



This issue of the *Northwest Territories and Nunavut PPR News* is intended to help you prepare for working with the two new Personal Property Registries and ACOL* as we approach legislative proclamation. It includes information about the dates and locations of the training seminars planned for the Northwest Territories and Nunavut.

Welcome!

As the winter days pass, the Personal Property Registry Project Team continues to work toward the implementation of the new Personal Property Security Act (PPSA) and its supporting registry systems for both the Northwest Territories and Nunavut.

When the legislation is proclaimed, paper documents such as Bills of Sale, Chattel Mortgages, Conditional Sales Agreements, and Assignments of Book Debts will no longer be accepted at the Legal Registries office. Instead, a notice of the security interest must be registered in the appropriate electronic registry. Since all clients must be prepared for the change, we're working hard to ensure that everyone is ready. This edition is extra-long since we aren't quite prepared to give up on paper just yet!

Proclamation and System Live Date

As of press time the official proclamation of the new PPSA and the start of operations under the new system has not yet been confirmed. We are still targeting a date in early spring of this year and are striving to ensure that everything is in order before the official announcement.

The date that the legislation takes effect will be consistent with the live date for the Personal Property Registry System. This date will likely be on a Monday,

which means that documents prepared at your business location on the Friday before proclamation takes effect will not be accepted over the counter at the Legal Registries office on the Monday when the system is live. Not being ready for the change exposes you to the risk of another secured party registering a notice against the same collateral and establishing priority over your notice.

Look for an announcement in the press in the near future detailing the official proclamation date.

Legislation Availability

Being a user-driven system, it is important that the users understand both the PPSA legislation and regulations of each territory in addition to the functionality of the PPR systems.

Both *Personal Property Security Acts* are available through the respective government web sites at <http://www.gov.nt.ca> and <http://www.nunavutcourtofjustice.ca>. The Regulations under the PPSA are now available in draft form from the Legal Registries Offices in both the Northwest Territories and Nunavut.

Access to the PPRs

The Personal Property Registries (PPRs) of the Northwest Territories and of Nunavut will be the fifth and sixth PPSA database services available through ACOL. By agreement with the Atlantic provinces, the two PPRs are incorporated into the single-point-of-access service known as the Atlantic Personal Property Registry System (APPRS).

For non-ACOL clients, you must establish a client account with ACOL to gain access to each of the Northwest Territories and Nunavut PPRs. The first step to gain on-line access includes completion of the Client Application and Financial Agreement forms found in the ACOL Information Kit. You can view the materials in the kit and print the necessary forms from the ACOL web site at <http://www.acol.ca>. To request your kit by mail, call the ACOL Client Support Centre (CSC) at 1-888-624-2265. A client support representative will be pleased to take your name and address and forward the requested kit to you. Information kits are expected to be available in March.

Once you have the information and the pertinent forms in hand, complete all details and return them to ACOL. When the forms are received and verified, your ACOL client account will be created. As indicated in the kit, ACOL Desktop software will be required for each workstation. There is a \$200 software



license fee (plus applicable taxes) for each original software copy.

While it is expected that most usage of the new PPR will be completed remotely, access terminals will be located in the Legal Registries office in Yellowknife and in Iqaluit. The registry staff will be available for assistance and searches, but they will not enter information in the system on behalf of the client.

Clients who are current users of ACOL and wish access to the new PPRs should view the contents of the Information Kit on the ACOL web site or contact the CSC to request the following:

- the ACOL Addendum to Client Application
- the NT PPR Product Description
- the NU PPR Product Description

Once the Addendum has been completed and returned, access privileges will be granted.

Organizational Planning

Preparation should start now. The following information is required to create your user profile. Names for the following positions need to be identified on the form:

- *Financial Contact:* The contact person for the ACOL business office regarding financial matters.
- *Technical Contact:* The person responsible for working with ACOL technical support staff.

The following positions will be the regular users of the system who will require user IDs and passwords.

- *Prime Contact:* The person to manage the daily operations of the ACOL system within your organization. This person will be assigned the highest authority level for your client account, which will give this user the ability to revoke user IDs of other employees, reset passwords, authorize electronic cheque signing authority, and print Account Statements, among other functions.

- *Basic Users:* These users within your organization have a lower authority level than the prime user. They will be able to change their own password but will not have the ability to change other users' passwords.

This previous discussion refers to use and management of your ACOL account. The PPR system employs another set of access rules that are discussed below.

PPR User Subscription Options

Access privileges to the two registries are user-defined. During the process of setting up your ACOL account, users can request subscription options that will give them the capability to complete PPR business functions. These options will be clearly outlined within the ACOL information kit. The following examples are provided to assist you in deciding the assignment of responsibilities among your staff regarding PPR activities.

- *PPR Searcher:* An ACOL user who can search the PPR database but cannot enter or change a registration.
- *PPR Registrant:* An ACOL user who can perform all PPR functions except Global Changes and updating Client and Secured Party Information.
- *PPR Administrator:* There can be only one PPR Administrator per ACOL account. This person will have full PPR capabilities, including search, registration, and Global Change capabilities. The PPR Administrator is also responsible for maintaining PPR client information for this ACOL account.
- *Secured Party Administrator:* This is an ACOL user who may be an employee of a secured party or someone who represents a secured party such as a representative of a document registration firm. This user has the capability to create a secured party number, which is associated with the name and address of the secured party. The secured party number can be used during registrations to consistently write the

official name and address of the secured party to the database and eliminate inconsistencies and errors. An example of this would be a branch of a bank; the registrant could use the secured party number assigned to that branch instead of having to enter the bank's name and address for every registration.

