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June 17, 2004

Mr. David Brown  
Executive Sponsor, USTA Project  
Ontario Securities Commission

Maxime Paré, Chair, CSA USTA Task Force  
Senior Legal Counsel, Market Regulation  
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Ontario Securities Commission

19th Floor, 20 Queen Street West  
Toronto, Ontario  
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Dear Sirs:

**Re: *Uniform Securities Transfer Act***

The Canadian Securities Administrators' Uniform Securities Transfer Act Task Force released a revised consultative draft of a proposed provincial *Uniform Securities Transfer Act*, and by notice dated May 28, 2004 invited comments. We are writing to express our support for the adoption of the USTA by Ontario and each of the other provinces in Canada.

Canadian laws regulating the transfer of securities held through clearing systems, or otherwise in uncertificated form, are badly out of date. There are many legal uncertainties associated with the current laws. These areas of uncertainty are serious enough that they inhibit the ability of Canadians to easily obtain financing (or enter into other transactions) on the security of certain types of collateral. In this regard, Canadians and others dealing in Canada are at a competitive disadvantage compared to Americans and others dealing in the United States and in other jurisdictions. The proposed USTA would bring Canadian laws into conformity with U.S. laws in this area, and would remove this competitive disadvantage.

In this regard, it is very important that each province adopt the same version of the USTA. There are no legitimate policy reasons for the laws in this area to differ from province to province.

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The related amendments to the provincial *Personal Property Security Act* are a key piece of this law reform. These amendments have been carefully studied, and are supported, by the PPSA Working Group of the Uniform Law Conference of Canada. This Working Group included many of Canada's leading architects and practitioners involved with Canadian PPSA legislation. The review by this Group should provide comfort to legislators about this most important aspect of the USTA.

We urge Ontario and each other province in Canada to adopt this legislation quickly, and in a completely uniform manner, to eliminate this competitive disadvantage for Canadians.

Sincerely,



Jonathan Speigel, President  
Ontario Bar Association



A. Paul Mahaffy, Chair  
Ontario Bar Association Business Law Section