March 11, 2020

Attn: Policy and Legislation Division
BCA Beneficial Ownership
Ministry of Finance
PO Box 9418 Stn Prov Govt
Victoria, BC V8W 9V1

Submitted via email: BCABO@gov.bc.ca

Dear Sirs/Mesdames:

Re: Response of STEP Canada to BC Consultation on a Public Beneficial Ownership Registry

The Society of Trust and Estate Practitioners (Canada) ("**STEP Canada**"), with the assistance of three members of its Vancouver Branch and its Okanagan Chapter, has reviewed the White Paper (the "**White Paper**") issued by the Ministry of Finance regarding a potential government-maintained, publicly accessible registry of company beneficial ownership.

STEP Canada is part of STEP Worldwide, the leading international organization for trust and estate professionals. STEP's mandate is to provide a forum for discussion and to advance practitioners' knowledge of tax, accounting, administrative, statute and case law through regular branch seminars, symposia, and an annual national conference. STEP Canada also makes representations of a technical nature to government, policymakers and related professional bodies, with the goal of promoting better understanding of trusts and estates and improving related law and policy. There are approximately 20,000 members worldwide and over 3,000 members in Canada, operating as professionals in the trust, legal, accounting, financial planning and insurance industries. Many of the members of STEP Canada and STEP Worldwide are engaged in advising their clients on matters relating to the ownership, including beneficial ownership, of companies and the use of trusts.

Given STEP Canada's focus on trusts and estates, this response does not address all issues that may arise from a publicly accessible registry of company beneficial ownership, nor does it respond to each of the consultation questions posed in the White Paper.

A. General Comments

While our comments are, for the most part, organized to follow the structure of the White Paper, we wish to preface our specific comments with the following comments of a more general nature.

1. The Government has not allowed Adequate Time to Properly Consider and Comment

We note at the outset that it is neither fair nor appropriate to release the White Paper for public input with only a 57 day period allowed for submissions. This is simply not a sufficient amount of time to permit relevant stakeholders to consider all the implications arising from a publicly accessible registry of company beneficial ownership. We strongly urge the government to extend the period for consultation beyond the date of March 13, 2020. We specifically recommend that the consultation period be extended to align with the federal consultation period.

2. The Stated Policy is Not Supported by the Substance of the Public Registry

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In the Foreword to the White Paper, a publicly accessible registry of company beneficial ownership is proposed as part of a plan to address money laundering. The Foreword to the White Paper states that proceeds of crime are being laundered in many sectors in BC, including real estate purchases, and that the ability of the government to stop money laundering is limited by a lack of data, including information regarding beneficial ownership in corporations and real estate. The background portion (the "**Background**") of the White Paper further states that anonymity undermines law enforcement's ability to investigate the predicate crime and the money laundering itself.

With respect, in our view, these stated purposes do not appear to justify a public registry. While there may be justifiable considerations in making appropriate information available to taxation authorities, law enforcement agencies and financial sector regulators, nothing in the Foreword or in the Background articulates a compelling policy reason for publicly "outing" individuals who hold beneficial interests in companies.

We note that the White Paper does not actually seek input on the question of whether a government-maintained registry of trusts should exist. Nonetheless, we feel compelled to share with you our strongly held belief that there is no compelling reason to report publicly the beneficiaries of most trusts. The arguments in favour of disclosure of beneficial ownership set out in the White Paper only make sense in so far as disclosure is a means to identify the individuals who control assets in the Province and therefore may be responsible for money laundering. By their very nature, trusts are designed to separate control from ownership. The beneficiaries of most trusts have no control at all over the assets of the trust and generally have no means to launder money. Actual beneficial ownership in a trust should be irrelevant to tracking money-laundering operations. We therefore see no reason to report information regarding individuals who likely had no input into their inclusion in the trust and no independent ability to remove themself as a beneficiary.

3. HARMONIZING DISCLOSURE LEGISLATION

A publicly accessible registry of company beneficial ownership, if created, will contribute to an increasingly complex myriad of reporting requirements. There have been considerable increases in information collection over the past years and any further requirements should be coordinated with existing requirements to foster efficiency and ensure that further requirements are not redundant.

