



# Request Form – Quebec RD/RZ Registration -

(Primarily Conditional Sales and Commercial Leases)

**Dye & Durham Co. Inc.**  
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 Toronto, Ontario, Canada, M1G 1E6

## Search & Registration Services

Toronto Phone: (416) 595-7177 Toll: 1-800-668-8208  
 Fax No.: (416) 595-1268 Toll: 1-800-667-3146

<b>SECURED PARTY:</b>  <input type="checkbox"/> Transferee <input type="checkbox"/> Seller <input type="checkbox"/> Buyer <input type="checkbox"/> Lessee <input type="checkbox"/> Lessor	<b>DATE ORDERED:</b>  <b>REQUESTED BY:</b>  <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><b>FAX NUMBER:</b></td> <td style="width:50%;"><b>TELEPHONE NUMBER:x</b></td> </tr> <tr> <td colspan="2"><b>YOUR REFERENCE:</b></td> </tr> <tr> <td colspan="2"><b>ACCOUNT NUMBER:</b></td> </tr> </table>	<b>FAX NUMBER:</b>	<b>TELEPHONE NUMBER:x</b>	<b>YOUR REFERENCE:</b>		<b>ACCOUNT NUMBER:</b>	
<b>FAX NUMBER:</b>	<b>TELEPHONE NUMBER:x</b>						
<b>YOUR REFERENCE:</b>							
<b>ACCOUNT NUMBER:</b>							

<b>RIGHT INFO</b>	<input type="checkbox"/> NEW REGISTRATION    Years    #    Expiry Date: <i>yyyy / mm / dd</i> Transition Document? <input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> <a href="#">Reservation of Ownership</a> <input type="checkbox"/> <a href="#">Reservation of ownership and transfer of the reservation of ownership</a>
	<input type="checkbox"/> <a href="#">Rights of Redemption</a> <input type="checkbox"/> <a href="#">Rights of redemption and transfer of the right of redemption</a>
	<input type="checkbox"/> <a href="#">Rights under a lease</a> <input type="checkbox"/> <a href="#">Rights under a lease and transfer of rights</a>
	<input type="checkbox"/> <a href="#">Rights of ownership of the lessor</a> <input type="checkbox"/> <a href="#">Rights of ownership of the lessor and transfer</a>
<input type="checkbox"/> <a href="#">Transfer of all rights</a> <input type="checkbox"/> <a href="#">Transfer of a part of the rights</a>	
<input type="checkbox"/> Single Registration <input type="checkbox"/> <a href="#">Registration to apply to subsequent rights of the same nature (2961.1)</a>	

<b>Date of Signature:</b>  <b>Place or District:</b>	<b>Form of Act:</b> <input type="checkbox"/> Private Writing <input type="checkbox"/> Other (specify) :
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<b>PARTY 1</b>	COMPANY NAME/ GIVEN NAMES: <input type="checkbox"/> Transferee <input type="checkbox"/> Seller <input type="checkbox"/> Buyer <input type="checkbox"/> Lessee <input type="checkbox"/> Lessor	<b>DATE OF BIRTH:</b> <small>yyyy / mm / dd</small>
	ADDRESS / CITY / PROVINCE:	<b>POSTAL CODE:</b>

<b>PARTY 2</b>	COMPANY NAME/ GIVEN NAMES: <input type="checkbox"/> Transferee <input type="checkbox"/> Seller <input type="checkbox"/> Buyer <input type="checkbox"/> Lessee <input type="checkbox"/> Lessor	<b>DATE OF BIRTH:</b> <small>yyyy / mm / dd</small>
	ADDRESS / CITY / PROVINCE:	<b>POSTAL CODE:</b>

<b>PARTY 3</b>	COMPANY NAME/ GIVEN NAMES: <input type="checkbox"/> Transferee <input type="checkbox"/> Seller <input type="checkbox"/> Buyer <input type="checkbox"/> Lessee <input type="checkbox"/> Lessor	<b>DATE OF BIRTH:</b> <small>yyyy / mm / dd</small>
	ADDRESS / CITY / PROVINCE:	<b>POSTAL CODE:</b>

<b>VEHICLES</b>	<b>MOTOR VEHICLE YEAR / DESCRIPTION</b>	<b>V.I.N.</b>	<b>CLASS (*)</b>
		#	
		#	

(\*) List of Vehicle types by class: (01) Passenger vehicle – (02) Motorcycle – (03) Taxi – (04) Emergency vehicle – (05) Bus – (06) Minibus – (07) Commercial vehicle – (08) Trailer net weight > 900kg. – (09) Motor Home – (10) Snowmobile After 1988 – (11) All terrain vehicle.

