



Bulletin No. 2000-1

Date: March 7, 2000

Ministry of Consumer
and Commercial Relations

Land Titles Act
Registry Act
Land Registration Reform Act
Electronic Registration Act
(Ministry of Consumer and
Commercial Relations Statutes), 1991

Registration Division

To: All Land Registrars

ELECTRONIC REGISTRATION
-Middlesex County

ELECTRONIC REGISTRATION - MIDDLESEX COUNTY

The Ministry of Consumer and Commercial Relations and Teranet Land Information Services Inc. have been working on the development of electronic registration for a number of years. Electronic registration, known as e-reg™, is done through the Teranet gateway software known as Teraview®. Electronic registration was introduced on an optional basis in Middlesex County on January 25, 1999. Effective March 7, 2000, a Minister's Regulation made electronic registration of land titles documents a requirement in Middlesex County.

Legislation and Regulations

The legislative authority for electronic registration is Part III of the *Land Registration Reform Act* (LRRA). LRRA was amended in 1994 to establish the framework for electronic registration and the registration requirements are dealt with in the Regulations filed and Orders made pursuant to the statute. These Regulations and Orders were summarized in Bulletin 99001, which was issued when electronic registration was first introduced in January 1999.

Throughout the development of the Regulations and Orders, extensive consultation was undertaken with the Canadian Bar Association-Ontario (CBAO), the Law Society of Upper Canada (LSUC), the Ontario Real Estate Lawyers Association and the Association of Ontario Land Surveyors. As well, the CBAO and LSUC established a joint committee on the electronic registration of title documents ("Joint Committee"). Draft practice directives for real estate conveyancing in the electronic registration environment were developed from the recommendations of the Joint Committee. These directives can be found on the Law Society of Upper Canada web site at: <http://www.lsuc.on.ca> (select: Services and Information for Lawyers).

The key concepts of Part III of LRRA are:

- The removal of the requirement that a document be in writing and signed. LRRA provides that an electronic document that creates, transfers or otherwise disposes of an estate or interest in land is not required to be in writing or to be signed (s.21 LRRA).

- The authority for direct electronic transmission to the land registration database was created (s. 23 LRRRA).
- A document registered in electronic format prevails over any copy of the document that exists in written form that is not a printed copy of the electronic document (s.22 LRRRA).

The Regulations and Orders prescribe what information is required in a document type. The statements have not been prescribed but have been developed and programmed in the electronic system. When a document type is selected, all the necessary statements required for that document are available on the screen during its creation.

The Regulations also prescribe those documents where a law statement is required. A law statement is a statement where a conclusion of law is required. These statements may only be made by a person who is entitled to practice law in Ontario as a solicitor. The electronic system will only permit registrants with the proper authority and an active LSUC number to complete these law statements. The list of active solicitors will be regularly updated from the LSUC database.

Methods of Registering Documents Electronically

Registrants may register documents electronically from their offices; may register from a kiosk at the land registry office (LRO) using their Teraview account; or, may have a LRO staff member create and register a document electronically on their behalf. The LRO assisted service is authorized under section 25 of LRRRA. However, regular clients should contact Teranet to establish a Teraview account in order to derive the maximum benefit of the electronic registration environment.

To use the on-site LRO assisted service, registrants are required to provide the document types and statements that are applicable to their transaction. LRO staff can neither offer advice in this regard nor offer legal advice to registrants. Copies of the Electronic Registration Procedural Guide are available for review in the Middlesex (London) LRO or are available with the purchase of the Teraview software. If registering on-site, clients must also present one piece of photo ID or 2 pieces of non-photo ID. Use of law statements in these registrations will require that the lawyer for the relevant party be present and provide their LSUC number.

Documents submitted by mail which are executed after March 7th are not in electronic format and therefore do not meet the regulatory requirements. These documents will be returned so that registrants may resubmit in electronic format.

Exemptions from Registering Electronically

Documents which have been executed on the forms prescribed under LRRRA (POLARIS forms) prior to March 7, 2000 may still be registered in that form after March 7th.

Documents which the electronic system can not accommodate because of systems limitations (see below) or documents which have been exempted by the Regulations, are not required to be submitted electronically. These documents are to be submitted on a POLARIS form.

Plans, Crown grants, First Applications under the *Land Titles Act*, a declaration and description under the *Condominium Act*, and registrations in other indices such as the Highways Register, the Trans-Canada Pipelines Register and the Canada Lands Index cannot be registered electronically. They must be submitted in a paper form at the land registry office.

Systems Limits

Under the electronic registration system there are certain systems limitations as to the number and/or size of documents that can be accepted electronically. The system is designed to work on the folder system, similar to the existing paper system. The limits to a folder are as follows:

- 50 Documents
- 250 Properties
- 150 Parties From (e.g. transferors or chargors)
- 150 Parties To (e.g. transferees or chargees)

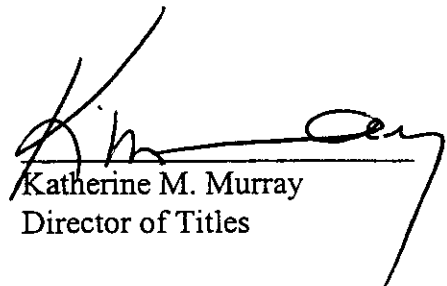
If the folder exceeds any of the above numbers, the documents may still be submitted electronically if the folder is divided into two or more folders.

If there is only 1 document that exceeds any one of the above numbers, it must be submitted in paper form at the LRO.

These limitations and exemptions may change as further work is done to enhance the electronic registration system.



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