MESSAGE FROM THE CHAIR:
COMMERCIAL FINANCIAL SERVICES COMMITTEE

By Robert A. Zadek
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rzadek@buchalter.com

OK. I admit to pangs of nostalgia as my term as your Chair draws to a close (my tenure ends this year). This may very well be my last message to you.

I suppose I should tout the events at the Spring meeting, to increase attendance, but that may be pointless since by the time you read this piece, the meeting may have ended. If I remember from my college course in marketing, it is somewhat of a waste of time to advertise an event after it

MESSAGE FROM THE CHAIR:
UNIFORM COMMERCIAL CODE COMMITTEE

By Linda J. Rusch
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I hope you all are planning to attend the Spring meeting in Philadelphia. As you can see by the schedules of committee meetings and programs reprinted in this newsletter, we have a full slate of interesting and time topics to explore. The UCC Committee is also sponsoring or cosponsoring the following programs:

March 22, 10:30 to 12:30, “Electron Commerce: Just do Them” Ben Beard, Chair

Our meeting in New Orleans was very good. Nothing warms my heart more than smiling, eating, learning lawyers, and there was plenty of that. We were able to meet with and learn from representatives of the IRS, learn about financing boats and planes, and Multi-Borrower transactions. Handout material may be found on our web site.

The Annual Meeting this year will be in Chicago. Check our web site for times, places and events. We have had unusually good programs at the Annual Meeting and this year should continue that tradition. I do hope to see you all there.

Please remember to use the Survey of Commercial Law pages and the Commercial Finance Calendar pages on our home page. Thanks to Mike Maglio for the latter and Mssrs. Dave Willenzik, Brian Hulse and Jim Prior for their yeomanlike work on the former.

Thanks for your support and interest.

March 23, 8:00 to 10:00,"Getting ready for Revised Article 9" Ed Smith and Steve Weise, co-chairs

March 24, 10:30-12:30, "Commercial Law Developments" Steve Weise and Jeff Turner, co-chairs

The UCC Committee is meeting from 2 p.m. on Thursday, March 22 and will hear presentation on the revisions to UCC Article 3, 4 and 4A and on proposed truncation rules during that meeting.

I continue to be amazed at the wealth of knowledge and energy that our members bring to the tasks of the various subcommittees and task forces. The effort of numerous individuals devoted to improving commercial law and to educating members of the bar concerning the ongoing UCC revisions is what makes the UCC Committee an exciting and vibrant committee. Come join us in Philadelphia!

Thanks for your support and interest.
Commercial Financial Services Committee or the Uniform Commercial Code Committee. If you wish to comment on the contents, please write to the Commercial Financial Services and Uniform Commercial Code Committees, Attn: Commercial Law Newsletter, American Bar Association, Section of Business Law, 750 North Lake Shore Drive, Chicago, IL 60611.

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TRANSITION FLOWCHART FOR REVISED UCC 9

Steven O. Weise

Heller Ehrman White & McAuliffe LLP

Los Angeles, CA
Revised UCC Article 9: Staying Perfected Through the Transition

Steve Weise; sweise@hewm.com
January 1, 2001

Legend: A9 = Article 9; RA9 = Revised A9; FS = Financing Statement; Old FS = FS filed under old A9; New FS = FS filed under RA9 rules (when appropriate method of perfection under RA9); CS = Continuation Statement; IFS = Initial Financing Statement

[Flowchart diagram showing decision tree for perfection of financing statements under Revised UCC Article 9, with decision points and outcomes for different scenarios.]
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RUMORS OF DEPRIZIO'S DEATH WERE NOT GREATLY EXAGGERATED (IN THE NINTH CIRCUIT)

By Maria A. Staiger
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_DePrizio_ should be declared dead, in spite of the fact that he was recently seen haunting a mobile home in Oregon. In June of 1999 the U.S. Bankruptcy Court for the District of Oregon in _In re Williams_, 234 B.R. 801 (Bankr. D.Or.1999), upheld the claim of the trustee that an alleged preferential transfer (involving the security interest of the defendant in the debtor's mobile home) was for the benefit of the debtor's wife, an insider, and that the trustee could avoid the perfection of the security interest under the "_DePrizio rationale._" See Murray, _DePrizio Lives (in a Mobile Home in Oregon)_ , 18-Oct. Am. Bankr.Inst. J. 14 (1999).

The _DePrizio_ rule holds that a transfer to an outside creditor, that benefits an insider, is subject to the one-year reach-back period for preference avoidance in bankruptcy. _Levit v. Ingersoll Rand Financial Corp. (_"DePrizio"_), 874 F.2d 1186 (7th Cir. 1989)_ . Every Circuit that considered the issue followed the _DePrizio_ rule. _Official Unsecured Creditors Committee of Sufolla, Inc. v. U.S. National Bank of Oregon (_In re Sufolla, Inc._) 2 F.3d 977, 986 (9th Cir. 1993); Southmark Corp. v. Southmark Personal Storage, Inc. (_In re Southmark Corp._), 993 F.2d 117, 120 (5th Cir. 1993); _Ray v. City Bank & Trust Co. (_In re C-L Cartage Co._), 899 F2d 1490, 1495 (6th Cir. 1990); _Lowrey v. First National Bank of Bethany (_In re Robinson Brothers Drilling, Inc._), 97 B.R. 77, 82 (W.D. Okla. 1988), aff'd, Manufacturers Hanover Leasing Corp. v. Lowrey (_In re
Robinson Bros. Drilling, Inc.), 892 F.2d 850 (10th Cir. 1989). See also Travelers Insurance Co. v. Cambridge Meridian Group, Inc. (In re Erin Food Services, Inc.), 980 F.2d 792, 799 (1st Cir. 1992) ("for present purposes, we assume, without deciding, that DePrizio correctly interprets the legislative directives to be applied to the present claim"); Harman v. First American Bank of Maryland (In re Jeffrey Bigelow Design Group, Inc.), 956 F.2d 479, 483 n.2 (4th Cir. 1992).

Congress sought to overrule the DePrizio line of cases in 1994 by amending 11 U.S.C. §550 as follows:

If a transfer made between 90 days and one year before the filing of the petition—

1. is avoided under 547(b) of this title; and
2. was made for the benefit of a creditor that at the time of such transfer was an insider; the trustee may not recover under subsection (a) from a transferee that is not an insider.

