



Federation of Ontario  
Law Associations  
Fédération des associations  
de barreau de l'Ontario

October 16, 2024

Dear Real Estate Representatives, Presidents and Library Staff,

In an effort to keep real estate lawyers updated with the ever-changing situation in the way we practice, we have further information to be shared with the real estate lawyers in your association.

### **Verification of Client Identification Virtually**

Effective **January 1, 2024**, the Law Society's temporary emergency measure allowing licensees to virtually verify client identity without authentication has ended. On and after that date, licensees must authenticate an individual's government-issued ID, meaning the licensee must use a process or method to determine if the ID is true and genuine and cannot do so virtually. Bylaw 7.1 allows two methods of verification virtually: the credit file method and the dual process method. Licensees can also use an agent to verify identity. The Notice to the Profession dated July 27, 2023 can be found [here](#).

LawPRO's PracticePRO website also has relevant links and a chart for Virtual Identity Verification Service Providers, which can be found [here](#).

These enhanced rules will impact real estate lawyers specifically as our engagement is routinely to facilitate the transfer of funds for our clients. Be on the lookout for CPD programming in connection with this to better prepare yourself, your practice and your staff.

### **Bill 200, Homeowner Protection Act, 2024 (NOSIs)**

On June 6, 2024 this Bill was promulgated, with some sections coming into force immediately while others were delayed. One immediate amendment was the various changes to the *Personal Property Security Act* in connection with registered notices of security interest (a "NOSI"). The effect was to prevent registration of a NOSI in the Land Titles system for prescribed consumer goods and immediately expire all NOSIs in existence at the time of Royal Assent (June 6). For reference as to the process to remove qualified NOSIs from title, please refer to the LRO Bulletin 2023-07, which can be found [here](#).

LawPRO's PracticePRO website also has a good article summarizing this and some good practices relating to NOSIs which can be accessed [here](#).

### **Federal Trust Reporting Requirements 2023-2025**

The federal government added new reporting requirements for trusts to be implemented for the December 31, 2023 year end, requiring all trusts (except for limited identified exceptions) to file T3 returns and a Schedule 15 report in connection with the trust property, beneficial owners and income derived therefrom. On March 28, 2024, the government suspended this obligation (days before the reporting deadline). On August 12, 2024, the federal government introduced legislation that would remove reporting requirements for specified trusts for 2024 and attempt to further clarify which trusts are required to report and which are exempted. It would set reporting

requirements for certain trusts in the 2025 tax year. We will continue to monitor this in regard to affected trusts.

### **Bulletin 2024-02: Court Orders**

There has historically been challenges with the manner in which a court order will impact registered title. A Court may order title to be amended or vested in a different person. The intersection between the Court's order and how that impacts registered title has been challenging. This bulletin, accessed [here](#), outlines the key considerations that practitioners should be aware of when obtaining an order of the Court and when pre-approval of the draft order should be obtained via OnLand.

It would be practical to advise your professional colleagues who litigate in the normal course of their practice but who do not have daily interactions with the Land Titles system, to be aware of these requirements and establish working connections with them to assist in the pre-approval process for Court Orders.

### **Changes to Land Transfer Tax Statements**

The Ministry of Finance no longer requires automatic submission of supplementary material when a transfer is made involving a trust for the same beneficial owner. Lawyers will still need to assemble the information and retain it in their files in case the Ministry requests it or reassesses the transaction. Changes to the eReg system have been made to address this.

In addition, a new statement 9205 has been introduced to confirm acknowledgement as to the collection of information and privacy for land transfer tax statements. The newsletter outlining these changes can be found [here](#).

### **Teraview Warning Message if Consideration does not Match**

Teraview has been updated to warn you if the consideration entered into the Tax Branch Field is different from the consideration entered into the Property Branch Field. You can override this if it was intended, but the hope is that it will prevent errors where this inconsistency was not intended.

### **Teraview Pricing**

As has been the case since 2015, annual adjustments to Teraview Schedule pricing for various functionalities and search requests will be implemented in the fall, typically early November. Please be on the lookout for this bulletin to confirm the pricing increases, likely in the next two weeks.

### **Did you Invite AI into your Virtual Meeting?**

There are increasing instances of an AI bot entering or being invited to virtual meetings. This is sometimes a tool included in the virtual platform and may be auto-selected from one or more participants. The objective is to record, transcribe, summarize, evaluate or monitor the discussions of a virtual meeting. It will then provide participants with a report following the meeting. The concern, of course, is the privacy of the meeting, where this information is stored, accessed or maintained and who has access to it going forward. The confidentiality of the virtual meeting would be immediately compromised.

Please check all the participants in your virtual meetings and remove those who are not invited, are not acknowledging requests for active participation or have a 'name' that suggests it is AI or

some other kind of recording service. Check to see if your virtual platform automatically allows for an AI recorder to join and disable it so that you invite it only when the circumstances require it and the other participants can consent to it.

Stay up to date with FOLA's real estate information at <https://www.foia.ca/issue/real-estate/>.

*Mark Giavedoni*  
FOLA Real Estate Chair

Please note: The information provided herein is of a general nature only and is not intended to provide legal advice.