In our letter to Minster of Finance and Deputy Premier Carole James of August 17, 2018 responding to the *Land Owner Transparency Act White Paper – June 2018* (the "**LOTA Submission**") we noted that since 2000, there has been an unprecedented increase in the amount of information entities of all kinds are required to collect with respect to transactions involving money and other property. Examples include: *The Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, S.C. 2000, c. 17; the U.S. *Foreign Accounts Tax Compliance Act* (effectively implemented in Canada by Part XVIII of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.) (the "*Income Tax Act* (Canada)"), and the Common Reporting Standard under the *Convention on Mutual Assistance in Tax Matters* (implemented in Canada by Part XIX of the *Income Tax Act* (Canada). As well, in July 2018, the federal Minister of Finance published draft legislation which will impose additional filing and reporting obligations on most express trusts (Legislative Proposals Relating to Income Tax and Other Legislation, July 27, 2018).

The primary stated purpose of each of these regimes is to combat tax fraud and/or money laundering. The enactment of the *Land Owner Transparency Act* ("**LOTA**") and the introduction of the transparency register requirements for BC corporations by Bill 24, the *Business Corporations Amendment Act, 2019* have further increased the burden on affected entities by requiring them to collect different information, in a different format and to prepare and make additional filings on different timelines from what is required under the other regimes.

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If the objective is to combat money laundering, one would think that the information required to be collected and recorded for the transparency register would be harmonized with the information contemplated by those other regimes. However, inconsistencies between the regimes abound, making compliance with all of them an extremely inefficient exercise.

B. Responses to Specific Consultation Questions

GOVERNMENT MAINTAINED TRANSPARENCY REGISTRY

1. *How would the requirement to provide the information in your transparency register to government impact your operations?*

The requirement to provide the information in transparency registries to the government will have a significant impact on the operations of professionals.

The White Paper states that the process of physical inspection of records by law enforcement is costly and this cost may be alleviated by requiring professionals to provide the information in their transparency registries to the government. However, requiring professionals to provide the information in transparency registries to the government is also costly. Requiring this of professionals will essentially mandate that they record the information first in their own tracking software and then repeat the process in the form of a government record.

This duplicated effort and time will inevitably be a cost that is passed on to members of the public in the form of additional professional fees and filing costs. These additional costs pose a further barrier to access to justice and to professional assistance in general.

Furthermore, the requirement may inspire clients to maintain their own records, which is likely to spur a greater number of errors in reporting, as the concepts of beneficial ownership and control of shares are complex and not easily understood or applied without education. With respect, we question the usefulness of information that is poorly understood by the average layperson and therefore, poorly reported.

Cost alone will be sufficient reason for a portion of the public to be motivated to maintain their own records, but it will not be the only motivating factor. Members of the public will likely also decide to maintain their own records in order to evade the requirement to report changes in ownership. Professionals will be forced to report what clients may determine to be private information in a manner that clients may determine is unnecessarily intrusive. Clients may then choose to maintain their own records and simply not report changes in ownership. This will create a dearth of information, whereas private collection of information in transparency registries stored safely in the offices of professionals whom clients trust may allow for a greater wealth of information when law enforcement is alerted to search for it.

Furthermore, we would like to note that the White Paper cites the fact that physical inspection requires "initial evidence that the company is being used for criminal activity before law enforcement will think to check the company's transparency register" as a reason for the requirement that professionals provide the information in a transparency register to government. This assumes that the requirement that law enforcement have reasons upon which to search a company's ownership is an impediment to proper law enforcement. However, one of the foundations of a well-functioning justice system is the notion that law enforcement requires reason to intrude on privacy and obtain otherwise confidential information. We understand that a possible response to this point is that the collected information will be used for data analysis in

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addition to other purposes. However, we question the importance of this data analysis above the right of members of the public to conduct their affairs privately, when doing so does not contravene the law.

2. *Are there any steps that could be taken to streamline the process, including the uploading process?*

Despite being relatively brief, the provisions of the *Business Corporations Act* of British Columbia and its Regulations relating to beneficial ownership and control of shares are complex and not easy to apply to many common ownership structures. It would be helpful if the government would provide comprehensive, easy to apply, decision trees which could be used by professionals and lay persons alike to determine who is a significant individual with respect to a private company and how. Ideally, the decision tree would be accompanied by clear explanations of the concepts and terms used in the legislation and regulations.

We note as well that the Regulations defining "indirect control" are as long or longer than ss. 119.1 to 119.2 of the *Business Corporations Act*, which set out the main substantive provisions relating to the transparency register. An individual should not have to work back and forth through the Act and the Regulations to determine whether or not he or she is a significant individual with respect to a private company. We recommend that the content of ss. 46-51 of the Regulations be moved into the Act itself.

