



BILL NO. 10

Government Bill

*1st Session, 61st General Assembly
Nova Scotia
58 Elizabeth II, 2009*

An Act to Amend Chapter 13 of the Acts of 1995-96, the Personal Property Security Act

CHAPTER 26
ACTS OF 2009

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR
NOVEMBER 5, 2009**

The Honourable Ramona Jennex
Minister of Service Nova Scotia and Municipal Relations

*Halifax, Nova Scotia
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**An Act to Amend Chapter 13
of the Acts of 1995-96,
the Personal Property Security Act**

Be it enacted by the Governor and Assembly as follows:

1 Clause 2(asa) of Chapter 13 of the Acts of 1995-96, the *Personal Property Security Act*, is repealed.

2 Clause 31(6)(b) of Chapter 13 is repealed and the following clause substituted:

(b) in the registration relating to the security interest, the goods were not described by serial number entered into the field labelled for the receipt of serial numbers.

3 Subsection 36(4) of Chapter 13, as amended by Chapter 13 of the Acts of 2003, is further amended by striking out “and the serial number does not contain a seriously misleading defect, irregularity, omission or error” in the seventh line and substituting “with the serial number entered into the field labelled for the receipt of serial numbers”.

4 Subsection 38(8) of Chapter 13 is amended by striking out “(10)” in the fourth line and substituting “(8)”.

5 Subsection 39(3) of Chapter 13 is repealed and the following subsection substituted:

(3) A security interest referred to in subsection (2) is subordinate to the interest of a person who acquires for value an interest in the whole after the goods become an accession, including an assignee for value of the interest of a person with an interest in the whole after the goods become an accession, if the interest is acquired without knowledge of the security interest and before the security interest is perfected.

6 (1) Subsections 44(1A) to (1D) of Chapter 13 are repealed.

(2) Subsection 44(7) of Chapter 13 is amended by striking out “The” in the first line and substituting “Except as otherwise provided in this Section, the”.

(3) Subsections 44(8) to (8B) of Chapter 13 are repealed and the following subsections substituted:

(8) A registration is invalid if a search of the records of the Registry using the name, as prescribed, of any of the debtors required to be included in the financing statement other than a debtor who does not own or have rights in the collateral does not disclose the registration.

(8A) Subject to subsections (10) and (10A), a registration is invalid if a search of the records of the Registry by serial number, as prescribed, for collat-

eral that is consumer goods of a kind that are prescribed as serial numbered goods does not disclose the registration.

(8B) A registration disclosed other than as an exact match as a result of a search of the records of the Registry using the name of a debtor or serial number as prescribed does not mean that the registration is, by that fact alone, valid.

(4) Section 44 of Chapter 13, as amended by Chapter 13 of the Acts of 2003, is further amended by adding immediately after subsection (10) the following subsection:

(10A) An error in a description of any item or kind of collateral described by serial number in a financing statement does not affect the validity of the registration with respect to the description of other collateral included in the financing statement.

7 Clause 62(4)(b) of Chapter 13 is repealed and the following clause substituted:

(b) is entitled to hold or dispose of the collateral free from all rights and interests of the debtor, any person entitled to receive a notice under clause (1)(b) or (c) who has been given the notice and any person entitled to receive a notice under clause (1)(d) whose interest is subordinate to that of the secured party,

8 This Act comes into force on such day as the Governor in Council orders and declares by proclamation.
