customer name securities to the customer.</p>
PART XIII		PART XIII

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INTERNATIONAL INSOLVENCIES		^ <u>CROSS-BORDER</u> INSOLVENCIES
<p>267 In this Part,</p> <p>“debtor” means an insolvent person who has property in Canada, a bankrupt who has property in Canada or a person who has the status of a bankrupt under foreign law in a foreign proceeding and has property in Canada;</p> <p>“foreign proceeding” means a judicial or administrative proceeding commenced outside Canada in respect of a debtor, under a law relating to bankruptcy or insolvency and dealing with the collective interests of creditors generally;</p> <p>“foreign representative” means a person, other than a debtor, holding office under the law of a jurisdiction outside Canada who, irrespective of the person's designation, is assigned, under the laws of the jurisdiction outside Canada, functions in connection with a foreign proceeding that are similar to those performed by a trustee, liquidator, administrator or receiver appointed by the court.</p>		Repealed.
<p>268 (1) For the purposes of this Part, where a bankruptcy, insolvency or reorganization or like order has been made in respect of a debtor in a foreign proceeding, a certified or exemplified copy of the order is, in the absence of evidence to the contrary, proof that the debtor is insolvent and proof of the appointment of the foreign representative made by the order.</p>		See section 282.
<p>268 (2) If a foreign proceeding has been commenced and a bankruptcy order or assignment is made under this Act in respect of a debtor, the court may, on application and on any terms that it considers</p>		Repealed.

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<p>appropriate, limit the property to which the authority of the trustee extends to the property of the debtor situated in Canada and to any property of the debtor outside Canada that the court considers can be effectively administered by the trustee.</p> <p>(3) The court may, in respect of a debtor, make such orders and grant such relief as it considers appropriate to facilitate, approve or implement arrangements that will result in a co-ordination of proceedings under this Act with any foreign proceeding.</p>		
<p>268 (4) An order of the court under this Part may be made on such terms and conditions as the court considers appropriate in the circumstances.</p>		See section 273.
<p>268 (5) Nothing in this Part prevents the court, on the application of a foreign representative or any other interested person, from applying such legal or equitable rules governing the recognition of foreign insolvency orders and assistance to foreign representatives as are not inconsistent with the provisions of this Act.</p> <p>(6) Nothing in this Part requires the court to make any order that is not in compliance with the laws of Canada or to enforce any order made by a foreign court.</p>		See section 284.
<p>269. A stay of proceedings that operates against creditors of a debtor in a foreign proceeding does not apply in respect of creditors who reside or carry on business in Canada with respect to property in Canada unless the stay of proceedings is the result of proceedings taken in Canada.</p>		Repealed.
<p>270 A foreign representative may commence and</p>		Repealed.

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<p>continue proceedings pursuant to sections 43 and 46 to 47.2 and subsections 50(1) and 50.4(1) in respect of a debtor as if the foreign representative were a creditor, trustee, liquidator or receiver of property of the debtor, or the debtor, as the case may be.</p>		
<p>271 (1) The court may seek the aid and assistance of a court, tribunal or other authority in a foreign proceeding by order or written request or otherwise as the court considers appropriate.</p> <p>(2) On application by a foreign representative in respect of a foreign proceeding commenced for the purpose of effecting a composition, an extension of time or a scheme of arrangement in respect of a debtor or in respect of the bankruptcy of a debtor, the court may grant a stay of proceedings against the debtor or the debtor's property in Canada on such terms and for such period as is consistent with the relief provided for under sections 69 to 69.5 in respect of a debtor in Canada who files a notice of intention or a proposal or who becomes bankrupt in Canada, as the case may be.</p> <p>(3) On application by a foreign representative in respect of a debtor, the court may, where it is satisfied that it is necessary for the protection of the debtor's estate or the interests of a creditor or creditors,</p> <p>(a) appoint a trustee as interim receiver of all or any part of the debtor's property in Canada, for such term as the court considers appropriate; and</p> <p>(b) direct the interim receiver to do all or any of the following:</p> <p>(i) take conservatory measures and summarily</p>		<p>Repealed.</p>

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<p>dispose of property that is perishable or likely to depreciate rapidly in value,</p> <p>(ii) take possession of all or part of the debtor's property mentioned in the appointment and exercise such control over the property and over the debtor's business as the court considers appropriate, and</p> <p>(iii) take such other action as the court considers appropriate.</p> <p>(4) Section 47.2 applies, with such modifications as the circumstances require, in respect of an interim receiver appointed under subsection (3).</p> <p>(5) On application of a foreign representative in respect of a debtor, the court may authorize the examination under oath by the foreign representative of the debtor or of any person in relation to the debtor who, if the debtor were a bankrupt referred to in subsection 163(1), would be a person who could be examined under that subsection.</p>		
<p>272 An application to the court by a foreign representative under this Part does not submit the foreign representative to the jurisdiction of the court for any other purpose except with regard to the costs of the proceedings, but the court may make any order under this Part conditional on the compliance by the foreign representative with any other order of the court.</p>		<p>See section 280.</p>
<p>273 A foreign representative is not prevented from making an application to the court under this Part by reason only that proceedings by way of appeal or review have been taken in a foreign proceeding, and the court may, on an application where such proceedings have been taken, grant relief as if the</p>		<p>See section 281.</p>

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proceedings had not been taken.		
<p>274. If any bankruptcy order, proposal or assignment is made in respect of a debtor under this Act,</p> <p>(a) the amount that a creditor receives or is entitled to receive outside Canada by way of a dividend in a foreign proceeding in respect of the debtor, and</p> <p>(b) the value of any property of the debtor that the creditor acquires outside Canada on account of a provable claim of the creditor or that the creditor acquires outside Canada by way of a transfer that, if it were subject to this Act, would be set aside or reviewed under sections 91 to 101.2,</p> <p>shall be taken into account in the distribution of dividends to creditors of the debtor in Canada as if they were a part of that distribution, and the creditor is not entitled to receive a dividend from the distribution in Canada until every other creditor who has a claim of equal rank in the order of priority established under this Act has received a dividend, the amount of which is the same percentage of that other creditor's claim as the aggregate of the amount referred to in paragraph (a) and the value referred to in paragraph (b) is of that creditor's claim.</p>		See section 283.
<p>275 A claim for a debt that is payable in a currency other than Canadian currency shall be converted to Canadian currency</p> <p>(a) in the case of a proposal in respect of an insolvent person and unless otherwise provided in the proposal, where a notice of intention was filed under subsection 50.4(1), as of the day the notice was filed or, if no notice was filed, as of the day the proposal was filed with the official receiver under subsection</p>		See section 215.1.

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<p>62(1);</p> <p>(b) in the case of a proposal in respect of a bankrupt and unless otherwise provided in the proposal, as of the date of the bankruptcy; or</p> <p>(c) in the case of a bankruptcy, as of the date of the bankruptcy.</p>		
<p>New.</p>		<p><u>267 The purpose of this Part is to provide mechanisms for dealing with cases of cross-border insolvencies and to promote</u></p> <p><u>(a) cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies;</u></p> <p><u>(b) greater legal certainty for trade and investment;</u></p> <p><u>(c) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtors;</u></p> <p><u>(d) the protection and the maximization of the value of debtors' property; and</u></p> <p><u>(e) the rescue of financially troubled businesses to protect investment and preserve employment.</u></p>
<p>New .</p>		<p><u>268 (1) The following definitions apply in this Part.</u></p> <p><u>“foreign court” means a judicial or other authority competent to control or supervise a foreign proceeding.</u></p> <p><u>“foreign main proceeding” means a foreign proceeding in a jurisdiction where the debtor has the centre of the debtor’s main interests.</u></p> <p><u>“foreign non-main proceeding” means a foreign</u></p>

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		<p><u>proceeding, other than a foreign main proceeding.</u></p> <p><u>“foreign proceeding” means a judicial or an administrative proceeding, including an interim proceeding, in a jurisdiction outside Canada dealing with creditor’s collective interests generally under any law relating to bankruptcy or insolvency in which a debtor’s property and affairs are subject to control or supervision by a foreign court for the purpose of reorganization or liquidation.</u></p> <p><u>“foreign representative” means a person or body, including one appointed on an interim basis, who is authorized, in a foreign proceeding in respect of a debtor, to</u></p> <p><u>(a) administer the debtor’s property or affairs for the purpose of reorganization or liquidation; or</u></p> <p><u>(b) act as a representative in respect of the foreign proceeding.</u></p> <p><u>(2) For the purposes of this Part, in the absence of proof to the contrary, a debtor’s registered office and, in the case of a debtor who is an individual, the debtor’s ordinary place of residence are deemed to be the centre of the debtor’s main interests.</u></p>
New.		<p><u>269 (1) A foreign representative may apply to the court for recognition of the foreign proceeding in respect of which he or she is a foreign representative.</u></p> <p><u>(2) Subject to subsection (3), the application must be accompanied by</u></p> <p><u>(a) a certified copy of the instrument, however designated, that commenced the foreign proceeding or a certificate from the foreign court affirming the existence</u></p>

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		<p>of the foreign proceeding;</p> <p><u>(b) a certified copy of the instrument, however designated, authorizing the foreign representative to act in that capacity or a certificate from the foreign court affirming the foreign representative's authority to act in that capacity; and</u></p> <p><u>(c) a statement identifying all foreign proceedings in respect of the debtor that are known to the foreign representative.</u></p> <p><u>(3) The court may, without further proof, accept the documents referred to in paragraphs (2)(a) and (b) as evidence that the proceeding to which they relate is a foreign proceeding and that the applicant is a foreign representative in respect of the foreign proceeding.</u></p> <p><u>(4) In the absence of the documents referred to in paragraphs (2)(a) and (b), the court may accept any other evidence of the existence of the foreign proceeding and of the foreign representative's authority that it considers appropriate.</u></p> <p><u>(5) The court may require a translation of any document accompanying the application.</u></p>
New.		<p><u>270 (1) If the court is satisfied that the application for the recognition of a foreign proceeding relates to a foreign proceeding and that the applicant is a foreign representative in respect of that foreign proceeding, the court shall make an order recognizing the foreign proceeding.</u></p> <p><u>(2) The court shall specify in the order whether the foreign proceeding is a foreign main proceeding or a foreign non-main proceeding.</u></p>

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New.		<p><u>271 (1) Subject to subsections (2) to (4), on the making of an order recognizing a foreign proceeding that is specified to be a foreign main proceeding,</u></p> <p><u>(a) no person shall commence or continue any action, execution or other proceedings concerning the debtor's property, debts, liabilities or obligations;</u></p> <p><u>(b) if the debtor carries on a business, the debtor shall not, outside the ordinary course of the business, sell or otherwise dispose of any of the debtor's property in Canada that relates to the business and shall not sell or otherwise dispose of any other property of the debtor in Canada; and</u></p> <p><u>(c) if the debtor is an individual, the debtor shall not sell or otherwise dispose of any property of the debtor in Canada.</u></p> <p><u>(2) Subsection (1) does not apply if any proceedings under this Act have been commenced in respect of the debtor at the time the order recognizing the foreign proceeding is made.</u></p> <p><u>(3) The prohibitions in paragraphs (1)(a) and (b) are subject to the exceptions specified by the court in the order recognizing the foreign proceeding that would apply in Canada had the foreign proceeding taken place in Canada under this Act.</u></p> <p><u>(4) Nothing in subsection (1) precludes the commencement or the continuation of proceedings under this Act, the Companies' Creditors Arrangement Act or the Winding-up and Restructuring Act in respect of the debtor.</u></p>
New.		<p><u>272 (1) If an order recognizing a foreign proceeding is made, the court may, on application by the foreign</u></p>

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		<p><u>representative who applied for the order, if the court is satisfied that it is necessary for the protection of the debtor's property or the interests of a creditor or creditors, make any order that it considers appropriate, including an order</u></p> <p><u>(a) if the foreign proceeding is a foreign non-main proceeding, imposing the prohibitions referred to in paragraphs 271(1)(a) to (c) and specifying the exceptions to those prohibitions, taking subsection 271(3) into account;</u></p> <p><u>(b) respecting the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's property, affairs, debts, liabilities and obligations;</u></p> <p><u>(c) entrusting the administration or realization of all or part of the debtor's property located in Canada to the foreign representative or to any other person designated by the court; and</u></p> <p><u>(d) appointing a trustee as receiver of all or any part of the debtor's property in Canada, for any term that the court considers appropriate and directing the receiver to do all or any of the following, namely,</u></p> <p><u>(i) to take possession of all or part of the debtor's property specified in the appointment and to exercise the control over the property and over the debtor's business that the court considers appropriate, and</u></p> <p><u>(ii) to take any other action that the court considers appropriate.</u></p> <p><u>(2) If any proceedings under this Act have been commenced in respect of the debtor at the time an order recognizing the foreign proceeding is made, an order made under subsection (1) must be consistent</u></p>