11 U.S.C. §550(c)(emphasis added). "This section was adopted at the instance of banks and other commercial lenders to overrule a line of cases which had held that payments to a lender guaranteed by an insider of the debtor were deemed made for the benefit of the insider and could be avoided under section 547 within the one-year statute of limitations applicable to insiders." In re Krueger, 2000 WL 895601, 4, (Bankr. N.D. Ohio) citing Levit v. Ingersoll Rand Financial Corp., 874 F.2d 1186 (7th Cir. 1989). The relevant legislative history categorically states that:

This section overrules the DePrizio line of cases and clarifies that non-insider transferees should not be subject to the preference provisions of the Bankruptcy Code beyond the 90-day statutory period.


Our legislation overrules the DePrizio line of decisions and clarifies congressional intent that non-insider transferees should not be subject to the preference provisions of the Bankruptcy Code beyond the 90-day statutory period. Our aim is to encourage commercial lenders and landlords to extend credit to smaller business entities.


Notwithstanding the clear legislative history to the contrary, many commentators have argued that the 1994 amendment to 11 U.S.C. §550 was only a partial fix in that the word "recover" might be construed to apply only to possessory transfers leaving non-possessory transfers subject to the DePrizio rule and thereby extending the reach-back period to one year for transfers subject to an insider's guaranty. See, e.g. Josephson, The DePrizio Override, 4 June Bus. L. Today (June1995); Murray, DePrizio Lives (in a Mobile Home in Oregon), 18-Oct. Am. Bankr.Inst. J. 14 (1999); and Tracht, Insider Guaranties in Bankruptcy: A Framework for Analysis, 54 Miami L. Rev. 497 (2000). Several bankruptcy courts have followed this line of

To justify disregarding congressional intent and to bolster arguments that a "recovery" under 11 U.S.C. §550 is different from an "avoidance" under 11 U.S.C. §547 proponents argue:

[t]he Supreme Court has made it clear that in questions of statutory interpretation, the plain meaning of the statute is to be given effect. When a statute is clear (i.e. non-ambiguous) recourse to legislative history is not appropriate."

In re Williams, 234 B.R. at 805, citing United States v. Ron Pair Enterprises, Inc., 489 U.S. 235, 109 S.Ct. 1026 (1994). However, Ron Pair actually dictates where congressional intent is clear and contrary to a literal reading, congressional intent should control:

The plain meaning of legislation should be conclusive, except in the "rare cases [in which] the literal application of a statute will produce a result demonstrably at odds with the intentions of its drafters." Griffin v. Oceanic Contractors, Inc., 458 U.S. 564, 571, 102 S.Ct. 3245, 3250, 73 L.Ed.2d 973 (1982). In such cases, the intention of the drafters, rather than the strict language, controls.

United States v. Ron Pair Enterprises, Inc. 489 U.S. at 242, 109 S.Ct. at 1031. As indicated above, the DePrizio rule has remained alive following the 1994 amendments in cases where a non-possessory interest is avoided and the trustee or debtor-in-possession argues there is no need for a "recovery" because the property interest, once avoided, is automatically preserved for the benefit of the estate under 11 U.S.C. §551. Thus the former holder of the non-possessory interest is not entitled to the benefits afforded in section 550. This appears to be one of those "rare cases in which the literal result is demonstrably at odds with the intention of its drafters." Id.

In spite of popular opinion to the contrary, the argument that 550 only applies to possessory interests should fall on deaf ears in the Ninth Circuit because the Ninth Circuit has already held that an owner of an avoided non-possessory interest can invoke the benefits of section 550. Black & White Cattle Co. v. Granada Cattle Services, Inc., (In re Black & White Cattle) 783 F.2d 1454 (9th Cir. 1985). Although Black and White Cattle involved section 550(d) [now section 550(e)] and not 550(c) there is absolutely nothing in the legislative history or elsewhere indicating that the word "recover" has a different meaning when used in the various subparts of section 550. In re Black & White Cattle reversed a bankruptcy court decision based on the same rationale now urged by various bankruptcy courts and commentators who argue that the DePrizio is alive and kicking. The Ninth Circuit expressly held in 1985 that the owner of an avoided non-possessory interest could invoke the benefits of section 550. Thus, section 550 applies even when the plaintiff is merely seeking to avoid a transfer under section 547 and not to recover money or property under section 550.

Black & White Cattle involved cattle fattened, cared for and in possession of the debtor, but owned by investors. The bankruptcy court held that the investors’ title to the cattle was avoidable, and further denied the investors the benefit of an improvement lien for feed and other costs under section 550. The bankruptcy court ruling was based on the fact that the
debtor always had possession of the cattle, and the debtor did not need to resort to section 550 to "recover" the cattle. The Ninth Circuit reversed, and ruled that the benefits of section 550 were available to the investors even though their interest was merely avoided and the debtor did not seek to "recover" the actual cattle from them. The holding in Black & White Cattle continues to be the controlling law in the Ninth Circuit.

Amazingly, the holding in Black & White Cattle has been ignored by the majority of courts addressing the DePrizio issue following the 1994 amendments. For example, the court in In re Williams, 234 B.R. 801 (Bankr. D.Or.1999), even though situated in the Ninth Circuit, never mentions Black & White Cattle in its decision. The court in Williams bases its holding primarily on the conclusion that the word "recover" in section 550(a) means "recovery of possession." With all due respect to Judge Radcliffe, it seems the rationale in Williams is flatly inconsistent with the holding in Black & White Cattle, which is the controlling law of the Ninth Circuit. Inspection of the Williams' mobile home should have revealed that although DePrizio's name was on the mailbox, a Black & White cow was in the living room. As Judge Snow speculated in Helbling v. Krueger (In re Krueger), 2000 WL 895601 (Bankr. N.D.Ohio), it appears Black & White Cattle was not brought to the Williams court's attention.

In a motion on this issue in In re Lacamas Creek Enterprises, No. 00-38644, Bankr. W.D.Wa., argued February 7, 2001--decided February 15, 2001, Judge Snyder held that: (1) the DePrizio rule was abrogated when Congress amended 11 U.S.C. §550 in the Bankruptcy Reform Act of 1994; (2) Black & White Cattle is controlling in the Ninth Circuit; and (3) section 550 applies in possessory and non-possessory avoidance actions. Bruce J. Borrus and Maria A. Staiger of Riddell Williams, P.S., represented Commercial Portfolio Management Inc., the creditor. At the time of this publication it is unknown whether or not Judge Snyder's decision in In re Lacamas Creek will be published.