<b>OTHER PROPERTY</b>	<input type="checkbox"/> <b>General Collateral Text Attached (can include a caravan or "fifth-wheel" - a mobile home - a boat - a personal watercraft - an aircraft)</b>
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<b>DO YOU WISH TO RECORD A NOTICE OF ADDRESS ON BEHALF OF THE SECURED PARTY?</b>
<input type="checkbox"/> YES <input type="checkbox"/> NO

Dear valued client,

Enclosed you find excerpts from the Quebec Civil Code pertaining to the types of rights for which registration can be requested on the above form RD/RZ. All you have to do is click the highlighted text in the "RIGHTS INFO" box provided for in said document. This will take you to the relevant sections of the Code which pertain to the selected right.

The enclosed excerpts have been retrieved via the internet. We have inserted hyperlinks which will enable you to "jump" straight to the internet site from which the texts were retrieved. Should you prefer to search the Civil Code yourself, the following internet address will bring you to the English version of the Code:

<http://www.droit.umontreal.ca/doc/ccq/en/index.html> .

This document is a WORD for OFFICE 97 version. Should the hyperlinks and bookmarks not function properly, simply go to the aforementioned web address to consult the sections that interest you.

ATTENTION: The enclosed excerpts are provided for reference purposes only. They are meant to help you determine the type of right that best reflects the security you seek to register in Quebec. Dye & Durham Co. Inc. and C.R.A.C. Ltd. do not provide any legal advice or opinions in connection with Security Registrations. Therefore, Dye & Durham Co. Inc and C.R.A.C. Ltd. accepts no liability resulting from incorrect information, or errors that may exist in said excerpts or in the interpretation that you may arrive at with the help of same. If you remain in doubt as to the nature of the right, we strongly recommend that you seek legal advice prior to making your decision.

Thank You

Rosanna Conteduca  
Dye & Durham Co. Inc

Thérèse Fredette  
C.R.A.C. Ltd.

## Reservation of Ownership (Instalment Sales)

### Section 1745 et al Civil Code of Quebec

*Civil code of Québec : Book five - Obligations : Title two - Nominate contracts : Chapter 1 - Sale : Section I - Sale in general : Subsection 7. Various modes of sale : Sub-Subsection II - Instalment sales*

1745.

An instalment sale is a term sale by which the seller reserves ownership of the property until full payment of the sale price.

A reservation of ownership in respect of a road vehicle or other movable property determined by regulation, or in respect of any movable property acquired for the service or operation of an enterprise, has effect against third persons only if it has been published; effect against third persons operates from the date of the sale provided the reservation of ownership is published within fifteen days. As well, the transfer of such a reservation has effect against third persons only if it has been published.

1746.

An instalment sale transfers to the buyer the risks of loss of the property, except in the case of a consumer contract or where the parties have stipulated otherwise.

1747.

The balance owing by the buyer becomes exigible where the property is sold under judicial authority or where the buyer assigns his right in the property to a third person without the consent of the seller.

1748.

Where the buyer fails to pay the sale price in accordance with the terms and conditions of the contract, the seller may exact immediate payment of the instalments due or take back the sold property; if the contract contains a clause of forfeiture of benefit of the term, the seller may instead exact payment of the balance of the sale price.

1749.

A seller or [transferee](#) who, upon the default of the buyer, elects to take back the property sold is governed by the rules regarding the exercise of hypothecary rights set out in the Book on Prior Claims and Hypothecs; however, in the case of a consumer contract, only the rules contained in the Consumer Protection Act are applicable to the exercise by the seller or transferee of the right of repossession.

If the reservation of ownership required publication but was not published, the seller or transferee may take the property back only if it is in the hands of the original buyer; the seller or transferee takes the property back in its existing condition and subject to the rights and charges with which the buyer may have encumbered it.