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		<p><u>with any order that may be made in any proceedings under this Act.</u></p> <p><u>(3) The making of an order under paragraph (1)(a) does not preclude the commencement or the continuation of proceedings under this Act, the Companies' Creditors Arrangement Act or the Winding-up and Restructuring Act in respect of the debtor.</u></p>
See subsection 268(4).		<p><u>^ 273 An order under this Part may be made on any terms and conditions that the court considers appropriate in the circumstances.</u></p>
New.		<p><u>274 If an order recognizing a foreign proceeding is made, the foreign representative may commence or continue any proceedings under sections 43, 46 to 47.1 and 49 and subsections 50(1) and 50.4(1) in respect of a debtor as if the foreign representative were a creditor of the debtor, or the debtor, as the case may be.</u></p>
New.		<p><u>275 (1) If an order recognizing a foreign proceeding is made, the court shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.</u></p> <p><u>(2) If any proceedings under this Act have been commenced in respect of a debtor and an order recognizing a foreign proceeding is made in respect of the debtor, every person who exercises any powers or performs duties and functions in any proceedings under this Act shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.</u></p>
New.		<p><u>276 If an order recognizing a foreign proceeding is made, the foreign representative who applied for the order shall</u></p>

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		<p><u>(a) without delay, inform the court of</u></p> <p><u>(i) any substantial change in the status of the recognized foreign proceeding,</u></p> <p><u>(ii) any substantial change in the status of the foreign representative's authority to act in that capacity, and</u></p> <p><u>(iii) any other foreign proceeding in respect of the same debtor that becomes known to the foreign representative; and</u></p> <p><u>(b) publish, without delay after the order is made, once a week for two consecutive weeks, or as otherwise directed by the court, in one or more newspapers in Canada specified by the court, a notice containing the prescribed information.</u></p>
New.		<p><u>277 If any proceedings under this Act in respect of a debtor are commenced at any time after an order recognizing the foreign proceeding is made,</u></p> <p><u>(a) the court shall review any order made under section 272 and, if it determines that the order is inconsistent with any orders made in the proceedings under this Act, the court shall amend or revoke the order; and</u></p> <p><u>(b) if the foreign proceeding is a foreign main proceeding, the court shall make an order terminating the application of the prohibitions in paragraphs 271(1)(a) to (c) if the court determines that those prohibitions are inconsistent with any similar prohibitions imposed in the proceedings under this Act.</u></p>
New.		<p><u>278 (1) If, at any time after an order is made in respect of a foreign non-main proceeding in respect of a debtor, an order recognizing a foreign main proceeding is made in respect of the debtor, the court shall review any order</u></p>

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		<p>made under section 272 in respect of the foreign non-main proceeding and, if it determines that the order is inconsistent with any orders made under that section in respect of the foreign main proceedings, the court shall amend or revoke the order.</p> <p>(2) If, at any time after an order is made in respect of a foreign non-main proceeding in respect of the debtor, an order recognizing another foreign non-main proceeding is made in respect of the debtor, the court shall, for the purpose of facilitating the coordination of the foreign non-main proceedings, review any order made under section 272 in respect of the first recognized proceeding and amend or revoke that order if it considers it appropriate.</p>
New.		<p><u>279</u> The court may authorize any person or body to act as a representative in respect of any proceeding under this Act for the purpose of having them recognized in a jurisdiction outside Canada.</p>
See section 272.		<p>[^] <u>280</u> An application [^] by a foreign representative <u>for any order</u> under this Part does not submit the foreign representative to the jurisdiction of the court for any other purpose except with regard to the costs of the proceedings, but the court may make any order under this Part conditional on the compliance by the foreign representative with any other [^] court order.</p>
See section 273.		<p>[^] <u>281</u> A foreign representative is not prevented from making an application to the court under this Part by reason only that proceedings by way of appeal or review have been taken in a foreign proceeding, and the court may, on an application if such proceedings have been taken, grant relief as if the proceedings had not been taken.</p>
See subsection 268(1).		<p>[^] <u>282</u> For the purposes of this Part, [^] <u>if</u> a bankruptcy,</p>

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		<p>an insolvency or a reorganization or [^] <u>a similar</u> order has been made in respect of a debtor in a foreign proceeding, a certified copy of the order is, in the absence of evidence to the contrary, proof that the debtor is insolvent and proof of the appointment of the foreign representative made by the order.</p>
<p>See section 274.</p>		<p>[^] <u>283</u> (1) If [^] <u>a</u> bankruptcy order, a proposal or an assignment is made in respect of a debtor under this Act, <u>the following shall be taken into account in the distribution of dividends to the debtor's creditors in Canada as if they were a part of that distribution:</u></p> <p>(a) the amount that a creditor receives or is entitled to receive outside Canada by way of a dividend in a foreign proceeding in respect of the debtor; and</p> <p>(b) the value of any property of the debtor that the creditor acquires outside Canada on account of a provable claim of the creditor or that the creditor acquires outside Canada by way of a transfer that, if the transfer were subject to this Act, would be [^] <u>a preference over other creditors or a transfer at undervalue.</u></p> <p><u>(2) Despite subsection (1), the creditor is not entitled to receive a dividend from the distribution in Canada until every other creditor who has a claim of equal rank in the order of priority established under this Act has received a dividend whose amount is the same percentage of that other creditor's claim as the aggregate of the amount referred to in paragraph (1)(a) and the value referred to in paragraph (1)(b) is of that creditor's claim.</u></p>
<p>See subsections 268 (5) and (6).</p>		<p>[^] <u>284</u> (1) Nothing in this Part prevents the court, on the application of a foreign representative or any other interested person, from applying [^] <u>any</u> legal or equitable rules governing the recognition of foreign insolvency</p>

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		<p>orders and assistance to foreign representatives ^ <u>that</u> are not inconsistent with the provisions of this Act.</p> <p>^ (2) Nothing in this Part requires the court to make any order that is not in compliance with the laws of Canada or to enforce any order made by a foreign court.</p>
New.		<p style="text-align: center;"><u>PART XIV</u> <u>REVIEW OF ACT</u></p>
New.		<p><u>285. (1) Within five years after the coming into force of this section, the Minister shall cause to be laid before both Houses of Parliament a report on the provisions and operation of this Act, including any recommendations for amendments to those provisions.</u></p> <p><u>(2) The report stands referred to the committee of the Senate, the House of Commons or both Houses of Parliament that is designated or established for that purpose, which shall</u></p> <p><u>(a) as soon as possible after the laying of the report, review the report; and</u></p> <p><u>(b) report to the Senate, the House of Commons or both Houses of Parliament, as the case may be, within one year after the laying of the Minister's report, or any further time authorized by the Senate, the House of Commons or both Houses of Parliament.</u></p>

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Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36

<p>2 In this Act,</p> <p>“company” means any company, corporation or legal person incorporated by or under an Act of Parliament or of the legislature of a province and any incorporated company having assets or doing business in Canada, wherever incorporated, except banks, authorized foreign banks within the meaning of section 2 of the Bank Act, railway or telegraph companies, insurance companies and companies to which the Trust and Loan Companies Act applies;</p> <p>“shareholder” means a shareholder or member of any company to which this Act applies;</p>		<p>2(1) In this Act,</p> <p>“company” means any company, corporation or legal person incorporated by or under an Act of Parliament or of the legislature of a province, any incorporated company having assets or doing business in Canada, wherever incorporated, ^ <u>and any income trust, but does not include</u> banks, authorized foreign banks within the meaning of section 2 of the Bank Act, railway or telegraph companies, insurance companies and companies to which the Trust and Loan Companies Act applies;</p> <p>“shareholder” means a shareholder, member <u>or holder of any units</u> of any company to which this Act applies;</p>
<p>New.</p>	<p>2 In this Act,</p> <p><u>“aircraft objects” has the same meaning as in subsection 2(1) of the International Interests in Mobile Equipment (aircraft equipment) Act;</u></p>	<p>2(1) In this Act,</p> <p><u>“bargaining agent” means any trade union that has entered into a collective agreement on behalf of the employees of a company;</u></p> <p><u>“cash-flow statement”, in respect of a company, means the statement referred to in paragraph 10(2)(a) indicating the company’s projected cash flow;</u></p> <p><u>“claim” means any indebtedness, liability or obligation of any kind that would be a claim provable within the meaning of section 2 of the Bankruptcy and Insolvency Act;</u></p> <p><u>“collective agreement”, in relation to a debtor company, means a collective agreement within the meaning of the jurisdiction governing collective bargaining between the debtor company and a bargaining agent;</u></p> <p><u>“director”, in respect of a company, includes any person,</u></p>

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		<p><u>however designated, acting in any capacity that is similar to that of a director of a corporation and, in respect of an income trust, includes its trustee;</u></p> <p><u>“income trust” means a trust</u></p> <p><u>(a) that has assets in Canada, and</u></p> <p><u>(b) the units of which are traded on a prescribed stock exchange;</u></p> <p><u>“initial application” means the first application made under this Act in respect of a company;</u></p> <p><u>“monitor”, in respect of a company, means the person appointed under section 11.7 to monitor the business and financial affairs of the company;</u></p> <p><u>“prescribed” means prescribed by regulation;</u></p> <p><u>“Superintendent of Bankruptcy” means the Superintendent of Bankruptcy appointed under subsection 5(1) of the Bankruptcy and Insolvency Act;</u></p>
New.		<p><u>2 (2) For the purpose of this Act, section 4 of the Bankruptcy and Insolvency Act applies for the purpose of determining whether a person is related to a company.</u></p>
3 (1) This Act applies in respect of a debtor company or affiliated debtor companies where the total of claims, within the meaning of section 12, against the debtor company or affiliated debtor companies exceeds five million dollars.		<p><u>3 (1) This Act applies in respect of a debtor company or affiliated debtor companies ^ if the total of claims ^ against the debtor company or affiliated debtor companies ^ , determined in accordance with section 20, is more than \$5,000,000 or any other amount that is prescribed.</u></p>
6 Where a majority in number representing two-thirds in value of the creditors, or class of creditors, as the case may be, present and voting either in person or by		<p><u>6 (1) Where a majority in number representing two-thirds in value of the creditors, or class of creditors, as the case may be, present and voting either in person or by proxy</u></p>

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<p>proxy at the meeting or meetings thereof respectively held pursuant to sections 4 and 5, or either of those sections, agree to any compromise or arrangement either as proposed or as altered or modified at the meeting or meetings, the compromise or arrangement may be sanctioned by the court, and if so sanctioned is binding</p> <p>...</p>		<p>at the meeting or meetings thereof respectively held pursuant to sections 4 and 5, or either of those sections, agree to any compromise or arrangement either as proposed or as altered or modified at the meeting or meetings, the compromise or arrangement may be sanctioned by the court, and if so sanctioned is binding</p> <p>...</p>
<p>See subsection 18.2(1).</p>		<p><u>^ 6 (2) Unless Her Majesty agrees otherwise, the court may sanction a compromise or an arrangement only if the compromise or arrangement provides for the payment in full to Her Majesty in right of Canada or a province, within six months after court sanction of the compromise or arrangement, of all amounts that were outstanding at the time of the application for an order under section 11 or 11.02 and that are of a kind that could be subject to a demand under</u></p> <p>(a) subsection 224(1.2) of the Income Tax Act;</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or</p> <p>(c) any provision of provincial legislation that has a ^ purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, ^ <u>and</u> the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on</p>

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		<p>individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection.</p> <p>^ (3) If an order contains a provision authorized by section ^ 11.02, no compromise or arrangement shall be sanctioned by the court if, at the time the court hears the application for sanction, Her Majesty in right of Canada or a province satisfies the court that the company is in default on any remittance of an amount referred to in subsection (2) that became due after the time of the application for an order under section 11.02.</p>
New.		<p><u>6 (4) The court may sanction a compromise or an arrangement only if</u></p> <p><u>(a) the compromise or arrangement provides for payment to the employees and former employees of the company, immediately after the court’s sanction, of</u></p> <p><u>(i) amounts at least equal to the amounts that they would have been qualified to receive under paragraph 136(1)(d) of the Bankruptcy and Insolvency Act if the company had become bankrupt on the date of the filing of initial application in respect of the company, and</u></p> <p><u>(ii) wages, salaries, commissions or compensation for services rendered after that date and before the court’s sanction of the compromise or arrangement, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the company’s business during the same period; and</u></p> <p><u>(b) the court is satisfied that the company can and will</u></p>

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		<p>make the payments as required under paragraph (a).</p> <p><u>(5) If the company participates in a prescribed pension plan for the benefit of its employees, the court may sanction a compromise or an arrangement in respect of the company only if</u></p> <p><u>(a) the compromise or arrangement provides for payment, immediately after the court sanction, of the following amounts that are unpaid to the fund established for the purpose of the pension plan:</u></p> <p><u>(i) an amount equal to the sum of all amounts that were deducted from the employees' remuneration for payment to the fund,</u></p> <p><u>(ii) if the prescribed pension plan is regulated by an Act of Parliament,</u></p> <p><u>(A) an amount equal to the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that was required to be paid by the employer to the fund, and</u></p> <p><u>(B) an amount equal to the sum of all amounts that were required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985; and</u></p> <p><u>(iii) in the case of any other prescribed pension plan,</u></p> <p><u>(A) an amount equal to the amount that would be the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that the employer would be required to pay to the fund if the prescribed plan were regulated by an Act of Parliament, and</u></p>