Thus, although DePrizio is "sighted" almost as often as Elvis, the doctrine, like the man, is dead and should finally be given a proper funeral and allowed to rest in peace (at least in the Ninth Circuit). Those of us representing borrowers and commercial lenders should quit arguing about DePrizio waivers and instead acknowledge that Congress, with some earlier help from the Ninth Circuit, long ago issued DePrizio's death certificate.

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**BUSINESS LAW SECTION SEEKS FELLOWS**

By Heidi M. Staudenmaier
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Phoenix, AZ
hstaudenmaier@swlaw.com

New members are the lifeblood of every organization, and the Section of Business Law is no different. For years, members have joined the Section as their practices began to focus more exclusively on business, often in their late thirties and early forties. Recent law graduates tend not to identify themselves as "business lawyers" but to focus on litigation, or a narrower subspecialty such as tax. The problem is not so much with the nature of their practices—the
practice of business law has been booming in recent years. It’s more a matter of developing a sense of what business lawyers do, and how the Section can help.

As a result, the Section of Business Law has not always experienced the growth that we wanted among younger lawyers who practice primarily or exclusively in areas that fall within our scope. To alleviate that situation, and to assure the Section a strong and steady supply of future leaders, Jim Cheek, past chair of the Section, developed the Business Law Fellows program in 1998. Through this program, the Section has reached out to leaders in the ABA Young Lawyers Division, and offered them access to the opportunities for personal and professional development that the Section can provide.

The Business Law Fellows program has proved to be a success, now in its fourth year. The Fellowship appointment is for two years. Five new Fellows are selected each year.

The goal of the program is to give active members of the Young Lawyers Division an opportunity to become involved in the substantive work of the Section, to develop future leaders of the Section, and to enhance knowledge about the work of the Section among members of the Young Lawyers Division.

To be considered for selection, a person must be a member of the Section of Business Law who is also an active member of the Young Lawyers Division (or an active member who has aged out within the last three years); candidates must demonstrate significant interest and achievement in an area of business law that coincides with the work of a substantive Section Committee.

Each Fellow is assigned a Committee and a mentor to work with during his or her years of service. The Section leadership has committed to provide funding so Fellows may attend Section meetings and to involve the Fellow in the substantive work of the Committee to which the Fellow is assigned, and each mentor will work to maximize the opportunities for participation and professional development.

In return, the Fellows make the following commitments to the Section:

1. To attend the Spring and Annual meetings of the Section, as well as any stand-alone meetings of the Committee to which the Fellow is appointed;

2. To remain involved in the activities of the Young Lawyers Division (or be aware of the activities if the Fellow has aged out of the Young Lawyers) and to identify substantive areas of common interest where members of the Young Lawyers Division can participate in the work of the Section;

3. To work with the Young Lawyers Division Liaisons in recruiting members to join the Section, with a specific goal for each Fellow of recruiting no fewer than five persons in each year to participate in the work of the Section;

4. To work with the Young Lawyers Division Liaisons to expose members of the Young Lawyers Division to the benefits of Section membership, including the planning of joint social and substantive programs at the Annual Meeting;

5. To report to the Section Council and the Young Lawyers Division Executive Council on their
activities within the Section;

6. To make a current commitment to continue active involvement at the Committee level in the Section after the Fellowship is completed; and

7. To act as a mentor to new Business Law Fellows and other Young Lawyers Division members recruited into the Section, and to help organize an annual Fellows alumni event to be held at the Spring meeting of the Section.

The selection of Fellows is a three-stage process. First, the candidate must be nominated by a member of the Young Lawyers Division or the Section. The candidate must be a lawyer practicing business law who is active in the ABA Young Lawyers Division at the local, state, or national level. Second, the candidate must complete an application describing his or her practice, involvement in the Young Lawyers, professional goals, and plans for the Business Law Fellows program. Applications are then reviewed by the Co-Chairs of the Fellows program, who then make recommendations to the Section Chair.

Co-Chairs of the Fellows program, Heidi McNeil Staudenmaier and Barbara Mendel Mayden, are pleased with the results of the program to date and anticipate its success to continue. Staudenmaier was a member of the first class of Fellows appointed in 1998. Both Mayden and Staudenmaier are former Young Lawyers Division officers.

In the past, the UCC and CFS Committees were fortunate to have been assigned fellows Michele Druce and Kathleen Hopkins.

If you have any questions about the Fellows program, have a Young Lawyer whom you would like to nominate to the next class of Fellows, or would like to sign up to be a mentor to a future Fellow, please contact Heidi McNeil Staudenmaier (602/683-6366 or hstaudenmaier@swlaw.com) or Barbara Mendel Mayden (615/742-6208 or bmayden@bassberry.com).

Nominations must be submitted to Staudenmaier by no later than April 1, 2001.

Deadline for the submission of applications is May 15, 2001.

Appointments will be announced in early August, 2001.

Keep your eye on these rising Section stars! Watch for the Fellows at Section meetings, programs, and events, and welcome them.

SUBCOMMITTEE REPORTS

UCC ARTICLE 1 SUBCOMMITTEE
The Subcommittee on UCC Article 1 will be meeting at 9:00 Saturday morning, March 24, 2001 in Philadelphia at the Spring Meeting of the Business Law Section. The meeting is open to everyone. The focus of the meeting is a discussion of proposed revisions of Article 1, including consideration of a number of timely and important issues. Among the topics which will be the subject of lively debate are the following:

**ELECTRONIC COMMERCE:** Should there be a definition in Article 1 that will be used consistently throughout the UCC?

**CONSUMER TRANSACTIONS:** Should the definition of "consumer" as set forth in Article 1 be uniform throughout the UCC?

**GOOD FAITH:** The change to a broader standard -- "honesty in fact and the observance of reasonable commercial standards of fair dealing" is generally consistent throughout the UCC except for Article 5. Is this appropriate? How broad should the standard be?

**FORUM SELECTION:** Should choice of forum be considered along with choice of law?

**CHOICE OF LAW:** Should this controversial provision, which allows parties to choose law of a jurisdiction unrelated to their transaction (with an exception for consumer transactions) be revisited?