Another important point about this latter position is that all amendments, discharges, and re-registrations of a registration produce a report called a Notice to Secured Party. This report is sent electronically to the Secured Party Administrator if the secured party number was specified in the registration. The administrator should review these reports and verify that changes to registrations are valid.

Since the choice of a secured party administrator will have an impact on who will receive these electronic notices, we recommend that you review this function and identify your Secured Party Administrator(s) carefully. For example, banks may wish to have either branch staff or head office staff act as an administrator in order for staff to receive Notices to Secured Party directly from the ACOL system. This will require an ACOL user ID with Secured Party Administrator privileges for each staff person who will create secured party numbers and receive electronic notices. However, others could do registration and search activities on their behalf if they so choose.

ACOL Positive Balance Account

The ACOL system operates under a positive balance account structure for each client. This means that a deposit must be posted to the account when it is created. A minimum initial deposit of \$100 is required at the time of registration. Regulatory fees for business functions, such as a registration or a search, will be deducted from the account at the time of the transaction.

In order to process transactions using your account, funds must be on deposit

for an amount equal to or greater than the amount of the transaction fee. Your account will have maximum and minimum balances that you can specify. When the balance reaches the specified minimum level, a message is displayed reminding you that a deposit should be made. Deposits can be made through four methods:

(1) An Electronic Funds Transfer can be automatically invoked when the balance of your account reaches the minimum limit. The amount transferred will be the sum required to increase the account balance to the upper limit. If you select this method in the ACOL application process, then banking information such as your bank account and transit numbers will be required. You will also need to specify the upper and lower limits to your account. We suggest that you review your projected number of transactions and select the account balance limits that meet your needs.

(2) An Electronic Cheque is a second method of payment. This capability enables the user to complete an on-line electronic cheque for the amount you specify and submit it for an Electronic Funds Transfer from your account. To complete this transaction, a user must have a valid user ID and password and have electronic cheque signing authority. The Prime Contact for your organization can designate which users will have electronic cheque signing authority. The system will notify you when your account balance reaches the minimum level, but you will still be able to perform transactions until the balance reaches zero.

(3) ACOL also accepts VISA or MasterCard as a method to deposit funds to your account. This can occur via a telephone call to 1-888-624-2265. If you select this method of payment for topping up your accounts, your account will be debited for all bank administration or other fees associated with your use of a Visa or MasterCard credit card.

(4) ACOL accepts cheques or money orders made payable to Unisys Canada Inc.

Cross Indexing Your Files

The PPR system offers an optional field in the registration screen that can be used to enter your file index number to create a cross-reference to the PPR registration number. Your file number can be anything that you wish to use to help you find the original paper document in your files. To facilitate this cross-reference of documentation, your file number will appear on registration verification statements, notices to secured party reports, and search result reports.

One of the important reasons for a cross reference from registrations to your files is that the legislation states that secured parties must provide access to documents registered in the PPR to legitimate interested parties upon request.

A second optional field is the ACOL reference number. This can be entered when confirming that a transaction will be charged against your ACOL account. The ACOL reference numbers will appear on your account statements. This capability will be particularly helpful to organizations who track transactions on behalf of their clients for chargeback purposes, but will be useful to anyone performing transactions via ACOL as a method of monitoring activities.

Technology Requirements

Your personal computer must support Windows 3.1x or Windows 95/98 with the following minimum configuration:

- 486 DX 33 processor
- 16 MB RAM, one 3.5" 1.44 MB floppy disk drive (or LAN connection) and 30 MB of available storage on the hard disk drive;
- colour monitor;
- VGA graphics;
- standard keyboard and mouse;
- internal or external modem (Hayes AT command compatible with

- minimum speed of 28.8 KB/s) connected to a telephone line, or a LAN communications gateway; and
- a PC printer (optional).

For performance improvements, ACOL recommends a Pentium processor, a higher speed modem, Windows 95/98, and SVGA (graphics).

Access to ACOL and the Northwest Territories PPR and the Nunavut PPR will be through your Internet Service Provider (ISP) using the ACOL Desktop software. If you are not an existing Internet user, then you should investigate the many services available and proceed to enter into an agreement with the provider of your choice. One requirement to consider in making your selection of an ISP is that they do not operate with Internet address translation. Also, it is our experience that you should contact your telephone company for installation of a communications line, if required, one month in advance.

PPR Orientation Seminars and Training Sessions

Half-day orientation seminars and training sessions for external clients of the new PPR system will be held in March, as follows:

- **Iqaluit** *Tuesday, 20 March*
Arctic College
Tri-Gram Building
- **Yellowknife** *Friday, 23 March*
Tuesday, 27 March
Aurora College
5004 - 54th Street
Northern United Place
- **Hay River** *Monday, 26 March*
Aurora College
Community Learning Centre
12 Lepine Street

For more details and to reserve your place at a training session, please call the ACOL Client Support Centre at 1-888-624-2265.

Implementation Strategy

In mid March we plan to have the PPR system for the Northwest Territories and

Nunavut available for learning purposes. Once you receive your ACOL Client account, user ID and ACOL Desktop software, you will have the ability to connect to ACOL through your Internet service provider. This will allow you to complete functions in three areas of the system:

- ACOL administration (real)
- PPR administration (real)
- test PPR registrations, searches etc.

Once this “pre-live” period has been completed, the system availability will be terminated until the legislation becomes effective and the system is available for legal PPR functions.

Keeping in Touch

Northwest Territories

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ACOL

ACOL Client Support Centre:
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ACOL World Wide Web site:
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