If the reservation of ownership required publication but was published late, the seller or transferee may likewise take the property back only if it is in the hands of the original buyer, unless the reservation was published before the sale of the property by the original buyer, in which case the seller or transferee may also take the property back if it is in the hands of a subsequent acquirer; in all cases, the seller or transferee takes the property back in its existing condition, but subject only to such rights and charges with which the original buyer may have encumbered it at the time of the publication of the reservation of ownership and which had already been published.

## Sales with Right of Redemption

### Section 1750 et al Civil Code of Quebec

*Civil code of Québec : Book five - Obligations : Title two - Nominate contracts : Chapter 1 – Sale : Section I - Sale in general : Subsection 7. Various modes of sale : Sub-Subsection III - Sales with right of redemption*

1750.

A sale with a right of redemption is a sale under a resolutive condition by which the seller transfers ownership of property to the buyer while reserving the right to redeem it.

A right of redemption in respect of a road vehicle or other movable property determined by regulation, or in respect of any movable property acquired for the service or operation of an enterprise, has effect against third persons only if it has been published; effect against third persons operates from the date of the sale provided the right of redemption is published within fifteen days. As well, the [transfer](#) of such a right of redemption has effect against third persons only if it has been published.

1751.

A seller wishing to exercise his right of redemption and take back property shall give notice of his intention to the buyer and, if the right of redemption has been published, to any subsequent acquirer against whom he intends to exercise his right. If the right of redemption has been published, the notice must also be published; in that case, the notice is of twenty days in the case of movable property and sixty days in the case of an immovable. In the case of a consumer contract, the twenty days' notice is increased to thirty days.

1752.

Where the seller exercises his right of redemption, he takes back the property free of any charges which the buyer may have encumbered it with, provided the seller's right, if it required publication, was published in due time and in accordance with the rules regarding the publication of rights.

1753.

The right of redemption may not be stipulated for a term exceeding five years. If the term exceeds five years, it is reduced to five years.

1754.

If the buyer of an undivided part of a property subject to a right of redemption acquires the whole property through the effect of a partition, he may oblige the seller, if the seller wishes to exercise his right, to take back the whole property.

1755.

Where a sale is made by several persons jointly by way of a single contract or where the seller has left several heirs, the buyer may object to the taking back of part of the property and require the joint seller or coheir to take back the whole property.

In other respects, the rules pertaining to joint or divisible obligations, adapted as required, apply to the exercise of the right of redemption existing for the benefit of several sellers, against several buyers, or between their heirs.

1756.

Where the object of the right of redemption is to secure a loan, the seller is deemed to be a borrower and the acquirer is deemed to be a hypothecary creditor. The seller does not, however, lose the right to exercise his right of redemption unless the acquirer follows the rules respecting the exercise of hypothecary rights laid down in the Book on Prior Claims and Hypothecs.

## Lease and Rights Under a Lease

*Section 1851 to 1891 Civil Code of Quebec*

*Civil code of Québec : Book five - Obligations : Title two - Nominate contracts : Chapter 4 - Lease*

Section I - Nature of lease - [Section 1851 to 1853](#)

Section II - Rights and obligations resulting from lease : Subsection 1. General - [Section 1854 to 1863](#)

Section II - Rights and obligations resulting from lease : Subsection 2. Repairs - [Sections 1864 to 1869](#)

Section II - Rights and obligations resulting from lease : Subsection 3. Sublease of property and assignment of lease  
[Sections 1870 to 1876](#)

Section III - Termination of the lease - - [Sections 1877 to 1891](#)

### Section I - Nature of lease - [Section 1851 to 1853](#)

1851.

Lease is a contract by which a person, the lessor, undertakes to provide another person, the lessee, in return for a rent, with the enjoyment of a movable or immovable property for a certain time.

The term of a lease is fixed or indeterminate.

1852.

The rights resulting from the lease may be published.

Publication is required, however, in the case of rights under a lease with a term of more than one year in respect of a road vehicle or other movable property determined by regulation, or of any movable property required for the service or operation of an enterprise, subject, in the latter case, to regulatory exclusions; effect of such rights against third persons operates from the date of the lease provided they are published within fifteen days. A lease with a term of one year or less is deemed to have a term of more than one year if, by the operation of a renewal clause or other covenant to the same effect, the term of the lease may be increased to more than one year.

[The transfer of rights under a lease](#) requires or is open to publication according to whether the rights themselves require or are open to publication.