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		<p><u>(B) an amount equal to the sum of all amounts that would have been required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the Pension Benefits Standards Act, 1985, if the prescribed plan were regulated by an Act of Parliament; and</u></p> <p><u>(b) the court is satisfied that the company can and will make the payments as required under paragraph (a).</u></p> <p><u>(6) Despite subsection (5), the court may sanction a compromise or arrangement that does not allow for the payment of the amounts referred to in that subsection if it is satisfied that the relevant parties have entered into an agreement, approved by the relevant pension regulator, respecting the payment of those amounts.</u></p>
10 Applications under this Act shall be made by petition or by way of originating summons or notice of motion in accordance with the practice of the court in which the application is made.		10 <u>(1)</u> Applications under this Act shall be made by petition or by way of originating summons or notice of motion in accordance with the practice of the court in which the application is made.
New, but see subsection 11 (2).		<p>10 <u>(2)</u> <u>An initial application must be accompanied by</u></p> <p><u>(a) a statement indicating, on a weekly basis, the projected cash flow of the debtor company;</u></p> <p><u>(b) a report containing the prescribed representations of the debtor company regarding the preparation of the cash-flow statement; and</u></p> <p><u>(c) copies of all financial statements, audited or unaudited, prepared during the year before the application or, if no such statements were prepared in that year, a copy of the most recent such statement.</u></p>
New.		10 <u>(3)</u> <u>The court may make an order prohibiting the release to the public of any cash-flow statement, or any</u>

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		<p><u>part of a cash-flow statement, if it is satisfied that the release would unduly prejudice the debtor company and the making of the order would not unduly prejudice the company's creditors, but the court may, in the order, direct that the cash-flow statement or any part of it be made available to any person specified in the order on any terms or conditions that the court considers appropriate.</u></p>
<p>11 (1) Notwithstanding anything in the Bankruptcy and Insolvency Act or the Winding-up Act, where an application is made under this Act in respect of a company, the court, on the application of any person interested in the matter, may, subject to this Act, on notice to any other person or without notice as it may see fit, make an order under this section.</p>		<p>11 ^ <u>Despite</u> anything in the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, if an application is made under this Act in respect of a <u>debtor</u> company, the court, on the application of any person interested in the matter, may, subject to <u>the restrictions set out in</u> this Act, on notice to any other person or without notice as it may see fit, make ^ <u>any order that it considers appropriate in the circumstances.</u></p>
<p>11 (2) An application made for the first time under this section in respect of a company, in this section referred to as an “initial application”, shall be accompanied by a statement indicating the projected cash flow of the company and copies of all financial statements, audited or unaudited, prepared during the year prior to the application, or where no such statements were prepared in the prior year, a copy of the most recent such statement.</p>		<p>See subsection 10 (2).</p>
<p>11.3 No order made under section 11 shall have the effect of</p> <p>(a) prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the order is made; or</p> <p>(b) requiring the further advance of money or credit.</p>		<p>^ <u>11.01</u> No order made under section 11 <u>or 11.02</u> has the effect of</p> <p>(a) prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided after the order is made; or</p> <p>(b) requiring the further advance of money or credit.</p>

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<p>11 (3) A court may, on an initial application in respect of a company, make an order on such terms as it may impose, effective for such period as the court deems necessary not exceeding thirty days,</p> <p>(a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under an Act referred to in subsection (1);</p> <p>(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and</p> <p>(c) prohibiting, until otherwise ordered by the court, the commencement of or proceeding with any other action, suit or proceeding against the company.</p>		<p>^ <u>11.02 (1)</u> A court may, on an initial application in respect of a <u>debtor</u> company, make an order on ^ <u>any terms that</u> it may impose, effective for ^ <u>the period</u> ^ <u>that the court</u> ^ <u>considers</u> necessary, ^ <u>which period may not be more than 30 days</u>,</p> <p>(a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under ^ <u>the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act</u>;</p> <p>(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and</p> <p>(c) prohibiting, until otherwise ordered by the court, the commencement of ^ any ^ action, suit or proceeding against the company.</p>
<p>11 (4) A court may, on an application in respect of a company other than an initial application, make an order on such terms as it may impose,</p> <p>(a) staying, until otherwise ordered by the court, for such period as the court deems necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in subsection (1);</p> <p>(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and</p> <p>(c) prohibiting, until otherwise ordered by the court, the commencement of or proceeding with any other action, suit or proceeding against the company.</p>		<p>^ <u>11.02 (2)</u> A court may, on an application in respect of a debtor company other than an initial application, make an order, on ^ <u>any terms</u> ^ <u>that</u> it may impose,</p> <p>(a) staying, until otherwise ordered by the court, for ^ <u>any period</u> ^ <u>that</u> the court ^ <u>considers</u> necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);</p> <p>(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and</p> <p>(c) prohibiting, until otherwise ordered by the court, the commencement of ^ <u>any action, suit or proceeding</u> against the company.</p>

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<p>11 (5) Except as otherwise ordered by the court, the monitor appointed under section 11.7 shall send a copy of any order made under subsection (3), within ten days after the order is made, to every known creditor who has a claim against the company of more than two hundred and fifty dollars.</p>		<p>Repealed, but see subsection 23(1).</p>
<p>11 (6) The court shall not make an order under subsection (3) or (4) unless</p> <p>(a) the applicant satisfies the court that circumstances exist that make such an order appropriate; and</p> <p>(b) in the case of an order under subsection (4), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.</p>		<p>^ <u>11.02 (3)</u> The court shall not make ^ <u>the</u> order ^ unless</p> <p>(a) the applicant satisfies the court that circumstances exist that make ^ <u>the</u> order appropriate; and</p> <p>(b) in the case of an order under subsection ^ (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.</p>
<p>New.</p>		<p><u>11.02 (4) Orders doing anything referred to in subsection (1) or (2) may only be made under this section.</u></p>
<p>11.5 (1) An order made under section 11 may provide that no person may commence or continue any action against a director of the debtor company on any claim against directors that arose before the commencement of proceedings under this Act and that relates to obligations of the company where directors are under any law liable in their capacity as directors for the payment of such obligations, until a compromise or arrangement in respect of the company, if one is filed, is sanctioned by the court or is refused by the creditors or the court.</p> <p>(2) Subsection (1) does not apply in respect of an action against a director on a guarantee given by the director relating to the company's obligations or an action seeking injunctive relief against a director in</p>		<p>^ <u>11.03 (1)</u> An order made under section ^ <u>11.02</u> may provide that no person may commence or continue any action against a director of the ^ company on any claim against directors that arose before the commencement of proceedings under this Act and that relates to obligations of the company ^ <u>if</u> directors are under any law liable in their capacity as directors for the payment of ^ <u>those</u> obligations, until a compromise or an arrangement in respect of the company, if one is filed, is sanctioned by the court or is refused by the creditors or the court.</p> <p>(2) Subsection (1) does not apply in respect of an action against a director on a guarantee given by the director relating to the company's obligations or an action seeking injunctive relief against a director in relation to the company.</p>

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<p>relation to the company.</p> <p>(3) Where all of the directors have resigned or have been removed by the shareholders without replacement, any person who manages or supervises the management of the business and affairs of the company shall be deemed to be a director for the purposes of this section.</p>		<p>(3) [^] <u>If</u> all of the directors have resigned or have been removed by the shareholders without replacement, any person who manages or supervises the management of the business and affairs of the company is deemed to be a director for the purposes of this section.</p>
<p>11.2 No order may be made under section 11 staying or restraining any action, suit or proceeding against a person, other than a debtor company in respect of which an application has been made under this Act, who is obligated under a letter of credit or guarantee in relation to the company.</p>		<p>[^] <u>11.04</u> No order made under section [^] <u>11.02</u> has affect <u>on any action, suit or proceeding against a person, other than the company in respect of whom the order is made,</u> who is obligated under a letter of credit or guarantee in relation to the company.</p>
<p>11.1 (2) No order may be made under this Act staying or restraining the exercise of any right to terminate, amend or claim any accelerated payment under an eligible financial contract or preventing a member of the Canadian Payments Association established by the Canadian Payments Act from ceasing to act as a clearing agent or group clearer for a company in accordance with that Act and the by-laws and rules of that Association.</p> <p>(3) For greater certainty, where an eligible financial contract entered into before an order is made under section 11 is terminated on or after the date of the order, the setting off of obligations between the company and the other parties to the eligible financial contract, in accordance with its provisions, is permitted, and if net termination values determined in accordance with the eligible financial contract are owed by the company to another party to the eligible financial contract, that other party shall be deemed to be a creditor of the company with a claim against the company in respect of the net termination values.</p>		<p>[^] <u>11.05 (1)</u> No order may be made under [^] <u>section 11.02</u> staying or restraining the exercise of any right to terminate, amend or claim any accelerated payment, [^] <u>or a forfeiture of the term, under an eligible financial contract.</u></p> <p>[^] <u>(2)</u> For greater certainty, [^] <u>if</u> an eligible financial contract entered into before an order is made under section [^] <u>11.02</u> is terminated on or after the date of the order, the setting off of obligations between the company and the other parties to the eligible financial contract, in accordance with its provisions, is permitted and, if net termination values determined in accordance with the eligible financial contract are owed by the company to another party to the eligible financial contract, that other party [^] <u>is</u> deemed to be a creditor of the company with a claim against the company in respect of the net termination values.</p>

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11.1 (1) In this section, ...		^ 11.05 (3) The following definitions apply in this section. ...
New, but see subsection 11.1(2).		<u>11.06 No order may be made under section 11.02 that has the effect of preventing a member of the Canadian Payments Association established by the Canadian Payments Act from ceasing to act as a clearing agent or group clearer for a company in accordance with that Act and the by-laws and rules of that Association.</u>
New.	<p><u>11.31 No order made under section 11 prevents a creditor who holds security on aircraft objects — or a lessor of aircraft objects or a conditional seller of aircraft objects — under an agreement with a debtor company in respect of which an application is made under this Act from taking possession of the equipment</u></p> <p><u>(a) if, after the commencement of proceedings under this Act, the company defaults in protecting or maintaining the equipment in accordance with the agreement;</u></p> <p><u>(b) sixty days after the commencement of proceedings under this Act unless, during that period, the company</u></p> <p><u>(i) remedied the default of every other obligation under the agreement, other than a default constituted by the commencement of proceedings under this Act or the breach of a provision in the agreement relating to the company’s financial condition,</u></p> <p><u>(ii) agreed to perform the obligations under the agreement, other than an obligation not to</u></p>	<p>^ 11.07 No order may be made under section ^ 11.02 that has the effect of preventing a creditor who holds security on aircraft objects — or a lessor of aircraft objects — under an agreement with a ^ company ^ from taking possession of the aircraft objects</p> <p>...</p> <p>(b) ^ 60 days after the commencement of proceedings under this Act unless, during that period, the company</p> <p>...</p>

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	<p><u>become insolvent or an obligation relating to the company's financial condition, until proceedings under this Act end, and</u></p> <p><u>(iii) agreed to perform all the obligations arising under the agreement after the proceedings under this Act end; or</u></p> <p><u>(c) if, during the period that begins on the expiry of the sixty-day period and ends on the day on which proceedings under this Act end, the company defaults in performing an obligation under the agreement, other than an obligation not to become insolvent or an obligation relating to the company's financial condition.</u></p>	
<p>11.11 No order may be made under this Act staying or restraining</p> <p>(a) the exercise by the Minister of Finance or the Superintendent of Financial Institutions of any power, duty or function assigned to them by the Bank Act, the Cooperative Credit Associations Act, the Insurance Companies Act or the Trust and Loan Companies Act;</p> <p>(b) the exercise by the Governor in Council, the Minister of Finance or the Canada Deposit Insurance Corporation of any power, duty or function assigned to them by the Canada Deposit Insurance Corporation Act; or</p> <p>...</p>		<p>^ <u>11.08</u> No order may be made under ^ <u>section 11.02</u> that affects</p> <p>(a) the exercise <u>or performance</u> by the Minister of Finance or the Superintendent of Financial Institutions of any power, duty or function assigned to them by the Bank Act, the Cooperative Credit Associations Act, the Insurance Companies Act or the Trust and Loan Companies Act;</p> <p>(b) the exercise <u>or performance</u> by the Governor in Council, the Minister of Finance or the Canada Deposit Insurance Corporation of any power, duty or function assigned to them by the Canada Deposit Insurance Corporation Act; or</p> <p>...</p>
<p>11.4 (1) An order made under section 11 may provide that</p> <p>(a) Her Majesty in right of Canada may not exercise</p>		<p>^ <u>11.09</u> (1) An order made under section ^ <u>11.02</u> may provide that</p> <p>(a) Her Majesty in right of Canada may not exercise</p>