**UNIDROIT PRINCIPLES:** The UCC Article 1 Subcommittee has been concerned about the parties' ability to adopt by agreement international rules or principles that do not have the force of law (e.g., the UNIDROIT principles). Although the issue has been slated for several meetings, the Subcommittee has not yet been able to consider it. If there is time at the spring meeting, we will take up the issue, as mentioned in the Newsletter that was published a few weeks ago. The report published in the June 2000 Newsletter elaborates a bit more:

"Important multinational projects such as the UNIDROIT Principles for International Commercial Contracts (Rome 1994), for instance, are purportedly available for adoption by agreement, but some of those principles are arguably displaced by the Code. Compare, e.g., UNIDROIT art. 1.2 (no writing required) with UCC §§1-206, 2-201 (statutes of frauds); cf. UNIDROIT art. 1.4 (preserving mandatory rules of "national, international or supranational origin"); Draft §1-301 note a (parties may choose UNIDROIT principles by agreement under Draft §1-302).

"On the other hand, the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980) has force of its own as a self-executing treaty; it therefore preempts the UCC rather than the other way around. However, the parties may opt out of the Convention
and opt in to the UCC. If parties opt out of the Convention and opt in to the UCC, does the reference to "law merchant" in current Section 1-103 trigger resort to the UNIDROIT Principles or similar multinational projects for supplementation of UCC rights and remedies? The potential for the coordination of these international issues is the subject for subcommittee discussion.

Feel free to get in touch with me for further information. We would be very glad to welcome more participants.

ARTICLE 8 (INVESTMENT SECURITIES) SUBCOMMITTEE

By Lynn Soukup
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Article 8 (Investment Securities) subcommittee is presenting a joint program with the Developments in Business Financing Committee on Friday March 23 at 10-12 on "Financing Transactions Involving Investment Property". In addition to providing an overview of the law in Article 8, the program will also discuss the changes being made by Revised Article 9 (including all the new section references that we need to learn). A securities account control agreement -- including updates for the changes being made by Revised Article 9 -- will be discussed and we will welcome "war stories" on negotiating and enforcement of such agreements. We will also have a discussion of legal opinions for investment property financing transactions. Our panelists will be Prof. Walter Taggart, Howard Darmstadter and Penny Christophorou.

For the annual meeting we are working on a program on how Article 8 can affect other transactions -- such as the opinions that can be given in secondary offerings of securities. All suggestions of issues to cover in the annual meeting program (and other committees that we can "team" with) are appreciated.

TASK FORM ON FORMS UNDER REVISED ARTICLE 9 OF THE UCC

By Jonathan C. Lipson
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Jonathan Lipson has taken over as chair of the Task Force from Corinne Cooper, who did a terrific job in organizing the early stages of this project. If anyone has forms that they have not yet sent to Corinne, please send them to Jonathan as soon as possible. Please also include (i) a separate annotation linking the form to the Revision, and (ii) a brief biography. If you did not volunteer to prepare a form, please let Jonathan know as soon as possible which form or forms you wish to prepare (a list of some forms appears immediately below). Finally, if you know of others interested in preparing forms for this project, or otherwise contributing to it - by,
e.g., editing forms and annotations -- please let Jonathan know who they are, so the Task Force can contact them directly.

The following is a proposed list of forms and the status of submissions. Of course, the Task Force welcomes additions and corrections to this list:

1. Annotated security agreement: general consumer.
2. Annotated security agreement: health care receivables.
3. Annotated security agreement: fixtures.
4. Annotated security agreement: goods attached to realty.
5. Annotated security agreement: letter of credit rights.
6. Annotated security agreement: payment intangible.
7. Annotated security agreement: commercial tort claim.
8. Annotated security agreement: general intangibles.
10. Annotated security agreement: agricultural lien (submission promised).
11. Annotated security agreement: deposit account and payment intangibles.
14. Amendment.
15. Continuation statement.
17. Airplane security interest documents, although not governed by Art. 9.
18. Asset securitization forms.
19. Third-party opinion letters.
20. Assignment of LC Proceeds (submission received).


25. Bailee Acknowledgement (9-313(c))

26. Financing Statement - "In lieu" transitional filings.

27. Notification to Account Debtor (9-406).


30. Notification of Acceptance of Collateral (i.e., strict foreclosure) (9-621).

31. Complaint/Request for Judicial Approval of Disposition of Collateral (9-627(1)).

32. Client letter.

33. Perfection Opinion (submission promised).

34. Real Estate-related Collateral Security Agreement and Financing Statement.

35. Consumer and Commercial Enforcement Forms (Disposition Notices; Complaint) (submission received).

36. General Security Agreement; Introduction (security agreement submission received).


It should go without saying that the impending effective date of the Revision makes this project urgent. We would like the book to hit the stands in late spring. Thus, the Task Force would like to receive forms as soon as possible.

Those who contribute forms will be asked to sign a contributor's agreement, which includes an

http://www.abanet.org/buslaw/cfs/newsletters/2001_02/cln0301.html

12/2/2003
assignment of the copyright to the ABA. There is no compensation for this project; we do it for the glory.

The ABA asks that you not offer the annotated forms to any other publisher, however, in-firm programs and mailings, and CLE program use will be accommodated.

Finally, since Jonathan is also the chair of the Publications Subcommittee, he will devote at least half of the regular meeting of that subcommittee in Philadelphia to this Task Force. If you are in Philadelphia in March, please plan to attend that meeting - Thursday, March 22, 2001 from 4:00 to 5:30.

**SUBCOMMITTEE ON SALES OF GOODS**

By *C. Robert Beattie*, Chair
Oppenheimer Wolff & Donnelly LLP
Minneapolis, MN
rbeattie@owdlaw.com

The subcommittee meets from 1:00 p.m. to 2:00 p.m. on Saturday, March 24 at the Spring Meeting in Philadelphia. We will have an update on the Article 2 enactment process and focus on proposed Section 2-103 dealing with scope, and in particular, the thorny issue of the application of UCC Article 2 and UCITA to goods which incorporate computer programs.

**INTERNATIONAL FINANCIAL SERVICES SUBCOMMITTEE OF THE COMMERCIAL FINANCIAL SERVICES SUBCOMMITTEE**

By *Marcy S. Cohen*, Co-Chair
Westdeutsche Landesbank Girozentrale (WestLB)
New York, NY
marcy cohen@westlb.com

By *Michael Carsella*, Co-Chair
LaSalle Business Credit, Inc.
Chicago, IL
michael.carsella@abnamro.com

The International Financial Services Subcommittee is developing a website that will serve as a more effective means of communicating with existing and potential members. Suggestions as to the content and workings of the site, and volunteers to develop and maintain it, are greatly appreciated.