1853.

The lease of movable property is not presumed; a person using the property by sufferance of the owner is presumed to have borrowed it by virtue of a loan for use.

The lease of immovable property is presumed where a person occupies the premises by sufferance of the owner. The term of the lease is indeterminate; the lease takes effect upon occupancy and entails the obligation to pay a rent corresponding to the rental value.

### Section II - Rights and obligations resulting from lease : Subsection 1. General - [Section 1854 to 1863](#)

1854.

The lessor is bound to deliver the leased property to the lessee in a good state of repair in all respects and to provide him with peaceable enjoyment of the property throughout the term of the lease.

He is also bound to warrant the lessee that the property may be used for the purpose for which it was leased and to maintain the property for that purpose throughout the term of the lease.

1855.

The lessee is bound to pay the agreed rent and to use the property with prudence and diligence during the term of the lease.

1856.

Neither the lessor nor the lessee may change the form or destination of the leased property during the term of the lease.

1857.

The lessor has the right to ascertain the condition of the leased property, to carry out work thereon and, in the case of an immovable, to have it visited by a prospective lessee or acquirer, but he is bound to exercise his right in a reasonable manner.

1858.

The lessor is bound to warrant the lessee against legal disturbances of enjoyment of the leased property.

Before pursuing his remedies, the lessee shall notify the lessor of the disturbance.

1859.

The lessor is not liable for damage resulting from the disturbance of enjoyment of the property by the act of a third person; he may be so liable where the third person is also a lessee of that property or is a person whom the lessee allows to use or to have access to the property.

If the enjoyment of the property is diminished by the disturbance, however, the lessee retains his other remedies against the lessor.

1860.

A lessee is bound to act in such a way as not to disturb the normal enjoyment of the other lessees.

He is liable, towards the lessor and the other lessees, for damage that may result from a violation of that obligation, whether the violation is due to his own act or to the act of persons he allows to use or to have access to the property.

In case of violation of this obligation, the lessor may demand rescission of the lease.

1861.

A lessee who is disturbed by another lessee or by persons whom another lessee allows to use or to have access to the property may obtain, according to the circumstances, a reduction of rent or the rescission of the lease, if he notified the common lessor of the disturbance and if the disturbance persists.

He may also recover damages from the common lessor unless the lessor proves that he acted with prudence and diligence; the lessor has a recourse against the lessee at fault for compensation for the injury suffered by him.

1862.

The lessee is liable for damage suffered by the lessor by reason of loss of the leased property unless he proves that the loss is not due to his fault or that of persons he allows to use or to have access to the property.

Where the leased property is an immovable, the lessee is not liable for damages resulting from a fire unless it is proved that the fire was due to his fault or that of persons he allowed to have access to the immovable.

1863.

The nonperformance of an obligation by one of the parties entitles the other party to apply for, in addition to damages, specific performance of the obligation in cases which admit of it. He may apply for the rescission of the lease where the nonperformance causes serious injury to him or, in the case of the lease of an immovable, to the other occupants.

The nonperformance also entitles the lessee to apply for a reduction of rent; where the court grants it, the lessor, upon remedying his default, is entitled to reestablish the rent for the future.

Section II - Rights and obligations resulting from lease : Subsection 2. Repairs - [Sections 1864 to 1869](#)

1864.

The lessor is bound, during the term of the lease, to make all necessary repairs to the leased property other than lesser maintenance repairs, which are assumed by the lessee unless they result from normal aging of the property or superior force.

1865.

The lessee shall allow urgent and necessary repairs to be made to ensure the preservation or enjoyment of the leased property.

A lessor who makes such repairs may require the lessee to vacate or be dispossessed of the property temporarily but, if the repairs are not urgent, he shall first obtain the authorization of the court, which also fixes the conditions required to protect the rights of the lessee.

The lessee retains, according to the circumstances, the right to obtain a reduction of rent, to apply for the rescission of the lease or, if he vacates or is dispossessed of the property temporarily, to demand compensation.

1866.

A lessee who becomes aware of a serious defect or deterioration of the leased property is bound to inform the lessor within a reasonable time.

1867.

Where a lessor fails to make the repairs or improvements he is bound to make under the lease or by law, the lessee may apply to the court for authorization to carry them out himself.