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<p>rights under subsection 224(1.2) of the Income Tax Act or any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, in respect of the company if the company is a tax debtor under that subsection or provision, for such period as the court considers appropriate but ending not later than</p> <p>(i) the expiration of the order,</p> <p>(ii) the refusal of a proposed compromise by the creditors or the court,</p> <p>(iii) six months following the court sanction of a compromise or arrangement,</p> <p>(iv) the default by the company on any term of a compromise or arrangement, or</p> <p>(v) the performance of a compromise or arrangement in respect of the company; and</p> <p>(b) Her Majesty in right of a province may not exercise rights under any provision of provincial legislation in respect of the company where the company is a debtor under that legislation and the provision has a similar purpose to subsection 224(1.2) of the Income Tax Act, or refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum</p> <p>(i) has been withheld or deducted by a person from a</p>		<p>rights under subsection 224(1.2) of the Income Tax Act or any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, in respect of the company if the company is a tax debtor under that subsection or provision, for [^] <u>the</u> period [^] <u>that</u> the court considers appropriate but ending not later than</p> <p>(i) the [^] <u>expiry</u> of the order,</p> <p>(ii) the refusal of a proposed compromise by the creditors or the court,</p> <p>(iii) six months following the court sanction of a compromise or <u>an</u> arrangement,</p> <p>(iv) the default by the company on any term of a compromise or <u>an</u> arrangement, or</p> <p>(v) the performance of a compromise or <u>an</u> arrangement in respect of the company; and</p> <p>(b) Her Majesty in right of a province may not exercise rights under any provision of provincial legislation in respect of the company [^] <u>if</u> the company is a debtor under that legislation and the provision has a [^] purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, [^] <u>and</u> the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax</p>

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<p>payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection,</p> <p>for such period as the court considers appropriate but ending not later than the occurrence or time referred to in whichever of subparagraphs (a)(i) to (v) may apply.</p> <p>(2) An order referred to in subsection (1) ceases to be in effect if</p> <p>(a) the company defaults on payment of any amount that becomes due to Her Majesty after the order is made and could be subject to a demand under</p> <p>(i) subsection 224(1.2) of the Income Tax Act,</p> <p>(ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(iii) under any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other</p>		<p>similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection,</p> <p>for ^ <u>the</u> period ^ <u>that</u> the court considers appropriate but ending not later than the occurrence or time referred to in whichever of subparagraphs (a)(i) to (v) <u>that</u> may apply.</p> <p>(2) ^ <u>The portions of an order made under section 11.02 that affect the exercise of rights of Her Majesty referred to in paragraph (1)(a) or (b) cease to be in effect if</u></p> <p>(a) the company defaults on <u>the</u> payment of any amount that becomes due to Her Majesty after the order is made and could be subject to a demand under</p> <p>(i) subsection 224(1.2) of the Income Tax Act,</p> <p>(ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(iii) ^ any provision of provincial legislation that has a ^ purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, ^ <u>and</u> the sum</p>

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<p>amounts, where the sum</p> <p>(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(B) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection; or</p> <p>(b) any other creditor is or becomes entitled to realize a security on any property that could be claimed by Her Majesty in exercising rights under</p> <p>(i) subsection 224(1.2) of the Income Tax Act,</p> <p>(ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum</p> <p>(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax</p>		<p>(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(B) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection; or</p> <p>(b) any other creditor is or becomes entitled to realize a security on any property that could be claimed by Her Majesty in exercising rights under</p> <p>(i) subsection 224(1.2) of the Income Tax Act,</p> <p>(ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(iii) any provision of provincial legislation that has a ^ purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, ^ <u>and</u> the sum</p> <p>(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(B) is of the same nature as a contribution under the</p>

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<p>similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(B) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection.</p> <p>(3) An order made under section 11, other than an order referred to in subsection (1) of this section, does not affect the operation of</p> <p>(a) subsections 224(1.2) and (1.3) of the Income Tax Act;</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or</p> <p>(c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p>		<p>Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection.</p> <p>(3) An order made under section [^] 11.02, other than [^] <u>the portions of that order that affect the exercise of rights of Her Majesty referred to in paragraph (1)(a) or (b)</u>, does not affect the operation of</p> <p>(a) subsections 224(1.2) and (1.3) of the Income Tax Act,</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(c) any provision of provincial legislation that has a [^] purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, [^] <u>and</u> the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection,</p>

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<p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection,</p> <p>and for the purpose of paragraph (c), the provision of provincial legislation is, despite any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as subsection 224(1.2) of the Income Tax Act in respect of a sum referred to in subparagraph (c)(i), or as subsection 23(2) of the Canada Pension Plan in respect of a sum referred to in subparagraph (c)(ii), and in respect of any related interest, penalties or other amounts.</p>		<p>and for the purpose of paragraph (c), the provision of provincial legislation is, despite any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as subsection 224(1.2) of the Income Tax Act in respect of a sum referred to in subparagraph (c)(i), or as subsection 23(2) of the Canada Pension Plan in respect of a sum referred to in subparagraph (c)(ii), and in respect of any related interest, penalties or other amounts.</p>
<p>New.</p>		<p><u>11.1 (1) Subject to subsection (3), no order made under section 11.02 affects the rights of a regulatory body with respect to any investigation in respect of the company or any action, suit or proceeding taken or to be taken by it against the company, except when it is seeking to enforce any of its rights as a secured creditor or an unsecured creditor.</u></p> <p><u>(2) If there is a dispute as to whether a regulatory body is seeking to enforce any of its rights as a secured creditor or an unsecured creditor, the court may, on application made by the company with notice given to the regulatory body, make an order declaring that the regulatory body is or would be so seeking to enforce its rights.</u></p> <p><u>(3) Subsection (1) does not apply in respect of any or all actions, suits or proceedings taken or to be taken by a regulatory body if the court, on application made by the company with notice given to the regulatory body, makes an order declaring that a viable compromise or</u></p>

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		<p><u>arrangement could not be made in respect of the company if that subsection were to apply.</u></p> <p><u>(4) The court shall not make the declaration referred to in subsection (3) if it is of the opinion that it is in the public interest that the regulatory body not be affected by the order made under section 11.02.</u></p> <p><u>(5) In this section, “regulatory body” means any person or body who has powers, duties or functions relating to the enforcement or administration of any Act of Parliament or of the legislature of a province and includes any person or body prescribed to be a regulatory body for the purpose of this Act.</u></p>
New.		<p><u>11.2 (1) A court may, on application by a debtor company, make an order, on any conditions that the court considers appropriate, declaring that the property of the company is subject to a security or charge in favour of any person specified in the order who agrees to lend to the company an amount that is approved by the court as being required by the company, having regard to its cash-flow statement,</u></p> <p><u>(a) for the period of 30 days following the initial application in respect of the company if the order is made on the initial application in respect of the company;</u> <u>or</u></p> <p><u>(b) for any period specified in the order if the order is made on any application in respect of a company other than the initial application and notice has been given to the secured creditors likely to be affected by the security or charge.</u></p> <p><u>(2) An order may be made under subsection (1) in respect of any period after the period of 30 days following the initial application in respect of the</u></p>

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		<p><u>company only if the monitor has reported to the court under paragraph 23(1)(b) that the company's cash-flow statement is reasonable.</u></p> <p><u>(3) The court may specify in the order that the security or charge ranks in priority over the claim of any secured creditor of the company.</u></p> <p><u>(4) The court may specify in the order that the security or charge ranks in priority over any security or charge arising from a previous order made under subsection (1) only with the consent of the person in whose favour the previous order was made.</u></p> <p><u>(5) In deciding whether to make an order referred to in subsection (1), the court must consider, among other things,</u></p> <p><u>(a) the period during which the company is expected to be subject to proceedings under this Act;</u></p> <p><u>(b) how the company is to be governed during the proceedings;</u></p> <p><u>(c) whether the company's management has the confidence of its major creditors;</u></p> <p><u>(d) whether the loan will enhance the prospects of a viable compromise or arrangement being made in respect of the company;</u></p> <p><u>(e) the nature and value of the company's assets; and</u></p> <p><u>(f) whether any creditor will be materially prejudiced as a result of the company's continued operations.</u></p>
New.		<p><u>11.3 (1) The court may, on the application of a debtor company, make an order assigning the rights and</u></p>

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		<p><u>obligations of the company under any agreement to any person, to be specified by the court, who has agreed to the assignment.</u></p> <p><u>(2) The applicant must give notice of the assignment in the prescribed manner to every party to the agreement.</u></p> <p><u>(3) Subsection (1) does not apply in respect of rights and obligations</u></p> <p><u>(a) under an eligible financial contract within the meaning of subsection 11.05(3);</u></p> <p><u>(b) under a collective agreement; or</u></p> <p><u>(c) that are not assignable by reason of their nature</u></p> <p><u>(3) Subsection (1) does not apply in respect of rights and obligations</u></p> <p><u>(a) under an eligible financial contract within the meaning of subsection 11.05(3);</u></p> <p><u>(b) under a collective agreement; or</u></p> <p><u>(c) that are not assignable by reason of their nature.</u></p> <p><u>(4) In deciding whether to make an assignment, the court must consider, among other things,</u></p> <p><u>(a) whether the person to whom the rights and obligations are to be assigned would be able to perform the obligations; and</u></p> <p><u>(b) whether it would be appropriate to assign the rights and obligations to that person.</u></p> <p><u>(5) The court may not make an order assigning an agreement unless it is satisfied that all financial defaults in</u></p>

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New.		<p>relation to the agreement will be remedied.</p> <p>11.4 (1) <u>On application by a debtor company, the court may make an order declaring a person to be a critical supplier to the company if the court is satisfied that the person is a supplier of goods or services to the company and that those goods or services are critical to the company's continued operation.</u></p> <p><u>(2) If the court declares a person to be a critical supplier, the court may make an order requiring the person to supply any goods or services specified by the court to the company on any terms and conditions that are consistent with the supply relationship or that the court considers appropriate.</u></p> <p><u>(3) If the court makes an order under subsection (2), the court shall, in the order, declare that the property of the company is subject to a security or charge in favour of the person declared to be a critical supplier, in an amount equal to the value of the goods or services supplied under the terms of the order.</u></p> <p><u>(4) The court may specify in the order that the security or charge ranks in priority over the claim of any secured creditor of the company.</u></p>
New.		<p>11.5 (1) <u>The court may, on the application of any person interested in the matter, make an order removing from office any director of a debtor company in respect of which an order has been made under this Act if the court is satisfied that the director is unreasonably impairing or is likely to unreasonably impair the possibility of a viable compromise or arrangement being made in respect of the company or is acting or is likely to act inappropriately as a director in the circumstances.</u></p> <p><u>(2) The court may, by order, fill any vacancy created</u></p>

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New.		<p><u>under subsection (1).</u></p> <p><u>11.51 (1) The court may, on the application of a debtor company, make an order declaring that the property of the company is subject to a security or charge, in an amount that the court considers appropriate, in favour of any director or officer of the company to indemnify the director or officer against obligations and liabilities that he or she may incur as a director or an officer of the company after the commencement of proceedings against the company under this Act.</u></p> <p><u>(2) The court may specify in the order that the security or charge ranks in priority over the claim of any secured creditor of the company.</u></p> <p><u>(3) The court shall not make the order if, in its opinion, the company could obtain adequate indemnification insurance for the director or officer at a reasonable cost.</u></p> <p><u>(4) The court shall make an order declaring that the security or charge does not apply in respect of a specific obligation or liability incurred by a director or an officer if it is of the opinion that the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct or, in the Province of Quebec, the director's gross or intentional fault.</u></p>
New.		<p><u>11.52 The court may make an order declaring that property of a debtor company is subject to a security or charge, in an amount that the court considers appropriate, in respect of</u></p> <p><u>(a) the costs of the monitor, including the remuneration and expenses of any financial, legal or other experts engaged by the monitor in the course of the monitor's duties;</u></p>

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		<p><u>(b) the remuneration and expenses of any financial, legal or other experts engaged by the company for the purpose of proceedings under this Act; and</u></p> <p><u>(c) the costs of any interested party in relation to the remuneration and expenses of any financial, legal or other experts engaged by it, if the court is satisfied that the incurring of those costs is necessary for the effective participation of the interested party in the proceedings under this Act.</u></p>
<p>11.7 (1) When an order is made in respect of a company by the court under section 11, the court shall at the same time appoint a person, in this section and in section 11.8 referred to as “the monitor”, to monitor the business and financial affairs of the company while the order remains in effect.</p>		<p>11.7 (1) When an order is made <u>on the initial application</u> in respect of a debtor company ^, the court shall at the same time appoint a person ^ to monitor the business and financial affairs of the company. <u>The person so appointed must be a trustee, within the meaning of subsection 2(1) of the Bankruptcy and Insolvency Act.</u></p>
<p>New.</p>		<p><u>11.7 (2) Except with the permission of the court and on any conditions that the court may impose, no trustee may be appointed as monitor in relation to a company</u></p> <p><u>(a) if the trustee is or, at any time during the two preceding years, was</u></p> <p><u>(i) a director, an officer or an employee of the company,</u></p> <p><u>(ii) related to the company or to any director or officer of the company, or</u></p> <p><u>(iii) the auditor, accountant or legal counsel, or a partner or an employee of the auditor, accountant or legal counsel, of the company; or</u></p> <p><u>(b) if the trustee is</u></p> <p><u>(i) the trustee under a trust indenture issued by the company or any person related to the company, or the</u></p>

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		<p><u>holder of a power of attorney under an act constituting a hypothec within the meaning of the Civil Code of Quebec that is granted by the company or any person related to the company, or</u></p> <p><u>(ii) related to the trustee, or the holder of a power of attorney, referred to in subparagraph (i).</u></p> <p><u>(3) On application by a creditor of the company, the court may, if it considers it appropriate in the circumstances, replace the monitor by appointing another trustee, within the meaning of subsection 2(1) of the Bankruptcy and Insolvency Act, to monitor the business and financial affairs of the company.</u></p>
11.7 (2) Except as may be otherwise directed by the court, the auditor of the company may be appointed as the monitor.		Repealed.
<p>11.7 (3) The monitor shall</p> <p>(a) for the purposes of monitoring the company's business and financial affairs, have access to and examine the company's property, including the premises, books, records, data, including data in electronic form, and other financial documents of the company to the extent necessary to adequately assess the company's business and financial affairs;</p> <p>(b) file a report with the court on the state of the company's business and financial affairs, containing prescribed information,</p> <p>(i) forthwith after ascertaining any material adverse change in the company's projected cash-flow or financial circumstances,</p> <p>(ii) at least seven days before any meeting of creditors</p>		Repealed, but see subsection 23(1) and section 24.