Our next meeting is scheduled during the Business Law Section’s Spring Meeting in Philadelphia, March 22-24, 2001. In keeping with prior sessions, this will be a joint meeting with the International Commercial Law Subcommittee of the UCC Committee. It is currently set
for Friday, March 23, 2001 from 9:00 a.m. to 10:30 a.m. In addition to general business matters, we will have as a guest speaker Patti Epstein, Morgan Stanley, who will discuss recent developments in cross-border securities. Anyone with suggestions on other topics to be covered at the meeting should contact the Subcommittee co-chairs.

Also at the Spring Meeting the Subcommittee will assist the Commercial Financial Services Committee in hosting a Committee Forum entitled *Protecting Goods In-Transit: Article 7, Revised Article 9 and INCOTERMS 2000*. As US buyers more frequently purchase foreign goods without the protection of letters of credit, and lenders increasingly have decided to finance such goods, the importance of the underlying law and its numerous perils are of greater concern to lawyers. We look forward to seeing you at both the subcommittee meeting and the Forum.

**Subcommittee on Programs and Seminars**

*By Christopher J. Rockers*

Husch & Eppenberger, LLC

Kansas City, MO

Christopher.Rockers@husch.com

The Spring Meeting of the Business Law Section will be held in Philadelphia, Pennsylvania and the Commercial Financial Services committee will meet from March 22 through 24, 2001. Once again we have a full slate of meetings, including very exciting Programs and a Committee Forum.

Once again, we will have the ever popular *Commercial Law Developments* program by Steve Weise and Jeff Turner (Saturday morning). This Program has become indispensable to commercial lawyers looking to stay abreast of current developments. Steve and Jeff will recap all of the important developments in commercial law for year 2000.

On Friday morning (March 23, 2001 at 10:30 am), the Committee will sponsor a Program on venture capital financing led by Jim Schulwolf, titled *Venture Capital and Mezzanine Finance 101 (or VC for Dummies)*. In today’s world, corporate and commercial lawyers often encounter transactions involving multiple layers of investment and financing provided by sources with different interests, buzzwords and, in some cases, regulatory constraints. Jim will be joined by leading practitioners and players to present an inside look and explanation of venture capital investments and mezzanine finance.

Mike Carsella and Marcy Cohen, Co-Chairs of the Sub-committee on International Financial Services will present a committee forum on Friday, March 23, 2001 at 3:30 titled *Protecting Goods In-Transit: Article 7, Revised Article 9 and INCOTERMS 2000*. Protecting goods in-transit has always been important to businesses buying and selling goods across borders, the letter of credit banks supporting them and lenders financing them. The forum promises to be an excellent review of forms, procedures and substantive information on an area of law important to every commercial finance lawyer.

All of our Sub-committees will meet at the Spring Meeting, and several are presenting great substantive topics. For example, the Sub-committee on Loan Workouts will provide a panel discussing how Revised Article 9 will change the dynamics of workouts. The Sub-committee
meetings present a terrific opportunity to get involved.

Our Programs and Committee Forum will continue the Committee’s commitment to provide programs of interest to commercial finance lawyers of all experience levels, and we are currently developing programs and topics for the Committee meeting at the ABA Annual meeting in Chicago (August 3-5, 2001) and the Annual Convention of the Commercial Finance Association in San Francisco (October 24-26, 2001). At the CFA, the Committee will present a panel on workouts and managing problem loans.

If you have any topics or issues that you would like the Committee to address, or are interested in presenting to the Committee or any of its Sub-committees, please contact me.

JOIN THE UCC E-MAIL DISCUSSION GROUP

This free discussion group, created and moderated by the editors of the UCC Reporting Service/UCC Bulletin (and sponsored by West Group), is conducted using e-mail. Once you have joined, you receive approved messages and are able to send your messages to the group. To subscribe, go to: http://lists.washlaw.edu/mailman/listinfo/ucclaw-l and follow the instructions there.

HOT NEW PUBLICATION

ORDER YOUR COPIES NOW!!!

The New Article 9, Second Edition, Corrinne Cooper, Editor, Steven O. Weise and Edwin E. Smith, contributing authors, will be available by the time you receive this newsletter.

This informative, updated, "must have" reference contains all the amendments to the text and comments of revised Article 9 made after the initial promulgation date.

It is the FIRST BOOK to be published
with the complete amended text and comments, and with all errors to the promulgated version corrected. Those who purchased a copy of the first edition will be offered the second edition at a special price, through direct mailing.

See the "Business Law Publications" column in this newsletter for ordering information, or visit the website: ababooks.org.

BUSINESS LAW SECTION
CFS AND UCC PROGRAMS DURING MIDYEAR MEETING, PHILADELPHIA
March 22-25, 2001

THURSDAY, MARCH 22

8:00 – 9:00 a.m., Thursday, March 22
Room 112A, 1st Floor
Pennsylvania Convention Center
Task Force on Simplification — Uniform Commercial Code
Topic: Current Legislative Simplification Needs
Moderator: Louis Del Duca, Chair, Dickenson School of Law, Pennsylvania State University
Speakers: Neil Cohen, Brooklyn Law School, Brooklyn, NY
Kathleen Patchel, Indiana University School of Law, Indianapolis, IN
Michael Greenwald, Philadelphia, PA
Edwin Smith, Boston, MA
Steve Weise, Los Angeles, CA
Vincent C. DeLiberato, Hamsburg, PA

9:00 – 10:00 a.m., Thursday, March 22
Room 112B, 1st Floor
Philadelphia Marriott
Task Force on State Certificate of Title Laws — Uniform Commercial Code
Chair: Alvin C. Harrell

9:00 – 10:30 a.m., Thursday, March 22
Rooms 309 and 310, 3rd Floor
Philadelphia Marriott

**Commercial and Real Estate Lending — Banking Law**

*Chair: William H. Satchell*

9:00 a.m. – noon, Thursday, March 22
Rooms 107 A and B, 1st Floor
Pennsylvania Convention Center

**Joint Meeting — Lender Liability — Loan Documentation — Commercial Financial Services**

*Topic: Sailing Through Troubled Waters Avoiding Lender Liability in Your 2001 Workouts*

Co-Chairs: Robert P. Handler, Jeffrey M. Rosenthal and Paul Burke O’Hearn
Speakers: Gerald L. Blanchard, Atlanta, GA
Lisa R. Jacobs, Philadelphia, PA
C. Edward Dobbs, Atlanta, GA

10:30 a.m. – 12:30 p.m., Thursday, March 22 Room 102A, 1st Floor
Philadelphia Marriott