Finally, to be clear, given that the transparency register is a continuous record, one should not have to re-enter information in the system once it has been entered the first time, as is required for successive filings under the *Speculation and Vacancy Tax Act*.

3. *Are there any types of BC private companies you think should be exempted from the requirement to upload information? If so, why?*

Professional corporations should be exempt from the requirement to upload information as these types of corporations are subject to legislative restrictions as to who may legally and beneficially own shares (see for example, paragraphs 43(1)(c) and (d) of the *Health Professions Act*, paragraph 82(1)(c) and (d) of the *Legal Profession Act* and paragraph 40(1)(b) and (e) of the *Chartered Professional Accountants Act*). These corporations are already subject to regulatory oversight and additional compliance requirements by their governing bodies. To require professional corporations to upload their transparency register will result in an unnecessary administrative burden.

4. *Should BC change the share ownership threshold from 25 per cent to 10 per cent for determining beneficial ownership?*

We begin by noting that the reference to "beneficial ownership" is misleading, since beneficial ownership is only a small part of the transparency register regime. The 25% threshold relates to an individual who has an interest as a registered owner of shares, as a beneficial owner of shares, or "indirect control", within the meaning of the regulations, of shares. That is, much of the regime relates to control of shares and the voting rights that they carry, including the rights to elect or appoint directors of the company, rather than to beneficial ownership.

In our view, 25% is an appropriate threshold. As is noted in the White Paper, it aligns with the threshold adopted by the Federal-Provincial-Territorial Working Group on Beneficial Ownership. Aligning with this threshold will help to further the objective of harmonizing the various information gathering and transparency regimes that we have adverted to above and reduce

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inefficiencies for advisers and clients alike, where they work with corporations under multiple jurisdictions. In this regard, we wish to reiterate our view that the inconsistencies between various regimes give rise to significant inefficiencies for clients and advisers alike. The time and effort involved in complying with all the new information collection and transparency regimes is time and effort that is diverted from activities that generate real economic value in the province. While identifying and deterring money laundering may be important policy objectives for the government, they should not be pursued in a manner that imposes such a significant cost on the vast majority of companies that are used for legitimate purposes and the individuals who own them. The government should be investing much more effort in ensuring that the systems are harmonized and easily complied with.

Further, in our view an individual who controls less than 25% of a private company's shares is unlikely to have any real control over the company so there is little marginal benefit in extending the transparency regime to such individuals.

PUBLIC ACCESS TO GOVERNMENT MAINTAINED TRANSPARENCY REGISTRY

6. *How will publicly available beneficial ownership information impact your operations?*

STEP Canada has significant concerns with the proposal to make public any part of a government-maintained corporate beneficial ownership registry.

The stated purpose for creating a government-maintained registry of corporate beneficial ownership is to curtail money laundering in the province. However, the consultation paper expresses no compelling policy reason for making beneficial ownership information available to the public. In our view, there are in fact compelling policy reasons not to make beneficial ownership information of private companies available to the public. While not providing any benefit to the fight against money laundering, the public disclosure of personal information could instead result in the proliferation of other crimes such as identity theft, online scams, fraud and extortion.

The consultation paper states that financial institutions and lawyers would be assisted by a publicly available database of beneficial ownership when complying with their "know-your-customer" obligations. We disagree with this assessment. First, in order to fulfil their professional and regulatory requirements, lawyers and financial institutions would not be free to rely solely on a registry of self-reported beneficial ownership information without further testing the veracity of the data. Therefore, the data available from the registry would not be conclusive proof of the information required by lawyers and financial institutions to fulfil their obligations. Second, the information required to be disclosed in the transparency register does not directly align with the know-you-customer obligations and so simply accessing a transparency register through a public registry does not result in an easier or less time-consuming method of fulfilling these obligations.

Financial institutions and lawyers are sophisticated parties who are familiar with methods and structures for private company share ownership. Lawyers have the skills and training to fulfill their professional obligations in determining beneficial ownership of their corporate clients. On the contrary, a government-maintained registry of corporate beneficial ownership will rely on the self-reporting of information by companies and individuals who are not trained to interpret the legislation and regulations to determine what needs to be disclosed. This argument for making the registry public is not compelling and does not warrant such a significant shift in policy.