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<p>under section 4 or 5, or</p> <p>(iii) at such other times as the court may order;</p> <p>(c) advise the creditors of the filing of the report referred to in paragraph (b) in any notice of a meeting of creditors referred to in section 4 or 5; and</p> <p>(d) carry out such other functions in relation to the company as the court may direct.</p>		
<p>11.7 (4) Where the monitor acts in good faith and takes reasonable care in preparing the report referred to in paragraph (3)(b), the monitor is not liable for loss or damage to any person resulting from that person's reliance on the report.</p>		<p>See subsection 23(2).</p>
<p>11.7 (5) The debtor company shall</p> <p>(a) provide such assistance to the monitor as is necessary to enable the monitor to adequately carry out the monitor's functions; and</p> <p>(b) perform such duties set out in section 158 of the Bankruptcy and Insolvency Act as are appropriate and applicable in the circumstances.</p>		<p>Repealed, but see section 35.</p>
<p>12 (1) For the purposes of this Act, "claim" means any indebtedness, liability or obligation of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the Bankruptcy and Insolvency Act.</p>		<p>Repealed.</p>
<p>12 (2) For the purposes of this Act, the amount represented by a claim of any secured or unsecured creditor shall be determined as follows:</p> <p>(a) the amount of an unsecured claim shall be the</p>		<p>See section 20.</p>

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<p>amount</p> <p>(i) in the case of a company in the course of being wound up under the Winding-up and Restructuring Act, proof of which has been made in accordance with that Act,</p> <p>(ii) in the case of a company that has made an authorized assignment or against which a bankruptcy order has been made under the Bankruptcy and Insolvency Act, proof of which has been made in accordance with that Act, or</p> <p>(iii) in the case of any other company, proof of which might be made under the Bankruptcy and Insolvency Act, but if the amount so provable is not admitted by the company, the amount shall be determined by the court on summary application by the company or by the creditor; and</p> <p>(b) the amount of a secured claim shall be the amount, proof of which might be made in respect thereof under the Bankruptcy and Insolvency Act if the claim were unsecured, but the amount if not admitted by the company shall, in the case of a company subject to pending proceedings under the Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act, be established by proof in the same manner as an unsecured claim under the Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act, as the case may be, and in the case of any other company the amount shall be determined by the court on summary application by the company or the creditor.</p> <p>(3) Notwithstanding subsection (2), the company may admit the amount of a claim for voting purposes under reserve of the right to contest liability on the claim for other purposes, and nothing in this Act, the</p>		

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Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act prevents a secured creditor from voting at a meeting of secured creditors or any class of them in respect of the total amount of a claim as admitted.		
New.		<u>12 The court may make an order fixing a deadline for creditors to file their claims against a company for the purpose of voting at a creditors' meeting held under section 4 or 5.</u>
<p>18. (1) The Governor in Council may make, alter or revoke, and may delegate to the judges of the courts exercising jurisdiction under this Act the power to make, alter or revoke, general rules for carrying into effect the objects of this Act.</p> <p>(2) The rules referred to in subsection (1) shall not extend the jurisdiction of the court.</p> <p>(3) All general rules as are from time to time made by the Governor in Council shall be laid before Parliament within three weeks after they are made, or, if Parliament is not then sitting, within three weeks after the beginning of the next session.</p> <p>(4) All rules referred to in subsection (1) shall be judicially noticed and shall have effect as if enacted by this Act.</p>		Repealed.
18.1 The law of set-off applies to all claims made against a debtor company and to all actions instituted by it for the recovery of debts due to the company in the same manner and to the same extent as if the company were plaintiff or defendant, as the case may be.		See section 21.
18.2 (1) If an order contains a provision authorized by		See subsection 6(2).

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<p>subsection 11.4(1), unless Her Majesty consents, no compromise or arrangement shall be sanctioned by the court that does not provide for the payment in full to Her Majesty in right of Canada or a province, within six months after court sanction of the compromise or arrangement, of all amounts that were outstanding at the time of the application for an order under section 11 and that are of a kind that could be subject to a demand under</p> <p>(a) subsection 224(1.2) of the Income Tax Act;</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or</p> <p>(c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.</p>		

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Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>(2) Where an order contains a provision authorized by subsection 11.4(1), no compromise or arrangement shall be sanctioned by the court if, at the time the court hears the application for sanction, Her Majesty in right of Canada or a province satisfies the court that the company is in default on any remittance of an amount referred to in subsection (1) that became due after the time of the application for an order under section 11.</p>		
<p>18.3 (1) Subject to subsection (2), notwithstanding any provision in federal or provincial legislation that has the effect of deeming property to be held in trust for Her Majesty, property of a debtor company shall not be regarded as held in trust for Her Majesty unless it would be so regarded in the absence of that statutory provision.</p> <p>(2) Subsection (1) does not apply in respect of amounts deemed to be held in trust under subsection 227(4) or (4.1) of the Income Tax Act, subsection 23(3) or (4) of the Canada Pension Plan or subsection 86(2) or (2.1) of the Employment Insurance Act (each of which is in this subsection referred to as a “federal provision”) nor in respect of amounts deemed to be held in trust under any law of a province that creates a deemed trust the sole purpose of which is to ensure remittance to Her Majesty in right of the province of amounts deducted or withheld under a law of the province where</p> <p>(a) that law of the province imposes a tax similar in nature to the tax imposed under the Income Tax Act and the amounts deducted or withheld under that law of the province are of the same nature as the amounts referred to in subsection 227(4) or (4.1) of the Income Tax Act, or</p>		<p>See section 37.</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>(b) the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan, that law of the province establishes a “provincial pension plan” as defined in that subsection and the amounts deducted or withheld under that law of the province are of the same nature as amounts referred to in subsection 23(3) or (4) of the Canada Pension Plan,</p> <p>and for the purpose of this subsection, any provision of a law of a province that creates a deemed trust is, notwithstanding any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as the corresponding federal provision.</p>		
<p>18.4 (1) In relation to a proceeding under this Act, all claims, including secured claims, of Her Majesty in right of Canada or a province or any body under an enactment respecting workers’ compensation, in this section and in section 18.5 called a “workers’ compensation body”, rank as unsecured claims.</p> <p>(2) Subsection (1) does not apply</p> <p>(a) to claims that are secured by a security or privilege of a kind that can be obtained by persons other than Her Majesty or a workers’ compensation body</p> <p>(i) pursuant to any law, or</p> <p>(ii) pursuant to provisions of federal or provincial legislation, where those provisions do not have as their sole or principal purpose the establishment of a means of securing claims of Her Majesty or a workers’ compensation body; and</p>		See section 38.

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Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>(b) to the extent provided in subsection 18.5(2), to claims that are secured by a security referred to in subsection 18.5(1), if the security is registered in accordance with subsection 18.5(1).</p> <p>(3) Subsection (1) does not affect the operation of</p> <p>(a) subsections 224(1.2) and (1.3) of the Income Tax Act;</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or</p> <p>(c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p> <p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection,</p>		

Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>and for the purpose of paragraph (c), the provision of provincial legislation is, despite any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as subsection 224(1.2) of the Income Tax Act in respect of a sum referred to in subparagraph (c)(i), or as subsection 23(2) of the Canada Pension Plan in respect of a sum referred to in subparagraph (c)(ii), and in respect of any related interest, penalties or other amounts.</p>		
<p>18.5 (1) In relation to a proceeding under this Act in respect of a debtor company, a security provided for in federal or provincial legislation for the sole or principal purpose of securing a claim of Her Majesty in right of Canada or a province or a workers' compensation body is valid in relation to claims against the company only if the security is registered before the date of the initial application for an order under section 11 pursuant to any system of registration of securities that is available not only to Her Majesty in right of Canada or a province or a workers' compensation body, but also to any other creditor who holds a security, and that is open to the public for information or the making of searches.</p> <p>(2) A security referred to in subsection (1) that is registered in accordance with that subsection</p> <p>(a) is subordinate to securities in respect of which all steps necessary to make them effective against other creditors were taken before that registration; and</p> <p>(b) is valid only in respect of amounts owing to Her Majesty or a workers' compensation body at the time of that registration, plus any interest subsequently accruing on those amounts.</p>		<p>See section 39.</p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
<p>18.6 (1) In this section,</p> <p>“foreign proceeding” means a judicial or administrative proceeding commenced outside Canada in respect of a debtor under a law relating to bankruptcy or insolvency and dealing with the collective interests of creditors generally;</p> <p>“foreign representative” means a person, other than a debtor, holding office under the law of a jurisdiction outside Canada who, irrespective of the person's designation, is assigned, under the laws of the jurisdiction outside Canada, functions in connection with a foreign proceeding that are similar to those performed by a trustee in bankruptcy, liquidator or other administrator appointed by the court.</p> <p>(2) The court may, in respect of a debtor company, make such orders and grant such relief as it considers appropriate to facilitate, approve or implement arrangements that will result in a co-ordination of proceedings under this Act with any foreign proceeding.</p>		<p>Repealed.</p>
<p>18.6 (3) An order of the court under this section may be made on such terms and conditions as the court considers appropriate in the circumstances.</p>		<p>See section 50.</p>
<p>18.6 (4) Nothing in this section prevents the court, on the application of a foreign representative or any other interested person, from applying such legal or equitable rules governing the recognition of foreign insolvency orders and assistance to foreign representatives as are not inconsistent with the provisions of this Act.</p> <p>(5) Nothing in this section requires the court to make any order that is not in compliance with the laws of</p>		<p>See subsections 61(1) and (2).</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
Canada or to enforce any order made by a foreign court.		
<p>18.6 (6) The court may seek the aid and assistance of a court, tribunal or other authority in a foreign proceeding by order or written request or otherwise as the court considers appropriate.</p> <p>(7) An application to the court by a foreign representative under this section does not submit the foreign representative to the jurisdiction of the court for any other purpose except with regard to the costs of the proceedings, but the court may make any order under this section conditional on the compliance by the foreign representative with any other order of the court.</p>		Repealed.
18.6 (8) Where a compromise or arrangement is proposed in respect of a debtor company, a claim for a debt that is payable in a currency other than Canadian currency shall be converted to Canadian currency as of the date of the first application made in respect of the company under section 10 unless otherwise provided in the proposed compromise or arrangement.		See section 43.
19 Sections 65 and 66 of the Winding-up and Restructuring Act do not apply to any compromise or arrangement to which this Act applies.		See section 41.
20 The provisions of this Act may be applied together with the provisions of any Act of Parliament or of the legislature of any province, that authorizes or makes provision for the sanction of compromises or arrangements between a company and its shareholders or any class of them.		See section 42.