**Program: Electronic Transactions: Just Do Them**

*Presented by Uniform Commercial Code Committee and International Business Law Committee*

*Program Chair: D. Benjamin Beard*

Noon – 1:00 p.m., Thursday, March 22
Room 106 A and B, 1st Floor
Pennsylvania Convention Center

**Uniform Commercial Code — Leasing**

*Chair: Lawrence F. Flick, II*

1:00 – 2:00 p.m., Thursday, March 22
Room 112B, 1st Floor
Pennsylvania Convention Center

**Task Force on Consumer Involvement — Uniform Commercial Code**

*Co-Chairs: Mark E. Budnitz and William J. Woodward, Jr.*

1:00 – 2:30 p.m., Thursday, March 22 Room 103B, 1st Floor
Pennsylvania Convention Center

**Creditors Rights — Commercial Financial Services**

*Chair: Catherine E. Bauer*
2:00 – 4:00 p.m., Thursday, March 22
Room 103C, 1st Floor
Pennsylvania Convention Center
**Uniform Commercial Code**
**Topic:** 20 Years after Prediction of a Paperless Society, What do we do with all of These Checks: Revisions to the Payment Articles of the UCC and Check Truncation Proposals
**Chair:** Linda J. Rusch
**Panelists:** Stephanie Heller, Federal Reserve Bank of New York, New York, NY
Oliver Ireland, Washington, D.C.
H. Kathleen Patchel, Indiana University School of Law, Indianapolis, IN

2:00 – 5:30 p.m., Thursday, March 22
Salon K, 5th Floor
Philadelphia Marriott
**Commercial Financial Services — Aircraft Financing**
**Chair:** James H. Hancock

2:30 – 3:30 p.m., Thursday, March 22
Room 103A, 1st Floor
Pennsylvania Convention Center
**Working Group on Healthcare Related Bankruptcy Issues — Business Bankruptcy**
**Chair:** Harold L. Kaplan

4:00 – 5:30 p.m., Thursday, March 22
Rooms 107 A and B, 1st Floor
Pennsylvania Convention Center
**Intellectual Property Financing — Commercial Financial Services**
**Co-Chairs:** Peter S. Munoz and James C. Schulwolf

4:00 – 5:30 p.m., Thursday, March 22
Room 112B, 1st Floor
Philadelphia Marriott
**Joint Meeting — Uniform Commercial Code Annual Survey, Brown Bag Programs, Commercial Law Newsletter, Liaison to Business Law Today, Liaison to CFS Subcommittee on Intellectual Property, Secured Transactions, Liaison to Committee on Dispute Resolutions, Liaison to Committee on Diversity, Liaison to Drafting Committee on Uniform Consumer Leases Act, Liaison to Pro Bono Committee, Meetings and Programs, Membership, Publications, Task Force on Internet Coordinators**
**Co-Chairs:** Car S. Bjeree, Robyn L. Meadows, Stephen L. Sepinuck, David R. Keyes, Katherine Simpson Allen, Kathleen J. Hopkins, Margaret L. Milroy, James J. Cunningham, Margo Lynn Hablutzel, Emilie Rajartnam Ninan, Michelle A. Hughes, Jill S. Gelineau, James J. Murphy, Jonathan C. Lipson, Eric H. Steele and John B. Power

5:00 – 6:00 p.m., Thursday, March 22
Salon C, 5th Floor
Committee Round-Up and First Timer’s Reception
Section Chair: Amelia H. Boss

6:30 – 8:00 p.m., Thursday, March 22
Crystal Tea Room
Wanamaker Building
Welcome Reception
Section Chair: Amelia H. Boss

7:00 p.m. - ???, Thursday, March 22
Ciboulette
Joint CFS-UCC Committee Dinner@ Ciboulette
Ticketed Event, Must Purchase in Advance!

FRIDAY, MARCH 23

7:30 – 9:00 a.m., Friday, March 23
Rooms 106 A and B, 1st Floor
Pennsylvania Convention Center
Commercial Financial Services — Agricultural and Agri-Business Financing
Chair: Brooke Schumm, III

8:00 – 10:00 a.m., Friday, March 23
Rooms 111 A and B, 1st Floor
Pennsylvania Convention Center
Program: Getting Ready for Revised Article 9
Presented by Committee on Uniform Commercial Code
Program Co-Chairs: Edwin E. Smith and Steven O. Weise

9:00 a.m. – 12:30 p.m., Friday, March 23
Rooms 106 A and B, 1st Floor
Pennsylvania Convention Center
Commercial Financial Services — Aircraft Financing
Chair: James H. Hancock

10:00 – 11:30 a.m., Friday, March 23
Rooms 110 A and B, 1st Floor
Pennsylvania Convention Center
Joint Meeting: Uniform Commercial Code — International Commercial Law
Chair: Sandra M. Rocks
and Commercial Financial Services — International Financial Services
Co-Chairs: Michael Carsella and Marcy S. Cohen

10:00 a.m. – noon, Friday, March 23
Rooms 401 and 402, 4th Floor
Philadelphia Marriott
Joint Meeting: Developments in Business Financing
Chair: Amy McDaniel Williams, and Investment Securities — Uniform Commercial Code

10:30 a.m. – 12:30 p.m., Friday, March 23
Room 103C, 1st Floor
Pennsylvania Convention Center
Program: Venture Capital/Mezzanine Finance
Presented by Committee on Commercial Financial Services
Program Chair: James Schulwolf

Noon – 12:30 p.m., Friday, March 23
Salon E Foyer, 5th Floor
Section Luncheon Reception Philadelphia Marriott
Section Chair: Amelia H. Boss

12:30 – 2:30 p.m., Friday, March 23
Salon E, 5th Floor
Section Luncheon Philadelphia Marriott
Ticketed Event, Must Purchase in Advance!
Section Chair: Amelia H. Boss

1:00 – 2:00 p.m., Friday, March 23
Room 112A, 1st Floor
Pennsylvania Convention Center
Task Force On Revised Article 9 Enactment Process
Commercial Financial Services — Uniform Commercial Code
Co-Chairs: E. Carolan Berkley and Edwin Smith

1:00 – 2:30 p.m., Friday, March 23
Rooms 110 A and B, 1st Floor
Pennsylvania Convention Center
Commercial Financial Services — Electronic Financial Services
Banking Law, Business Bankruptcy, Consumer Financial Services, Credit Unions,
Cyberspace Law, Uniform Commercial Code
Co-Chairs: Lynne B. Barr, Liz Knospe, and John D. Muller

