

## ***Livestock Identification and Commerce Act – Frequently Asked Questions (FAQs)***

### **Buyers' Protection**

What is Buyers' Protection?

A statutory provision will be added to the legislation to protect buyers of Alberta livestock from claims by previous owners or security interest holders.

A buyer who has actual knowledge of the seller's security interest in the livestock or who did not issue payment according to the lien declaration on the manifest will not be eligible.

Also, if the Act requires the livestock to be inspected, the inspection must occur in order to be eligible for the protection.

Will the lien-security declaration on the manifest be mandatory?

The lien-security declaration on the manifest will be mandatory. A seller will be required to identify the lender holding a lien or security in the livestock. As part of their due diligence, buyers are expected to pay according to the manifest including making the cheque payable jointly to the brand holder and lender holding the security interest when a lien is declared.

Who is eligible?

Any Albertan, Alberta licensed livestock dealer or Alberta registered corporation that is supplied livestock from another Albertan or Alberta registered corporation will be eligible.

The transaction must be made in Alberta and by parties who are dealing at arm's length in order to be eligible for protection.