If the court grants authorization to make the repairs or improvements, it determines their amount and fixes the conditions to be observed in carrying them out. The lessee may then withhold from his rent the amount of the expenses incurred to carry out the authorized work, up to the amount fixed by the court.

1868.

Where the lessee has attempted to inform the lessor, or has informed him but the lessor has not acted in due course, the lessee may undertake repairs or incur expenses, even without the authorization of the court, provided they are urgent and necessary to ensure the preservation or enjoyment of the leased property. The lessor may intervene at any time, however, to pursue the work.

The lessee is entitled to reimbursement of the reasonable expenses he incurred for that purpose; he may, if necessary, withhold the amount of such expenses from his rent.

1869.

The lessee is bound to render an account to the lessor of the repairs or improvements made to the property and the expenses incurred and to deliver to him the vouchers for such expenses and, in the case of movable property, the replaced parts.

The lessor is bound to reimburse the lessee for any amount in excess of the rent withheld, but not in excess of the amount the lessee was authorized to disburse, where that is the case.

**Section II - Rights and obligations resulting from lease : Subsection 3. Sublease of property and assignment of lease - [Sections 1870 to 1876](#)**

1870.

A lessee may sublease all or part of the leased property or assign his lease. In either case, he is bound to give notice of his intention and the name and address of the intended sublessee or assignee to the lessor and to obtain his consent.

1871.

The lessor may not refuse to consent to the sublease of the property or the assignment of the lease without a serious reason.

If he refuses, he is bound to inform the lessee of his reasons for refusing within fifteen days after receiving the notice; otherwise, he is deemed to have consented to the sublease or assignment.

1872.

A lessor who consents to the sublease of the property or the assignment of the lease may not exact any payment other than the reimbursement of any reasonable expenses resulting from the sublease or assignment.

1873.

The assignment of a lease acquits the former lessee of his obligations, unless, where the lease is not a lease of a dwelling, the parties agree otherwise.

1874.

Where the lessor brings an action against the lessee, the sublessee may not be bound towards the lessor for any amount except the rent for the sublease which he owes to the lessee; the sublessee may not set up advance payments.

Payments made by the sublessee under a stipulation included in his lease and notified to the lessor, or in accordance with local usage are not considered to be advance payments.

1875.

Where the nonperformance of an obligation by a sublessee causes serious damage to the lessor or the other lessees or occupants, the lessor may apply for the rescission of the sublease.

1876.

Where a lessor fails to perform his obligations, the sublessee may exercise the rights and remedies of the lessee to have them performed.

**Section III - Termination of the lease - [Sections 1877 to 1891](#)**

1877.

A lease with a fixed term terminates of right upon expiry of the term. A lease with an indeterminate term terminates upon rescission by one of the parties.

1878.

A lease with a fixed term may be renewed. It may only be renewed expressly, but the lease of an immovable may be renewed tacitly.

1879.

A lease is renewed tacitly where the lessee continues to occupy the premises for more than ten days after the expiry of the lease without opposition from the lessor.

In that case, the lease is renewed for one year or for the term of the initial lease, if that was less than one year, on the same conditions. The renewed lease is also subject to renewal.



1880.

The term of a lease may not exceed one hundred years. If it exceeds one hundred years, it is reduced to that term.

1881.

Security given by a third person to secure the performance of the obligations of the lessee does not extend to a renewed lease.

1882.

A party who intends to resiliate a lease with an indeterminate term shall give the other party notice to that effect.

The term of the notice is of the same duration as the term fixed for payment of the rent, but may not be of more than three months. Where the leased property is a movable, however, the notice is of ten days, whatever the period fixed for payment of the rent may be.

1883.

A lessee against whom proceedings for resiliation of a lease are brought for non-payment of the rent may avoid the resiliation by paying, before judgment, in addition to the rent due and costs, interest at the rate fixed in accordance with section 28 of the Act respecting the Ministère du Revenu or at any other lower rate agreed with the lessor.

1884.

A lease is not resiliated by the death of either party.

1885.

Where the lease of an immovable is for a fixed term, the lessee shall allow the premises to be visited and signs to be posted, for leasing purposes, during the three months preceding the expiry of the lease, or during the month preceding it if the lease is for less than one year. Where the lease is for an indeterminate term, the lessee is bound to allow such activities from the date of the notice of resiliation.