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21 This Act is binding on Her Majesty in right of Canada or a province.		See section 40.
<p>22 (1) This Act shall, on the expiration of five years after the coming into force of this section, stand referred to such committee of the Senate, of the House of Commons or of both Houses of Parliament as may be designated or established to review the administration and operation of this Act.</p> <p>(2) The committee shall, within one year after beginning the review or within such further time as the Senate, the House of Commons or both Houses of Parliament, as the case may be, may authorize, submit a report on the review to that House or both Houses, including a statement of any changes to this Act that the committee would recommend.</p>		Repealed.
New		<u>PART III</u> <u>GENERAL</u> <u>CLAIMS</u>
New		<p><u>19. (1) Subject to subsection (2), in addition to deemed claims, the only claims that may be dealt with by a compromise or an arrangement in respect of a debtor company are</u></p> <p><u>(a) claims that relate to debts and liabilities, present or future, to which the company is subject on the earlier of</u></p> <p><u>(i) the day on which the initial application was made in respect of the company, and</u></p> <p><u>(ii) if the company had filed a notice of intention under section 50.4 of the Bankruptcy and Insolvency Act or an application under this Act was made by the company with the consent of inspectors referred to in section 116 of the Bankruptcy and Insolvency Act, the day that is the</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>date of the initial bankruptcy event within the meaning of subsection 2(1) of that Act; and</u></p> <p><u>(b) claims that relate to debts and liabilities, present or future, to which the company may become subject before the compromise or arrangement is sanctioned by reason of any obligation incurred by the company before the earlier of the days referred to in subparagraphs (a)(i) and (ii).</u></p> <p><u>(2) A compromise or an arrangement in respect of a debtor company may not deal with any claim that relates to any of the following debts or liabilities unless the compromise or arrangement explicitly provides for the claim's compromise and the relevant creditor has agreed to the compromise or arrangement:</u></p> <p><u>(a) any fine, penalty, restitution order or other order similar in nature to a fine, penalty or restitution order, imposed by a court in respect of an offence;</u></p> <p><u>(b) any award of damages by a court in civil proceedings in respect of</u></p> <p><u>(i) bodily harm intentionally inflicted, or sexual assault, or</u></p> <p><u>(ii) wrongful death resulting from an act referred to in subparagraph (i);</u></p> <p><u>(c) any debt or liability arising out of fraud, embezzlement, misappropriation or defalcation while acting in a fiduciary capacity or, in the Province of Quebec, as a trustee or an administrator of the property of others;</u></p> <p><u>(d) any debt or liability for obtaining property or services by false pretences or fraudulent misrepresentation, other than a debt or liability of the company that arises from the purchase or sale of a share or unit of the company or</u></p>

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		<p><u>from the rescission of any such purchase or sale; or</u></p> <p><u>(e) any debt for interest owed in relation to an amount referred to in any of paragraphs (a) to (d).</u></p>
<p>See subsection 12(2).</p>		<p>[^] <u>20 (1)</u> For the purposes of this Act, the amount represented by a claim of any secured or unsecured creditor is to be determined as follows:</p> <p>(a) the amount of an unsecured claim [^] <u>is</u> the amount</p> <p>(i) in the case of a company in the course of being wound up under the Winding-up and Restructuring Act, proof of which has been made in accordance with that Act,</p> <p>(ii) in the case of a company that has made an authorized assignment or against which a bankruptcy order has been made under the Bankruptcy and Insolvency Act, proof of which has been made in accordance with that Act, or</p> <p>(iii) in the case of any other company, proof of which might be made under the Bankruptcy and Insolvency Act, but if the amount so provable is not admitted by the company, the amount is to be determined by the court on summary application by the company or by the creditor; and</p> <p>(b) the amount of a secured claim is the amount, proof of which might be made under the Bankruptcy and Insolvency Act if the claim were unsecured, but the amount if not admitted by the company is, in the case of a company subject to pending proceedings under the Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act, to be established by proof in the same manner as an unsecured claim under the Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act, as the case may be, and, in the case of any other company, the amount is to be determined by</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>the court on summary application by the company or the creditor.</p> <p>^ <u>(2) Despite subsection (1), the company may admit the amount of a claim for voting purposes under reserve of the right to contest liability on the claim for other purposes, and nothing in this Act, the Winding-up and Restructuring Act or the Bankruptcy and Insolvency Act prevents a secured creditor from voting at a meeting of secured creditors or any class of them in respect of the total amount of a claim as admitted.</u></p> <p><u>(3) No person is entitled to vote on a claim acquired after the initial application in respect of the company, unless the entire claim is acquired.</u></p>
See section 18.1.		<p>^ <u>21 The law of set-off or compensation applies to all claims made against a debtor company and to all actions instituted by it for the recovery of debts due to the company in the same manner and to the same extent as if the company were plaintiff or defendant, as the case may be.</u></p>
New.		<p><u>CLASSES OF CREDITORS</u></p>
New.		<p><u>22. (1) Subject to subsection (3), a debtor company may divide its creditors into classes for the purpose of a meeting to be held under section 4 or 5 in respect of a compromise or an arrangement relating to a company and, if it does so, it must apply to the court for approval of the division before any meeting is held.</u></p> <p><u>(2) For the purpose of subsection (1), creditors may be included in the same class if their interests are sufficiently similar to give them a commonality of interest, taking into account</u></p> <p><u>(a) the nature of the debts, liabilities or obligations giving</u></p>