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The only other reason provided in the consultation paper for making the registry accessible to the public is that it "deputizes every member of the public to act as verifiers of the information". In our view, every member of the public is not qualified or trained to: (a) understand or interpret what is required to be disclosed in a transparency register under the legislation and regulations, (b) understand what the disclosed beneficial ownership means, or (c) administer or enforce tax or money laundering laws. A publicly available registry will lead to confusion and incorrect assumptions and allegations, which would take valuable investigation resources away from government and law enforcement.

Making private corporation beneficial ownership information public will result in beneficial owners being named in litigation relating to private companies, regardless of whether they are proper parties to such litigation, given the separate legal existence of a company. It cannot be good policy to enact legislation that will result in a significant intrusion on the privacy of individuals without any evidence to prove that the public access to such information will achieve the desired results.

We are not aware of any evidence to suggest that a significantly large proportion of BC companies are involved in money laundering activities or have ownership structures where the legal owner is not also the beneficial owner. In other words, most BC companies are carrying business or activities legitimately and legally, and the shareholders shown in the central securities register of such companies are also the beneficial owners of those shares. The public can already access information relating to the legal ownership of shares in a private BC company in accordance with section 46 of the *Business Corporations Act*. The government has not presented any evidence to suggest that this mechanism is insufficient for the purposes of the general public.

The government has failed to provide any persuasive evidence to suggest that making a beneficial ownership registry accessible to and searchable by the public will assist in addressing the issue of money laundering in the province. On the contrary, it is easy to imagine the many ways in which the easy availability of such information could be used for nefarious purposes by individuals or corporations who seek to use it for purposes other than which it was intended. This extends far beyond minors and vulnerable adults who could, in theory, be protected through the legislation.

As stated in the Consultation Paper, there are legitimate and legal reasons for holding shares through a structure in which legal ownership does not reflect beneficial ownership. Some of those reasons involve a reasonable expectation of privacy that may or may not relate to personal safety or vulnerability, but which are also not criminal in nature. By seeking to make this registry available to the public, the government would be exposing potentially sensitive personal information to the masses without any care for the potential side effects. In this case, the potential for harm far exceeds any benefit to be gained from having the registry publicly available. This provides a very troublesome precedent for government mandated disclosure of private and personal information in the province.

If the registry were to be made available to the public, there would need to be extensive legislative provisions governing the process by which individuals could apply to have their information omitted. In our view, such a determination should not be left to the discretion of any individual government appointee and should not be limited to vulnerable individuals. There must be a thorough review process that allows concerned individuals to object to any determination in way that ensures fairness and due process.

7. In your opinion, what degree of searching should the public have?

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It is our opinion that the public should have no ability to access or search any database of beneficial ownership of private companies.

If the database is, however, made public, it should only be searchable by company name. The general public should not under any circumstances be entitled to search the registry by an individual's name.

PROTECTION OF PERSONAL INFORMATION

8. *Are there any reasons to limit/expand the availability of information on the registry beyond what is described above in Chart 2?*

In our view, it is a mistake to take the *Land Owner Transparency Act* as the starting point for what information would be made public through a search. Rather, the better starting point would be the information that is required to be maintained in the central securities register of a private company in respect of its actual shareholders, namely name and last known address of each shareholder.[1] If it is not necessary to have a public register of the citizenship of a registered shareholder, there is no obvious reason for including that information in a public register of individuals who have unregistered beneficial interests in the company's shares and/or indirect control of the shares or voting rights. We note that citizenship is not part of the information required to be collected in respect of individuals with significant control under the *Canada Business Corporations Act*. If the federal government, which has exclusive constitutional responsibility for citizenship, did not see fit to require citizenship to be included in the transparency registers of federal corporations, it is hard to see why British Columbia should go in the other direction.[2]

9. *Are there other situations in which an individual's information should be obscured other than the scenarios described above?*

As is noted elsewhere in this submission, we are of the view that the arguments in favour of a public registry do not outweigh the arguments against one. We fully expect that mischiefs and harms not contemplated here or in any other submission would result from the creation of a public registry. However, if there will be a public registry, there should be a broader discretion to obscure information in the registry, so that it is not necessary to amend the legislation to respond where such mischiefs and harms are identified.

VERIFYING BENEFICIAL OWNERSHIP INFORMATION

11. *If there were a cost to search the database, would that change the way you interact with the beneficial ownership database?*

Currently in the province, all publicly searchable databases containing personal information (e.g. the land title registry, the BC Company Registry, etc.) have a search cost. This is reasonable to not only fund the maintenance of the registry, but more importantly, to provide a minimum threshold barrier to access. This serves as a disincentive for individuals who seek to access private information about other individuals based on nothing more than curiosity.