2:00 – 3:30 p.m., Friday, March 23
Room 113B, 1st Floor
Pennsylvania Convention Center
Joint Meeting: Commercial Financial Services — Secured Lending
Chair: Jeffrey S. Turner  
Uniform Commercial Code — Secured Transactions  
Chair: Peter H. Carson

3:00 – 4:00 p.m., Friday, March 23  
Room 112A, 1st Floor  
Pennsylvania Convention Center  
Uniform Commercial Code — International Business Law — Domestic and International Business Transactions  
Co-Chairs: Shelly G. Dedmon and D. Benjamin Beard

3:30 – 5:30 p.m., Friday, March 23  
Room 103C, 1st Floor  
Pennsylvania Convention Center  
3:30 – 4:00 p.m. Committee Meeting  
4:00 – 5:30 p.m. Committee Forum: Goods On The Water and In Transit

Article 7  
Documents of Title & Bills of Lading  
Presented by Committee on Commercial Financial Services  
Program Co-Chairs: Robert A. Zadek and Steven O. Weise

4:00 – 5:00 p.m., Friday, March 23  
Room 112B, 1st Floor  
Pennsylvania Convention Center  
Uniform Commercial Code — Letters of Credit  
Chair: Janis S. Penton

4:30 – 5:30 p.m., Friday, March 23  
Rooms 108 A and B, 1st Floor  
Pennsylvania Convention Center  
Consumer Financial Services — Internet Delivery/Electronic Banking  
Chair: David B. Lipkin

7:30 p.m., Friday, March 23  
30th Street Station  
Section Dinner  
Ticketed Event, Must Purchase in Advance!  
Section Chair: Amelia H. Boss

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SATURDAY, MARCH 24

8:00 – 9:00 a.m., Saturday, March 24
Salon C, 5th Floor
Philadelphia Marriott

**Uniform Commercial Code — Scope of the UCC**
**Chair:** D. Benjamin Beard

8:30 – 10:00 a.m., Saturday, March 24
Rooms 105 A and B, 1st Floor
Pennsylvania Convention Center

**Commercial Financial Services — Real Estate Financing**
**Co-Chairs:** Steven D. Fleissig and Thomas A. Snow

9:00 – 10:00 a.m., Saturday, March 24
Room 502, 5th Floor
Philadelphia Marriott

**Uniform Commercial Code — Article 1 Review**
**Chair:** David V. Snyder

10:30 a.m. – 12:30 p.m., Saturday, March 24
Room 103C, 1st Floor
Pennsylvania Convention Center

**Program: Commercial Law Developments**
Presented by Committee on Commercial Financial Services and Committee on Uniform Commercial Code
**Program Co-Chairs:** Steven O. Weise and Jeffrey S. Turner

1:00 – 2:00 p.m., Saturday, March 24
Rooms 110 A and B, 1st Floor
Pennsylvania Convention Center

**Uniform Commercial Code — UCC Litigation**
**Topic:** Fraud as an Exception to the Economic Loss Doctrine
**Chair:** Jeffrey J. Wong

1:00 – 2:00 p.m., Saturday, March 24
Rooms 309 and 310, 3rd Floor
Philadelphia Marriott

**Uniform Commercial Code — Sale of Goods**
**Chair:** C. Robert Beattie

1:00 – 2:30 p.m., Saturday, March 24
Rooms 105 A and B, 1st Floor
Pennsylvania Convention Center

**Commercial Financial Services — Loan Workouts**
**Topic:** How Revised Article 9 Will Change the Dynamics of Workouts?
**Panelists:** Lawrence Peitzman, Los Angeles, CA
Peter S. Clark, II, Philadelphia, PA
Co-Chairs: Carolyn Galanty and Lawrence Peitzman

2:00 – 4:00 p.m., Saturday, March 24
Salon C, 5th Floor
Philadelphia Marriott

Joint Meeting:
Banking Law — Payments and Electronic Banking
Chair: Lee S. Adams
Uniform Commercial Code — Payments
Chair: Stephanie A. Heller

2:30 – 3:30 p.m., Saturday, March 24
Rooms 110 A and B, 1st Floor
Pennsylvania Convention Center

Commercial Financial Services — Meeting of Subcommittee, Vice Chairs, Working Group and Task Force Chairs
Chair: Robert Z. Zadek

3:00 – 5:00 p.m., Saturday, March 24
Salon C, 5th Floor
Philadelphia Marriott

Uniform Commercial Code — Information Licensing
Chair: Mary Jo Howard Dively

4:00 – 5:00 p.m., Saturday, March 24
Room 507, 5th Floor
Philadelphia Marriott

Uniform Commercial Code — Task Force on Article 7
Chair: William Towle

5:00 – 8:00 p.m., Saturday, March 24
Salon H, 5th Floor
Law Student Reception Philadelphia Marriott

9:00 – 12:00 p.m., Saturday, March 24
Salon K and L, 5th Floor
Spring Fling Philadelphia Marriott

SUNDAY, MARCH 25

9:00 a.m. – noon, Saturday, March 25
Salon B, Philadelphia Marriott

Open Section Council Meeting
Section Chair: Amelia H. Boss
MAILBAG AND MISCELLANY

Internet Sites Of Interest

- ABA Business Law Section:  
  www.abanet.org/buslaw
- CFS Master Calendar:  
  https://extranet.rc.com/aba/pubcalendar.asp
- ABA Joint Committee on Electronic Financial Services:  
  www.abanet.org/buslaw/efss/home.html
- UCC Revisions Drafts:  
  www.law.upenn.edu/library/bll/ulc/ulc-frame.htm
- NCCUSL Home Page:  
  www.nccusl.org
- Series of Papers on UCITA Issues:  
  www.nccusl.org/pressrel/UCITAQA.HTM
- NCCUSL Meeting Schedule:  
  www.nccusl.org/meetings.html
- Uniform Electronic Transactions Act:  
  www.abanet.org/nccusl/home.html
- UNIDROIT and UNCITRAL web pages for ongoing international commercial law projects are located at  
  www.unidroit.org/ and  
  www.uncitral.org/

CORRECTIONS

UCC COMMITTEE LEADERSHIP LIST

Subcommittee on Secured Lending

Jeffrey Turner, Co-Chair  
Kaye Scholer LLP  
Suite 1600
Article 1 - General Provisions

Latest Draft: November, 1999

Status: Drafting Committee’s next meeting is not scheduled.