1886.

Voluntary or forced alienation of leased property or extinction of the lessor's title for any other reason does not terminate the lease of right.

1887.

The acquirer or the person who benefits from the extinction of title may resiliate the lease, if it is a lease with an indeterminate term, in accordance with the ordinary rules pertaining to resiliation contained in this section.

In the case of the lease of an immovable with a fixed term and if more than twelve months remain from the date of alienation or extinction of title, he may resiliate it upon expiry of the twelve months by giving the lessee written notice of six months. He may not resiliate the lease if it was registered in the registry office before the deed of alienation or the act by which the title is extinguished was so registered.

In the case of the lease of a movable with a fixed term, notice is of one month.

1888.

The total expropriation of leased property terminates the lease from the date on which the expropriating party is allowed to take possession of the property in accordance with the Expropriation Act.

In the case of partial expropriation, the lessee may, according to the circumstances, obtain a reduction of rent or the resiliation of his lease.

1889.

The lessor of an immovable may obtain the eviction of a lessee who continues to occupy the leased premises after the expiry of the lease or after the date for surrender of the premises agreed upon during the term of the lease; the lessor of a movable may, in the same circumstances, obtain the handing over of the property.

1890.

Upon termination of the lease, the lessee is bound to surrender the property in the condition in which he received it but he is not liable for changes resulting from aging or fair wear and tear of the property or superior force.

The condition of the property may be established by the description made or the photographs taken by the parties; if it is not so established, the lessee is presumed to have received the property in good condition at the beginning of the lease.

1891.

Upon termination of the lease, the lessee is bound to remove all the constructions, works or plantations he has made.

If they cannot be removed without deteriorating the property, the lessor may retain them by paying the value thereof to the lessee or compel the lessee to remove them and to restore the property to the condition in which it was when he received it.

If the property cannot be restored to its original condition, the lessor may retain the constructions, works or plantations without compensation.

## **Rights of ownership of the lessor**

### [Sections 1842 to 1850 of the Quebec Civil Code](#)

*Civil code of Québec : Book five - Obligations : Title two - Nominate contracts : Chapter 3 - Leasing*

1842.

Leasing is a contract by which a person, the lessor, puts movable property at the disposal of another person, the lessee, for a fixed term and in return for payment.

The lessor acquires the property that is the subject of the leasing from a third person, at the demand and in accordance with the instructions of the lessee.

Leasing may be entered into for business purposes only.

1843.

Property that is the subject of a leasing, even if attached or joined to an immovable, retains its movable nature for as long as the contract lasts, provided it does not lose its individuality.

1844.

The lessor shall disclose the contract of leasing in the deed of purchase.

1845.

The seller of the property is directly bound towards the lessee by the legal and conventional warranties inherent in the contract of sale.

1846.

The lessee assumes all risks of loss of the property, even by superior force, from the time he takes possession of it.

He likewise assumes all maintenance and repair expenses.

1847.

The rights of ownership of the lessor have effect against third persons only if they have been published; effect against third persons operates from the date of the leasing contract provided the rights are published within fifteen days.

As well, the [transfer of the lessor's rights](#) of ownership has effect against third persons only if it has been published.

1848.

If the property is not delivered to the lessee within a reasonable time after the formation of the contract or within the time fixed in the demand for delivery, the lessee may, once the lessor is in default, consider the contract of leasing resolved.

1849.

Where the contract of leasing is resolved and the lessee has derived a benefit from the contract, the lessor, when returning the prestations he has received from the lessee, may deduct a reasonable sum to take account of such benefit.

1850.

Upon termination of the contract of leasing, the lessee is bound to return the property to the lessor unless, where applicable, he has availed himself of the option to acquire it given to him by the contract.

## Transfer of a part of the rights

### [Section 1637 et al Quebec Civil Code](#)

*Civil code of Québec : Book five - Obligations : Title one - Obligations in general : Chapter 7 - Transfer and alteration of obligations : Section I - Assignment of claims : Subsection 1. Assignment of claims in general*

1637.

A creditor may assign to a third person all or part of a claim or a right of action which he has against his debtor.  
He may not, however, make an assignment that is injurious to the rights of the debtor or that renders his obligation more onerous.

1638.

The assignment of a claim includes its accessories.

1639.