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[1] *Business Corporations Act*, s. 111

[2] We note that there is arguably better support for requiring information about citizenship under LOTA, since citizenship is relevant to the application of the Foreign Buyer's Tax under the *Property Transfer Tax Act*. No equivalent consideration has been identified for the transparency register.

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14. How would a government-maintained registry of trusts impact your operations?

As stated in the White Paper, a government-maintained registry of trusts (a "**Potential Trust Registry**") would be a tremendous shift in how BC regulates trusts, as there is currently no registry.

Such a registry would have a very significant impact on the operations of professionals who provide ongoing services to the trustees of trusts.

As stated in the White Paper:

> *Disclosure simplifies the tracing process for investigators when following the proceeds of crime.*

In our view, this simplification is only achieved by downloading the work of public servants and investigators onto professionals in the private sector.

Not all professional advisors are part of large organizations with teams dedicated to compliance. Most professionals are part of small businesses. Compliance with this regime would be a significant undertaking for these businesses that would interfere with the work they do to provide clients with access to justice in other ways. In particular, we are concerned about the impacts of such a registry on small town lawyers and accountants who are already struggling to adequately service their communities.

This reporting obligation will produce significant additional professional fees and filing costs for members of the public. Fees for legal services are already increasing as a direct result of the *Land Owner Transparency Act* reporting obligations. These additional costs pose a further barrier to access to justice and to professional assistance in general. This will only serve to place trusts further out of reach of British Columbians who could benefit from them.

Further, in order to comply with the requirements for a trust registry, professionals who provide ongoing services to trusts would be required to monitor changes in the beneficial interests in trusts in order to report such changes to the government. We feel this would be impossible to do, as advisors are frequently not advised of trust activities. As such, this determination of beneficial interest should properly be carried out by investigators and public servants who are trained to investigate such matters.

Lastly, in our experience with other recently implemented legislation referencing beneficial ownership in trusts, attempting to apply such a regime to trusts will also be problematic. Whether it is professional advisors or members of the public attempting to comply, meeting these disclosure requirements will be nearly impossible because the proper definition of "beneficiary" is uncertain. This term cannot be easily defined, as the concept of beneficiary is, by its very nature, fluid and often indeterminable. Consider, the situation of a trust which provides that a trustee may distribute assets at his or her discretion to a list of individuals, and the trustee is free to exclude any one of the individuals entirely. Can it be said that the individuals on the list truly have anything of value? This example highlights the challenges and senselessness of requiring disclosure of most beneficial interests in trusts where individuals do not have control and may well not even receive a benefit.

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15. Should the public have access to a government-maintained registry of trusts? Why? Why not?

STEP Canada feels very strongly the public should not have access to a government-maintained registry of trusts. In our submission, there is little good policy reason for making the information collected available to the public. Indeed, we are of the opinion that the opposite is the case.

There are numerous reasons, aside from money laundering, that a person might have to keep their trust arrangements private. For example:

1. Disclosure of a person's trust relationship might be detrimental to his or her family dynamic.
2. Disclosure of a person's trust relationship might be detrimental to his or her business interests; there is no clear policy reason why a person's trust relationship should be any less deserving of confidentiality and protection than the balance in the person's bank account.
3. Vulnerable beneficiaries may be preyed upon by individuals with access to the information in a government-maintained registry of trusts.

In our experience, as professional trust and estates advisors, clients who employ trusts for money laundering purposes are very few and far between. These situations are extremely rare, and most qualified advisors would refuse to act if they believed that a transaction was suspicious.

The public is not responsible for administering or enforcing laws related to tax and money-laundering and the government has not cited any support for a publicly accessible government-maintained registry of trusts in the White Paper. If we are to assume that the reasons for a publicly accessible government-maintained registry of trusts are the same as those provided for a publicly accessible government-maintained transparency registry, then the reasons include:

1. giving businesses, customers and investors the opportunity to know with whom they are dealing;
2. certain Canadian entities are interested in this information because they have know your client requirements;
3. full access deputizes every member of the public to act as verifiers of the information

(as set out on pages 13 and 14 of the White Paper).

We will deal with each of these in turn.