UCC Committee Contact: Sarah Howard Jenkins (501) 324-9937 or Fred Miller (405) 325-4699.

Article 2 – Sales and Article 2A-Leases


Status: Drafting Committee’s next meeting February 4-6, 2000.

UCC Committee Contact: Thomas J. McCarthy (302) 892-7906.

Article 5 - Letters of Credit

Latest Revision 1995. Revised Article 5 has been adopted by 44 states.

UCC Committee Contact: James G. Barnes(312) 861-2854.

Article 7 - Documents of Title

Latest Draft: No draft.
**Status:** Drafting committee will hold its first meeting 3/9-11/2001. See Task Force Subcommittee report in this issue for more information.

**UCC Committee Contact:** Drew L. Kershen (405) 325-4784.

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**Article 8 – Investment Securities**

**Latest Revision 1995:** Revised Article 8 has been adopted by all states other than Rhode Island and South Carolina.

**UCC Committee Contact:** Sandra M. Rocks (212) 225-2780.

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**Article 9 – Secured Transactions; Sales Of Accounts And Chattel Paper**

**Latest Revision 1999:** Revised Article 9 is being presented to the states for adoption. *Listed on the next page is a state by state update, as of 3/1/01.*

**UCC Committee Contact:** Steven O. Weise (213) 244-7831.

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**Uniform Electronic Transactions Act**

**Final Version 1999:** UETA was approved by NCCUSL in July 1999 and has been adopted by at least two states.

**UCC Committee Contact:** C. Robert Beattie, (612) 607-7000

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**Uniform Computer Information Transactions Act**

**Final Version 1999:** UCITA was approved by NCCUSL in July 1999 and is available to the states for adoption.

**UCC Committee Contact:** Donald A. Cohn (302) 773-3521.

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**Uniform Consumer Leases Act**

http://www.abanet.org/buslaw/cfs/newsletters/2001_02/cln0301.html
Latest Draft: September 1999

Status: Last meeting was September 1999. Drafting Committee’s next meeting not yet scheduled.

UCC Committee Contact: Michelle Hughes (757) 499-8800.

ABA Business Law Section Publications

- **The Portable UCC: Second Edition**, edited by Corinne Cooper

  The *Portable UCC* is in a compact, convenient size, and includes the complete text of the UCC as amended through 1995, including revised Articles 5 and 8. Best of all, it has an comprehensive and easy to use subject index. (Priced from $17.95 to $29.95, depending on the number of copies.)

- **The Portable Bankruptcy Code 2000**, edited by Sally M. Henry

  This compact, up-to-date reference will provide you with quick and easy access to relevant Code and Bankruptcy Rule provisions, U.S. Trustee Guidelines, Selected Rules of Civil Procedure and Federal Rules of Evidence. (Priced from $17.95 to $29.95, depending on the number of copies.)

- **The NEW Article 9, Second Edition**; edited by Corinne Cooper; Steven O. Weise and Edwin E. Smith, contributing authors.

  This timely, handy guide provides a clear, in-depth explanation of Revised UCC Article 9, has been updated and includes with the full 1998 text and Official Comments, along with the complete text of current Article 9 (1995) for comparison. PLUS it is the first book to be published with the compete amended text and comments, including text and comments made after the initial promulgation date, with all errors to the promulgated version corrected. With chapters by Steven O. Weise, the ABA Advisor to the Revised Article 9 Drafting Committee, and Edwin E. Smith, a member of the Drafting Committee, this book has all you need, including: a plain-English overview of Revised Article 9, a checklist of issues to consider as you move to the new rules, a detailed analysis of the complex transition provisions (set out in timelines), extensive charts comparing significant provisions of current and Revised Article 9, and a comprehensive index, with particular attention to new terms and new rules. **When ordering, please note: the product code for this new edition is 5070360.**

- **The ABCs of the UCC**, Series edited by Amelia Boss

  These primers on the UCC articles are written for both practitioners and students. Each book avoids footnotes and convoluted discussions and explains just the basic UCC concepts and operation of the Code, in a simple, straightforward style. ($29.95 each for Business Law Section members; $14.95 for students.)

  **Article 1: General Provisions**, by Fred H. Miller and Kimberly J. Cilke

  **Article 2: Sales**, by Linda J. Rusch and Henry D. Gabriel

  **Article 2A: Leases**, by Amelia H. Boss and Stephen T. Whelan

  **Article 3: Negotiable Instruments and Article 4: Bank Deposits and Collections**, by Stephen C. Veltri

  **Article 4A: Funds Transfers**, by Thomas C. Baxter, Jr. and Stephanie A. Heller

Article 5: Letters of Credit, by James G. Barnes, James E. Byrne and Amelia H. Boss

Article 8: Investment Securities, by Sandra M. Rocks and Carl S. Bjerre

Article 9: Secured Transactions, by Russell A. Hakes

- Related and Supplementary Consumer Law, by Fred H. Miller and Cindy Hastie

- To order, call the ABA Service Center at 1-800-285-2221, or email: [abasvcctr@abanet.org]; or visit the website at [ababooks.org]

UNIFORM STATE LAWS SCORECARD
50 State Survey of Adoptions of Revised Official Text of the UCC\(^1\), UETA & UCITA

AS OF February 1, 2001

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\(^1\) Revised Official Text of the UCC
\(^2\) Articles 2A
\(^3\) Articles 6

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Please note that the Enactment Date does not necessarily reflect the effective date. Please refer to the applicable statute for the relevant effective date.

Our thanks to John McCabe and Katie Robinson at the National Conference of Commissioners on Uniform State Laws for their help in compiling the information above. These revisions are based on the information available as of February 1, 2001.

1. In addition to enactments noted below, (a) all states have adopted the 1995 Official Text of Article 5 of the UCC, other than Georgia (no action), Pennsylvania (Intro SB 805), Puerto Rico (no action), South Carolina (no action) and Wisconsin (Intro SB 117), and (b) all states have adopted the 1994 Official Text of Article 8 of the UCC, other than South Carolina (Intro SB 1408).

2. South Dakota has adopted only 1987 Official Text without the 1990 Amendments.

3. States which have repealed Article 6 are identified by indicating "Repeal" next to the state name; states adopting the revisions suggested in Alternative B to the 1989 Official Text are identified by indicating "Revise" next to the state name.


5. In addition to the enactments noted, Puerto Rico has only adopted the following Articles: Article 1, Article 4A, the original versions of Article 5 and Article 7, and the 1972 version of Article 9.

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