Where the assignment is by onerous title, the assignor guarantees that the claim exists and is owed to him, even if the assignment is made without warranty, unless the assignee has acquired it at his own risk or knew of the uncertain nature of the claim at the time of the assignment.

1640.

Where the assignor by onerous title guarantees the solvency of the debtor by a simple clause of warranty, he is liable for the solvency only at the time of the assignment and to the extent of the price he received.

1641.

An assignment may be set up against the debtor and the third person as soon as the debtor has acquiesced in it or received a copy or a pertinent abstract of the deed of assignment or any other evidence of the assignment which may be set up against the assignor.  
Where the debtor cannot be found in Quebec, the assignment may be set up upon publication of a notice of assignment in a newspaper distributed in the locality of the last known address of the debtor or, if he carries on an enterprise, in the locality where its principal establishment is situated.

[1642.](#)

The assignment of a **universality of claims**, present or future, may be set up against debtors and third persons by the registration of the assignment in the register of personal and movable real rights, provided, however, that the other formalities whereby the assignment may be set up against the debtors who have not acquiesced in it have been accomplished.

1643.

A debtor may set up against the assignee any payment made to the assignor before the assignment could be set up against him, as well as any other cause of extinction of the obligation that occurred before that time.  
A debtor may also set up any payment made in good faith by himself or his surety to an apparent creditor, even if the required formalities whereby the assignment may be set up against the debtor and third persons have been accomplished.

1644.

Where a copy or an abstract of the deed of assignment or any other evidence of the assignment which may be set up against an assignor is handed over to the debtor at the time of service of an action brought against the debtor, no legal costs may be exacted from the debtor if he pays within the time fixed for appearance, unless he is already in default.

1645.

The assignment may not be set up against the surety unless the prescribed formalities for the setting up of assignment against the debtor have been accomplished in respect of the surety himself.

1646.

The assignees of the same claim, and the assignor in respect of any remainder due to him, are paid in proportion to the value of their claims.

However, persons having obtained an assignment with a guarantee of payment are paid in preference to all other assignees and to the assignor, and, among themselves, in the order of the dates on which their respective assignments could be set up against the debtor.

## Effects of publication

*Civil code of Québec : Book nine - Publication of rights : Title two - Effects of publication : Chapter 3 - Other effects* ([Registration to apply to subsequent rights of the same nature 2961.1 Q.C.C.](#))

2957.

Publication does not interrupt prescription.

However, publication of the right of ownership in an immatriculated immovable interrupts acquisitive prescription of that right as long as the publication subsists.

2958.

Rights published after the registration of the minutes of the creditor's seizure of an immovable may not be set up against that creditor, provided the seizure is followed by a judicial sale.

2959.

Registration of a hypothec preserves, in favour of the creditor, the same rank for the interest due for the current year and the three preceding years as for the capital. Similarly, the registration of an annuity preserves, in favour of the annuitant, the same rank for the periodic payments for the current year and the arrears for the three preceding years as for the prestation.

2960.

The creditor or annuitant has a hypothec for the surplus of interest due or arrears of annuity only from the time of registration of a notice setting forth the amount claimed. However, interest due or arrears owing at the time of registration of the hypothec or annuity are preserved by the registration if the amount is stated in the application.

2961.

Substitution has no effect in respect of property acquired in replacement of substituted property unless the substitution is mentioned in the act of acquisition and is published. Publication of the substitution does not affect the rights of third persons who have already published the rights they derive from the institute under an act by onerous title.

### 2961.1.

The registration of reservation of ownership or rights of redemption, or of any transfer thereof, in respect of a universality of movable property of the same kind that may be involved in sales or transfers in the ordinary course of business between persons operating enterprises preserves all the rights of the seller or transferee not only in that property but also in any property of the same kind involved in reservations of ownership, rights of redemption or transfers between those persons subsequent to the registration. However, such reservations, rights or transfers do not have effect against a third person who acquires any such property in the ordinary course of business of the seller's enterprise.

Registration preserves the rights for a period of ten years; the period may be extended if the registration is renewed.

These rules also apply to the registration of rights of ownership under leasing contracts and of rights under leases with a term of more than one year, or of any transfer thereof, in respect of a universality of movable property of the same kind that may be involved in such contracts in the ordinary course of business between persons operating enterprises.

(END)