Giving businesses, customers and investors the opportunity to know with whom they are dealing

In our submission, the above reasons are not compelling reasons for a publicly accessible government-maintained registry of trusts. The simple assertion that a publicly accessible government-maintained registry would allow businesses, customers and investors to know with whom they are dealing is not sufficient reason to publicly disclose personal information. Legally, such people are dealing with the trustees, so the identity of the beneficiaries should not be relevant.

Assisting Canadian entities with know your client requirements

Furthermore, the fact that certain Canadian entities have know your client requirements may support the conclusion that a publicly accessible government-maintained registry of trusts is

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unnecessary and potentially redundant. For example, the White Paper cites BC's Law Society Rules 3-98 to 3-109 as an example of a requirement to identify clients and verify their identities. These rules are aimed at reducing the incidence of money laundering and already require lawyers practicing in BC to determine the identity of their clients and the source of funds used in financial transactions. Therefore, a publicly accessible government-maintained registry of trusts is not required for lawyers to protect against attempts to use their services to launder money. It cannot be good policy to enact legislation that mandates a significant intrusion into the privacy of numerous individuals to help third parties that already have mandates to identify clients. Furthermore, as stated above, in order to fulfil their professional and regulatory requirements, lawyers and financial institutions would not be free to rely on a registry of self-reported beneficial ownership information without further testing the veracity of the data. Therefore, the data available from the registry would not be conclusive proof of the information required by lawyers and financial institutions to fulfil their obligations. Lastly, the information required to be disclosed in the transparency register does not directly align with the know-your-customer obligations and so simply accessing a transparency register through a public registry does not result in an easier or less time-consuming method of fulfilling these obligations.

Deputizing members of the public to act as verifiers of the information

Lastly, we wish to express deep concern that full access will not simply deputize every member of the public to act as a verifier of the information but will grant every member of the public information that can be misused. We do not believe that personal information such as a person's citizenships or residency status should be matters of public knowledge. Assuming that each member of the public will be deputized to ensure the accuracy of the information ignores the risk that members of the public will use this information to discriminate based on citizenship or prey on vulnerable individuals. This risk is especially great, given that trusts are often used to provide for vulnerable persons who are not capable of managing the assets that are being held in trust for their benefit.

If the registry were to be made available to the public, there would need to be extensive legislative provisions governing the process by which individuals could apply to have their information omitted. At this time no specific mechanism has been proposed to omit or obscure the information of individuals in relation to a registry of trusts. We appreciate that the White Paper states (on page 15) that if a publicly accessible registry of company beneficial ownership is implemented, there will be a mechanism to obscure the information of vulnerable individuals, as was done with the *Land Owner Transparency Act*. As noted above, we are concerned about the ability of such a mechanism, to appropriately protect the personal information of vulnerable people other concerned persons. We are similarly concerned about the ability of individuals to obscure or omit information from a publicly accessible registry of trusts. In our view, a determination of which individuals' information should be omitted or obscured should not be left to the discretion of any individual government appointee and should not be limited to vulnerable individuals. There must be a thorough review process that allows concerned individuals to object to any determination in way that ensures fairness and due process.

STEP Canada has previously outlined its concerns regarding the limited tools provided to vulnerable people to obscure or omit information pursuant to the *Land Owner Transparency Act* (see the Response of STEP Canada to the Land Owner Transparency Act White Paper – June 2018) and we wish to express concern that if a government-maintained registry of trusts is addressed in a similar way, as the White Paper suggests it may be, then the government-maintained registry of trusts will suffer from the same issues, as outlined in the LOTA Submission.

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Again, the public is not responsible for administering or enforcing laws related to tax and money-laundering. The public does not receive training to do so, nor is the public accountable to professional bodies that reprimand unacceptable behaviour. In our submission it is not appropriate to deputize every member of the public to act as verifiers of personal information.

16. If a registry of trusts is created, what would be an appropriate consequence for noncompliance?

STEP Canada's submission is that a registry of trusts should not be created. There is no appropriate consequence for non-compliance, as disclosure of personal information to create a public registry of trusts is inappropriate.

Several members of STEP Canada's Vancouver Branch and Okanagan Chapter participating in discussions concerning our submission and contributed to its preparation. The members were:

Ian Worland (Legacy Tax & Trust Lawyers)
Kate Marples (Legacy Tax & Trust Lawyers)
Alison Oxtoby (Balmains Law Corporation)
Jennifer Eshleman (Balmains Law Corporation)

We would be pleased to discuss our comments with you at your convenience.

Yours very truly,

Pamela Cross
Chair, STEP Canada
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Timothy Matthews
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Stewart McKelvey

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