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		<p><u>rise to their claims;</u></p> <p><u>(b) the nature and rank of any security in respect of their claims;</u></p> <p><u>(c) the remedies available to the creditors in the absence of the compromise or arrangement being sanctioned, and the extent to which the creditors would recover their claims by exercising those remedies; and</u></p> <p><u>(d) any further criteria, consistent with those set out in paragraphs (a) to (c), that are prescribed.</u></p> <p><u>(3) Creditors having a claim against a debtor company arising from the rescission of a purchase or sale of a share or unit of the company — or a claim for damages arising from the purchase or sale of a share or unit of the company — must be in the same class of creditors in relation to those claims and may not, as members of that class, vote at a meeting to be held under section 4 in respect of a compromise or an arrangement relating to the company.</u></p>
New.		<u>MONITORS</u>
New, but see section 11.7.		<p><u>23 (1) The monitor shall</u></p> <p><u>(a) except as otherwise ordered by the court, when an order is made on the initial application in respect of a debtor company,</u></p> <p><u>(i) publish, without delay after the order is made, once a week for two consecutive weeks, or as otherwise directed by the court, in one or more newspapers in Canada specified by the court, a notice containing the prescribed information, and</u></p> <p><u>(ii) within five days after the order is made,</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(A) send a copy of the order to every known creditor who has a claim against the company of more than \$1,000, and</u></p> <p><u>(B) make a list showing the name and address of those creditors publicly available in the prescribed manner;</u></p> <p><u>(b) review the company's cash-flow statement as to its reasonableness and file a report with the court on the monitor's findings;</u></p> <p><u>(c) make, or cause to be made, any appraisal or investigation the monitor considers necessary to determine with reasonable accuracy the state of the company's business and financial affairs and the cause of its financial difficulties or insolvency and file a report with the court on the monitor's findings;</u></p> <p><u>(d) file a report with the court on the state of the company's business and financial affairs, containing prescribed information,</u></p> <p><u>(i) without delay after ascertaining any material adverse change in the company's projected cash-flow or financial circumstances,</u></p> <p><u>(ii) at least seven days before any meeting of creditors under section 4 or 5,</u></p> <p><u>(iii) not later than 45 days, or any longer period that the court may specify, after the end of each of the company's fiscal quarters, and</u></p> <p><u>(iv) at any other times that the court may order;</u></p> <p><u>(e) advise the company's creditors of the filing of the report referred to in any of paragraphs (b) to (d);</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(f) file with the Superintendent of Bankruptcy a copy of the documents specified by the regulations and pay the prescribed filing fee;</u></p> <p><u>(g) attend court proceedings held under this Act that relate to the company, and meetings of the company's creditors, if the monitor considers that his or her attendance is necessary for the fulfilment of his or her duties or functions;</u></p> <p><u>(h) if the monitor is of the opinion that it would be more beneficial to the company's creditors if proceedings in respect of the company were taken under the Bankruptcy and Insolvency Act, so advise the court without delay after coming to that opinion;</u></p> <p><u>(i) advise the court on the reasonableness and fairness of any compromise or arrangement that is proposed between the company and its creditors;</u></p> <p><u>(j) unless the court otherwise orders, make publicly available, in the prescribed manner, all documents filed with the court, and all court decisions, relating to proceedings held under this Act in respect the company and provide the company's creditors with information as to how they may access those documents and decisions; and</u></p> <p><u>(k) carry out any other functions in relation to the company that the court may direct.</u></p>
See subsection 11.7(4).		<p>[^] 23 (2) If the monitor acts in good faith and takes reasonable care in preparing the report referred to in [^] any of paragraphs (1)(b) to (d), the monitor is not liable for loss or damage to any person resulting from that person's reliance on the report.</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
New, but see subsection 11.7(3).		<u>24 For the purposes of monitoring the company's business and financial affairs, the monitor shall have access to the company's property, including the premises, books, records, data, including data in electronic form, and other financial documents of the company, to the extent that is necessary to adequately assess the company's business and financial affairs.</u>
New.		<u>25 In exercising any of his or her powers or in performing any of his or her duties and functions, the monitor must act honestly and in good faith and comply with the Code of Ethics referred to in section 13.5 of the Bankruptcy and Insolvency Act.</u>
New.		<u>Powers, Duties and Functions of Superintendent of Bankruptcy</u>
New.		<u>26 (1) The Superintendent of Bankruptcy must keep, or cause to be kept, in the form that he or she considers appropriate and for the prescribed period, a public record of prescribed information relating to proceedings under this Act. On request, and on payment of the prescribed fee, the Superintendent of Bankruptcy must provide, or cause to be provided, any information contained in that public record.</u> <u>(2) The Superintendent of Bankruptcy must keep, or cause to be kept, in the form that he or she considers appropriate and for the prescribed period, any other records relating to the administration of this Act that he or she considers appropriate.</u>
New.		<u>27 The Superintendent of Bankruptcy may apply to the court to review the appointment or conduct of a monitor and may intervene, as though he or she were a party, in any matter or proceeding in court relating to the appointment or conduct of a monitor.</u>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
New.		<p><u>28 The Superintendent of Bankruptcy must receive and keep a record of all complaints regarding the conduct of monitors.</u></p>
New.		<p><u>29 (1) The Superintendent of Bankruptcy may make, or cause to be made, any inquiry or investigation regarding the conduct of monitors that he or she considers appropriate.</u></p> <p><u>(2) For the purpose of the inquiry or investigation, the Superintendent of Bankruptcy or any person whom he or she appoints for the purpose</u></p> <p><u>(a) shall have access to and the right to examine and make copies of all books, records, data, including data in electronic form, documents and papers in the possession or under the control of a monitor under this Act; and</u></p> <p><u>(b) may, with the leave of the court granted on an ex parte application, examine the books, records, data, including data in electronic form, documents and papers relating to any compromise or arrangement to which this Act applies that are in the possession or under the control of any other person designated in the order granting the leave, and for that purpose may under a warrant from the court enter and search any premises.</u></p> <p><u>(3) The Superintendent of Bankruptcy may engage the services of persons having technical or specialized knowledge, and persons to provide administrative services, to assist the Superintendent of Bankruptcy in conducting an inquiry or investigation, and may establish the terms and conditions of their engagement. The remuneration and expenses of those persons, when certified by the Superintendent of Bankruptcy, are payable out of the appropriation for the office of the Superintendent.</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
New.		<p><u>30 (1) If, after making or causing to be made an inquiry or investigation into the conduct of a monitor, it appears to the Superintendent of Bankruptcy that the monitor has not fully complied with this Act and its regulations or that it is in the public interest to do so, the Superintendent of Bankruptcy may</u></p> <p><u>(a) cancel or suspend the monitor’s licence as a trustee under the Bankruptcy and Insolvency Act; or</u></p> <p><u>(b) place any condition or limitation on the licence that he or she considers appropriate.</u></p> <p><u>(2) Before deciding whether to exercise any of the powers referred to in subsection (1), the Superintendent of Bankruptcy shall send the monitor written notice of the powers that the Superintendent may exercise and the reasons why they may be exercised and afford the monitor a reasonable opportunity for a hearing.</u></p> <p><u>(3) The Superintendent of Bankruptcy may, for the purpose of the hearing, issue a subpoena or other request or summons, requiring and commanding any person named in it</u></p> <p><u>(a) to appear at the time and place mentioned in it;</u></p> <p><u>(b) to testify to all matters within his or her knowledge relative to the subject-matter of the inquiry or investigation into the conduct of the monitor; and</u></p> <p><u>(c) to bring and produce any books, records, data, including data in electronic form, documents or papers in the person’s possession or under the control of the person relative to the subject-matter of the inquiry or investigation.</u></p> <p><u>(4) A person may be summoned from any part of Canada by virtue of a subpoena, request or summons issued</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>under subsection (3).</u></p> <p><u>(5) Any person summoned under subsection (3) is entitled to receive the like fees and allowances for so doing as if summoned to attend before the Federal Court.</u></p> <p><u>(6) At the hearing, the Superintendent of Bankruptcy</u></p> <p><u>(a) has the power to administer oaths;</u></p> <p><u>(b) is not bound by any legal or technical rules of evidence in conducting the hearing;</u></p> <p><u>(c) shall deal with the matters set out in the notice of the hearing as informally and expeditiously as the circumstances and a consideration of fairness permit; and</u></p> <p><u>(d) shall cause a summary of any oral evidence to be made in writing.</u></p> <p><u>(7) The notice referred to in subsection (2) and, if applicable, the summary of oral evidence referred to in paragraph (6)(d), together with any documentary evidence that the Superintendent of Bankruptcy receives in evidence, form the record of the hearing, and that record and the hearing are public unless the Superintendent of Bankruptcy is satisfied that personal or other matters that may be disclosed are of such a nature that the desirability of avoiding public disclosure of those matters, in the interest of a third party or in the public interest, outweighs the desirability of the access by the public to information about those matters.</u></p> <p><u>(8) The decision of the Superintendent of Bankruptcy after the hearing, together with the reasons for the decision, must be given in writing to the monitor not later than three months after the conclusion of the</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>hearing, and is public.</p> <p><u>(9) A decision of the Superintendent of Bankruptcy given under subsection (8) is deemed to be a decision of a federal board, commission or other tribunal that may be reviewed and set aside under the Federal Courts Act.</u></p>
New.		<p><u>31 (1) The Superintendent of Bankruptcy may, in writing, authorize any person to exercise or perform, subject to any terms and conditions that he or she may specify in the authorization, any of the powers, duties or functions of the Superintendent of Bankruptcy under sections 29 and 30.</u></p> <p><u>(2) If the Superintendent of Bankruptcy delegates in accordance with subsection (1), the Superintendent or the delegate must give notice of the delegation in the prescribed manner to any monitor who may be affected by the delegation.</u></p>
New.		<p style="text-align: center;"><u>Agreements</u></p>
New.		<p><u>32 (1) Subject to subsection (3), a debtor company may disclaim or resiliate any agreement to which it is a party on the day of the filing of the initial application in respect of the company by giving 30 days notice to the other parties to the agreement in the prescribed manner.</u></p> <p><u>(2) Subsection (1) does not apply in respect of</u></p> <p><u>(a) an eligible financial contract within the meaning of subsection 11.05(3);</u></p> <p><u>(b) a collective agreement;</u></p> <p><u>(c) a financing agreement if the debtor is the borrower;</u> <u>and</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(d) a lease of real property or an immovable if the debtor is the lessor.</u></p> <p><u>(3) Within 15 days after being given notice of the disclaimer or resiliation, a party to the agreement may apply to the court for a declaration that subsection (1) does not apply in respect of the agreement, and the court, on notice to any parties that it may direct, shall, subject to subsection (4), make that declaration.</u></p> <p><u>(4) No declaration under subsection (3) shall be made if the court is satisfied that a viable compromise or arrangement could not be made in respect of the company without the disclaimer or resiliation of the agreement and all other agreements that the company has disclaimed or resiliated under subsection (1).</u></p> <p><u>(5) If the company has, in any agreement, granted the use of any intellectual property to a party to the agreement, the disclaimer or resiliation of the agreement does not affect the party's right to use the intellectual property so long as that party continues to perform its obligations in relation to the use of the intellectual property.</u></p> <p><u>(6) If an agreement is disclaimed or resiliated by a company, every other party to the agreement is deemed to have a claim for damages as an unsecured creditor.</u></p>
New.		<p><u>33 (1) If proceedings under this Act have been commenced in respect of a debtor company, any collective agreement that the company has entered into as the employer remains in force, and may not be altered except as provided in this Act or under the laws of the jurisdiction governing collective bargaining between the company and the bargaining agent.</u></p> <p><u>(2) A debtor company that is a party to a collective</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>agreement and that is unable to reach a voluntary agreement with the bargaining agent to revise any of the provisions of the collective agreement may, on giving five days notice to the bargaining agent, apply to the court for an order authorizing the company to serve a notice to bargain under the laws of the jurisdiction governing collective bargaining between the company and the bargaining agent.</u></p> <p><u>(3) The court may issue the order only if it is satisfied that</u></p> <p><u>(a) a viable compromise or arrangement could not be made in respect of the company, taking into account the terms of the collective agreement;</u></p> <p><u>(b) the company has made good faith efforts to renegotiate the provisions of the collective agreement; and</u></p> <p><u>(c) a failure to issue the order is likely to result in irreparable damage to the company.</u></p> <p><u>(4) The vote of the creditors in respect of a compromise or an arrangement may not be delayed solely because the period provided in the laws of the jurisdiction governing collective bargaining between the company and the bargaining agent has not expired.</u></p> <p><u>(5) If the parties to the collective agreement agree to revise the collective agreement after proceedings have been commenced under this Act in respect of the company, the bargaining agent that is a party to the agreement is deemed to have a claim, as an unsecured creditor, for an amount equal to the value of concessions granted by the bargaining agent with respect to the remaining term of the collective agreement.</u></p> <p><u>(6) On the application of the bargaining agent and on</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>notice to the person to whom the application relates, the court may, subject to any terms and conditions it specifies, make an order requiring the person to make available to the bargaining agent any information specified by the court in the person's possession or control that relates to the company's business or financial affairs and that is relevant to the collective bargaining between the company and the bargaining agent. The court may make the order only after the company has been authorized to serve a notice to bargain under subsection (2).</u></p> <p><u>(7) For the purpose of this section, the parties to a collective agreement are the debtor company and the bargaining agent that are bound by the collective agreement.</u></p>
New.		<p><u>34 (1) No person may terminate or amend any agreement, including a security agreement, with a debtor company, or claim an accelerated payment, or a forfeiture of the term, under any agreement, including a security agreement, with a debtor company by reason only that an order has been made under this Act in respect of the company.</u></p> <p><u>(2) If the agreement referred to in subsection (1) is a lease, the lessor may not terminate or amend the lease by reason only that an order has been made under this Act in respect of the company or that the company has not paid rent in respect of any period before the filing of the initial application in respect of the company.</u></p> <p><u>(3) No public utility may discontinue service to a debtor company by reason only that an order has been made under this Act in respect of the company or that the company has not paid for services rendered, or for goods provided, before the filing of the initial application in respect of the company.</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>(4) Nothing in this section is to be construed as</p> <p><u>(a) prohibiting a person from requiring payments to be made in cash for goods, services, use of leased property or other valuable consideration provided after the date of the filing of initial application in respect of the company; or</u></p> <p><u>(b) requiring the further advance of money or credit.</u></p> <p><u>(5) Any provision in an agreement that has the effect of providing for, or permitting, anything that, in substance, is contrary to this section is of no force or effect.</u></p> <p><u>(6) The court may, on application by a party to an agreement, declare that this section does not apply, or applies only to the extent declared by the court, if the applicant satisfies the court that the operation of this section would likely cause the applicant significant financial hardship.</u></p>
New.		<u>Obligations and Prohibitions</u>
New, but see subsection 11.7(5).		<p><u>35 (1) A debtor company shall provide to the monitor the assistance that is necessary to enable the monitor to adequately carry out the monitor's functions.</u></p> <p><u>(2) A debtor company shall perform the duties set out in section 158 of the Bankruptcy and Insolvency Act that are appropriate and applicable in the circumstances</u></p>
New.		<p><u>36 (1) A debtor company in respect of which an order has been made under this Act may not sell or dispose of any of its assets outside the ordinary course of its business unless authorized to do so by a court.</u></p> <p><u>(2) A company that applies to the court for the</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>authorization must give notice of the application to all secured creditors who are likely to be affected by the proposed sale or disposal of the assets to which the application relates.</u></p> <p><u>(3) In deciding whether to grant the authorization, the court must consider, among other things,</u></p> <p><u>(a) whether the process leading to the proposed sale or disposal of the assets to which the application relates was reasonable in the circumstances;</u></p> <p><u>(b) whether the monitor approved the process leading to the proposed sale or disposal of the assets;</u></p> <p><u>(c) whether the monitor has filed with the court a report stating that in his or her opinion the sale or disposal of the assets would be more beneficial to the creditors than if the sale or disposal took place under the Bankruptcy and Insolvency Act;</u></p> <p><u>(d) the extent to which the creditors were consulted in respect of the proposed sale or disposal of the assets;</u></p> <p><u>(e) the effects of the proposed sale or disposal on the creditors and other interested parties; and</u></p> <p><u>(f) whether the consideration to be received for the assets is reasonable and fair, taking into account the market value of the assets.</u></p> <p><u>(4) In addition to taking the factors referred to in subsection (3) into account, if the proposed sale or disposal of the assets is to a person who is related to the company, the court may grant the authorization only if it is satisfied that</u></p> <p><u>(a) good faith efforts were made to sell or dispose of the</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>assets to persons who are not related to the company or who are neither directors or officers of the company nor individuals who control it; and</u></p> <p><u>(b) the consideration to be received is superior to the consideration that would be received under all other offers actually received in respect of the assets.</u></p> <p><u>(5) In granting an authorization for the sale or disposal of assets, the court may order that the assets may be sold or disposed of free and clear of any security, charge or other restriction, but if it so orders, it shall also order that the proceeds realized from the sale or disposal of the assets are subject to a security, charge or other restriction in favour of the creditors whose security, charges or other restrictions are affected by the order.</u></p> <p><u>(6) For the purpose of this section, a person who is related to the debtor company includes a person who controls the company, a director or an officer of the company and a person who is related to a director or an officer of the company.</u></p>
New.		<u>Her Majesty</u>
See section 18.3.		<p>[^] <u>37 (1) Subject to subsection (2), [^] despite any provision in federal or provincial legislation that has the effect of deeming property to be held in trust for Her Majesty, property of a debtor company shall not be regarded as being held in trust for Her Majesty unless it would be so regarded in the absence of that statutory provision.</u></p> <p><u>(2) Subsection (1) does not apply in respect of amounts deemed to be held in trust under subsection 227(4) or (4.1) of the Income Tax Act, subsection 23(3) or (4) of the Canada Pension Plan or subsection 86(2) or (2.1) of the Employment Insurance Act (each of which is in this subsection referred to as a “federal provision”), nor does</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>it apply in respect of amounts deemed to be held in trust under any law of a province that creates a deemed trust the sole purpose of which is to ensure remittance to Her Majesty in right of the province of amounts deducted or withheld under a law of the province if</p> <p>(a) that law of the province imposes a tax similar in nature to the tax imposed under the Income Tax Act and the amounts deducted or withheld under that law of the province are of the same nature as the amounts referred to in subsection 227(4) or (4.1) of the Income Tax Act, or</p> <p>(b) the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan, that law of the province establishes a “provincial pension plan” as defined in that subsection and the amounts deducted or withheld under that law of the province are of the same nature as amounts referred to in subsection 23(3) or (4) of the Canada Pension Plan,</p> <p>and for the purpose of this subsection, any provision of a law of a province that creates a deemed trust is, despite any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as the corresponding federal provision.</p>
See section 18.4.		<p>^ <u>38</u> (1) In relation to a proceeding under this Act, all claims, including secured claims, of Her Majesty in right of Canada or a province or any body under an enactment respecting workers’ compensation, in this section and in section ^ <u>39</u> called a “workers’ compensation body”, rank as unsecured claims.</p> <p>(2) Subsection (1) does not apply</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>(a) ^ <u>in respect of claims</u> that are secured by a security or ^ <u>charge</u> of a kind that can be obtained by persons other than Her Majesty or a workers' compensation body</p> <p>(i) pursuant to any law, or</p> <p>(ii) pursuant to provisions of federal or provincial legislation ^ <u>if</u> those provisions do not have as their sole or principal purpose the establishment of a means of securing claims of Her Majesty or a workers' compensation body; and</p> <p>(b) to the extent provided in subsection ^ <u>39(2)</u>, to claims that are secured by a security referred to in subsection ^ <u>39(1)</u>, if the security is registered in accordance with subsection ^ <u>39(1)</u>.</p> <p>(3) Subsection (1) does not affect the operation of</p> <p>(a) subsections 224(1.2) and (1.3) of the Income Tax Act,</p> <p>(b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the Income Tax Act and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts, or</p> <p>(c) any provision of provincial legislation that has a ^ purpose <u>similar</u> to subsection 224(1.2) of the Income Tax Act, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts ^ <u>if</u> the sum</p> <p>(i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the Income Tax Act, or</p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p>(ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection,</p> <p>and, for the purpose of paragraph (c), the provision of provincial legislation is, despite any Act of Canada or of a province or any other law, deemed to have the same effect and scope against any creditor, however secured, as subsection 224(1.2) of the Income Tax Act in respect of a sum referred to in subparagraph (c)(i), or as subsection 23(2) of the Canada Pension Plan in respect of a sum referred to in subparagraph (c)(ii), and in respect of any related interest, penalties or other amounts.</p>
See section 18.5.		<p>[^] 39 (1) In relation to a proceeding under this Act in respect of a debtor company, a security provided for in federal or provincial legislation for the sole or principal purpose of securing a claim of Her Majesty in right of Canada or a province or a workers’ compensation body is valid in relation to claims against the company only if the security is registered before the date of [^] <u>the filing of</u> the initial application [^] <u>in respect of the company</u> [^] <u>under</u> any system of registration of securities that is available not only to Her Majesty in right of Canada or a province or a workers’ compensation body, but also to any other creditor who holds a security, and that is open to the public for information or the making of searches.</p> <p>(2) A security referred to in subsection (1) that is registered in accordance with that subsection</p> <p>(a) is subordinate to securities in respect of which all steps necessary to [^] <u>setting them up</u> against other creditors were taken before that registration; and</p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		(b) is valid only in respect of amounts owing to Her Majesty or a workers' compensation body at the time of that registration, plus any interest subsequently accruing on those amounts.
See section 21.		^ <u>40</u> This Act is binding on Her Majesty in right of Canada or a province.
New.		<u>Miscellaneous</u>
See section 19.		^ <u>41</u> Sections 65 and 66 of the Winding-up and Restructuring Act do not apply to any compromise or arrangement to which this Act applies.
See section 20.		^ <u>42</u> The provisions of this Act may be applied together with the provisions of any Act of Parliament, or of the legislature of any province, that authorizes or makes provision for the sanction of compromises or arrangements between a company and its shareholders or any class of them.
See subsection 18.6 (8).		^ <u>43</u> ^ <u>If</u> a compromise or <u>an</u> arrangement is proposed in respect of a debtor company, a claim for a debt that is payable in a currency other than Canadian currency ^ <u>is to</u> be converted to Canadian currency as of the date of the ^ <u>initial</u> application ^ in respect of the company ^ unless otherwise provided in the proposed compromise or arrangement.
New.		<p><u>44</u> <u>The purpose of this Part is to provide mechanisms for dealing with cases of cross-border insolvencies and to promote</u></p> <p><u>(a) cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies;</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(b) greater legal certainty for trade and investment;</u></p> <p><u>(c) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies;</u></p> <p><u>(d) the protection and the maximization of the value of debtor company's property; and</u></p> <p><u>(e) the rescue of financially troubled businesses to protect investment and preserve employment.</u></p>
New.		<p><u>45 (1) The following definitions apply in this Part.</u></p> <p><u>“foreign court” means a judicial or other authority competent to control or supervise a foreign proceeding.</u></p> <p><u>“foreign main proceeding” means a foreign proceeding in a jurisdiction where the debtor company has the centre of its main interests.</u></p> <p><u>“foreign non-main proceeding” means a foreign proceeding, other than a foreign main proceeding.</u></p> <p><u>“foreign proceeding” means a judicial or an administrative proceeding, including an interim proceeding, in a jurisdiction outside Canada dealing with creditors’ collective interests generally under any law relating to bankruptcy or insolvency in which a debtor company’s business and financial affairs are subject to control or supervision by a foreign court for the purpose of reorganization.</u></p> <p><u>“foreign representative” means a person or body, including one appointed on an interim basis, who is authorized, in a foreign proceeding respect of a debtor company, to</u></p> <p><u>(a) monitor the debtor company’s business and financial</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>affairs for the purpose of reorganization; or</u></p> <p><u>(b) act as a representative in respect of the foreign proceeding.</u></p> <p><u>(2) For the purposes of this Part, in the absence of proof to the contrary, a debtor company's registered office is deemed to be the centre of its main interests.</u></p>
New.		<p><u>46 (1) A foreign representative may apply to the court for recognition of the foreign proceeding in respect of which he or she is a foreign representative.</u></p> <p><u>(2) Subject to subsection (3), the application must be accompanied by</u></p> <p><u>(a) a certified copy of the instrument, however designated, that commenced the foreign proceeding or a certificate from the foreign court affirming the existence of the foreign proceeding;</u></p> <p><u>(b) a certified copy of the instrument, however designated, authorizing the foreign representative to act in that capacity or a certificate from the foreign court affirming the foreign representative's authority to act in that capacity; and</u></p> <p><u>(c) a statement identifying all foreign proceedings in respect of the debtor company that are known to the foreign representative.</u></p> <p><u>(3) The court may, without further proof, accept the documents referred to in paragraphs (2)(a) and (b) as evidence that the proceeding to which they relate is a foreign proceeding and that the applicant is a foreign representative in respect of the foreign proceeding.</u></p> <p><u>(4) In the absence of the documents referred to in</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>paragraphs (2)(a) and (b), the court may accept any other evidence of the existence of the foreign proceeding and of the foreign representative's authority that it considers appropriate.</u></p> <p><u>(5) The court may require a translation of any document accompanying the application.</u></p>
New.		<p><u>47 (1) If the court is satisfied that the application for the recognition of a foreign proceeding relates to a foreign proceeding and that the applicant is a foreign representative in respect of that foreign proceeding, the court shall make an order recognizing the foreign proceeding.</u></p> <p><u>(2) The court shall specify in the order whether the foreign proceeding is a foreign main proceeding or a foreign non-main proceeding.</u></p>
New.		<p><u>48 (1) Subject to subsections (2) to (4), on the making of an order recognizing a foreign proceeding that is specified to be a foreign main proceeding, the court shall make an order, subject to any terms and conditions it considers appropriate,</u></p> <p><u>(a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken against the debtor company under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act;</u></p> <p><u>(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the debtor company;</u></p> <p><u>(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the debtor company; and</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(d) prohibiting the debtor company from selling or otherwise disposing of, outside the ordinary course of its business, any of the debtor company's property in Canada that relates to the business and prohibiting the debtor company from selling or otherwise disposing of any of its other property in Canada.</u></p> <p><u>(2) The order made under subsection (1) must be consistent with any order that may be made under this Act.</u></p> <p><u>(3) Subsection (1) does not apply if any proceedings under this Act have been commenced in respect of the debtor company at the time the order recognizing the foreign proceeding is made.</u></p> <p><u>(4) Nothing in subsection (1) precludes the debtor company from commencing or continuing proceedings under this Act, the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act in respect of the debtor company.</u></p>
New.		<p><u>49 (1) If an order recognizing a foreign proceeding is made, the court may, on application by the foreign representative who applied for the order, if the court is satisfied that it is necessary for the protection of the debtor company's property or the interests of a creditor or creditors, make any order that it considers appropriate, including an order</u></p> <p><u>(a) if the foreign proceeding is a foreign non-main proceeding, referred to in subsection 48(1);</u></p> <p><u>(b) respecting the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor company's property, business and financial affairs, debts, liabilities and obligations; and</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>(c) authorizing the foreign representative to monitor the debtor company's business and financial affairs in Canada for the purpose of reorganization.</u></p> <p><u>(2) If any proceedings under this Act have been commenced in respect of the debtor company at the time an order recognizing the foreign proceeding is made, an order made under subsection (1) must be consistent with any order that may be made in any proceedings under this Act.</u></p> <p><u>(3) The making of an order under paragraph (1)(a) does not preclude the commencement or the continuation of proceedings under this Act, the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act in respect of the debtor company.</u></p>
See subsection 18.6(3).		<p><u>^ 50 An order ^ under this ^ Part may be made on ^ any terms and conditions ^ that the court considers appropriate in the circumstances.</u></p>
New.		<p><u>51 If an order is made recognizing a foreign proceeding, the foreign representative may commence and continue proceedings under this Act in respect of a debtor company as if the foreign representative were a creditor of the debtor company, or the debtor company, as the case may be.</u></p>
New.		<p><u>52 (1) If an order recognizing a foreign proceeding is made, the court shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.</u></p> <p><u>(2) If any proceedings under this Act have been commenced in respect of a debtor company and an order recognizing a foreign proceeding is made in respect of the debtor company, every person who exercises powers or performs duties and functions under the proceedings</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>under this Act shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.</u></p>
New.		<p><u>53 If an order recognizing a foreign proceeding is made, the foreign representative who applied for the order shall</u></p> <p><u>(a) without delay, inform the court of</u></p> <p><u>(i) any substantial change in the status of the recognized foreign proceeding,</u></p> <p><u>(ii) any substantial change in the status of the foreign representative's authority to act in that capacity, and</u></p> <p><u>(iii) any other foreign proceeding in respect of the same debtor company that becomes known to the foreign representat-ive; and</u></p> <p><u>(b) publish, without delay after the order is made, once a week for two consecutive weeks, or as otherwise directed by the court, in one or more newspapers in Canada specified by the court, a notice containing the prescribed information.</u></p>
New		<p><u>54 If any proceedings under this Act in respect of a debtor company are commenced at any time after an order recognizing the foreign proceeding is made, the court shall review any order made under section 49 and, if it determines that the order is inconsistent with any orders made in the proceedings under this Act, the court shall amend or revoke the order.</u></p>
New		<p><u>55 (1) If, at any time after an order is made in respect of a foreign non-main proceeding in respect of a debtor company, an order recognizing a foreign main proceeding is made in respect of the debtor company, the court shall review any order made under section 49 in</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>respect of the foreign non-main proceeding and, if it determines that the order is inconsistent with any orders made under that section in respect of the foreign main proceedings, the court shall amend or revoke the order.</u></p> <p><u>(2) If, at any time after an order is made in respect of a foreign non-main proceeding in respect of the debtor company, an order recognizing another foreign non-main proceeding is made in respect of the debtor company, the court shall, for the purpose of facilitating the coordination of the foreign non-main proceedings, review any order made under section 49 in respect of the first recognized proceeding and amend or revoke the order if it considers it appropriate.</u></p>
New.		<p><u>56 The court may authorize any person or body to act as a representative in respect of any proceeding under this Act for the purpose of having them recognized in a jurisdiction outside Canada.</u></p>
New.		<p><u>57 An application by a foreign representat-ive for any order under this Part does not submit the foreign representative to the jurisdiction of the court for any other purpose except with regard to the costs of the proceedings, but the court may make any order under this Part conditional on the compliance by the foreign representative with any other order of the court.</u></p>
New.		<p><u>58 A foreign representative is not prevented from making an application to the court under this Part by reason only that proceedings by way of appeal or review have been taken in a foreign proceeding, and the court may, on an application if such proceedings have been taken, grant relief as if the proceedings had not been taken.</u></p>
New.		<p><u>59 For the purposes of this Part, if an insolvency or a reorganization or a similar order has been made in</u></p>

Current Provisions	S.C. 2005, c. 3	Bill C-55
		<p><u>respect of a debtor company in a foreign proceeding, a certified copy of the order is, in the absence of evidence to the contrary, proof that the debtor company is insolvent and proof of the appointment of the foreign representative made by the order.</u></p>
New.		<p><u>60 (1) In making a compromise or an arrangement of a debtor company, the following shall be taken into account in the distribution of dividends to the company's creditors in Canada as if they were a part of that distribution:</u></p> <p><u>(a) the amount that a creditor receives or is entitled to receive outside Canada by way of a dividend in a foreign proceeding in respect of the company; and</u></p> <p><u>(b) the value of any property of the company that the creditor acquires outside Canada on account of a provable claim of the creditor or that the creditor acquires outside Canada by way of a transfer that, if it were subject to this Act, would be a preference over other creditors or a transfer at undervalue.</u></p> <p><u>(2) Despite subsection (1), the creditor is not entitled to receive a dividend from the distribution in Canada until every other creditor who has a claim of equal rank in the order of priority established under this Act has received a dividend whose amount is the same percentage of that other creditor's claim as the aggregate of the amount referred to in paragraph (1)(a) and the value referred to in paragraph (1)(b) is of that creditor's claim.</u></p>
See subsections 18.6(4) and (5).		<p><u>^ 61 (1) Nothing in this ^ Part prevents the court, on the application of a foreign representative or any other interested person, from applying ^ any legal or equitable rules governing the recognition of foreign insolvency orders and assistance to foreign representatives ^ that are not inconsistent with the provisions of this Act.</u></p>

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Current Provisions	S.C. 2005, c. 3	Bill C-55
		(2) Nothing in this ^ Part requires the court to make any order that is not in compliance with the laws of Canada or to enforce any order made by a foreign court.
New, but see section 18.		<p><u>62 The Minister may make regulations for carrying out the purposes and provisions of this Act, including regulations</u></p> <p><u>(a) specifying documents for the purpose of paragraph 23(1)(f); and</u></p> <p><u>(b) prescribing anything that by this Act is to be prescribed.</u></p>
New.		<p><u>63 (1) Within five years after the coming into force of this section, the Minister shall cause to be laid before both Houses of Parliament a report on the provisions and operation of this Act, including any recommendations for amendments to those provisions.</u></p> <p><u>(2) The report stands referred to the committee of the Senate, the House of Commons or both Houses of Parliament that is designated or established for that purpose, which shall</u></p> <p><u>(a) as soon as possible after the laying of the report, review the report; and</u></p> <p><u>(b) report to the Senate, the House of Commons or both Houses of Parliament, as the case may be, within one year after the laying of the report of the Minister, or any further time authorized by the Senate, the House of Commons or both Houses of Parliament.</u></p>