

Joint Task Force on Filing Office Operations & Search Logic

“FOOSL”

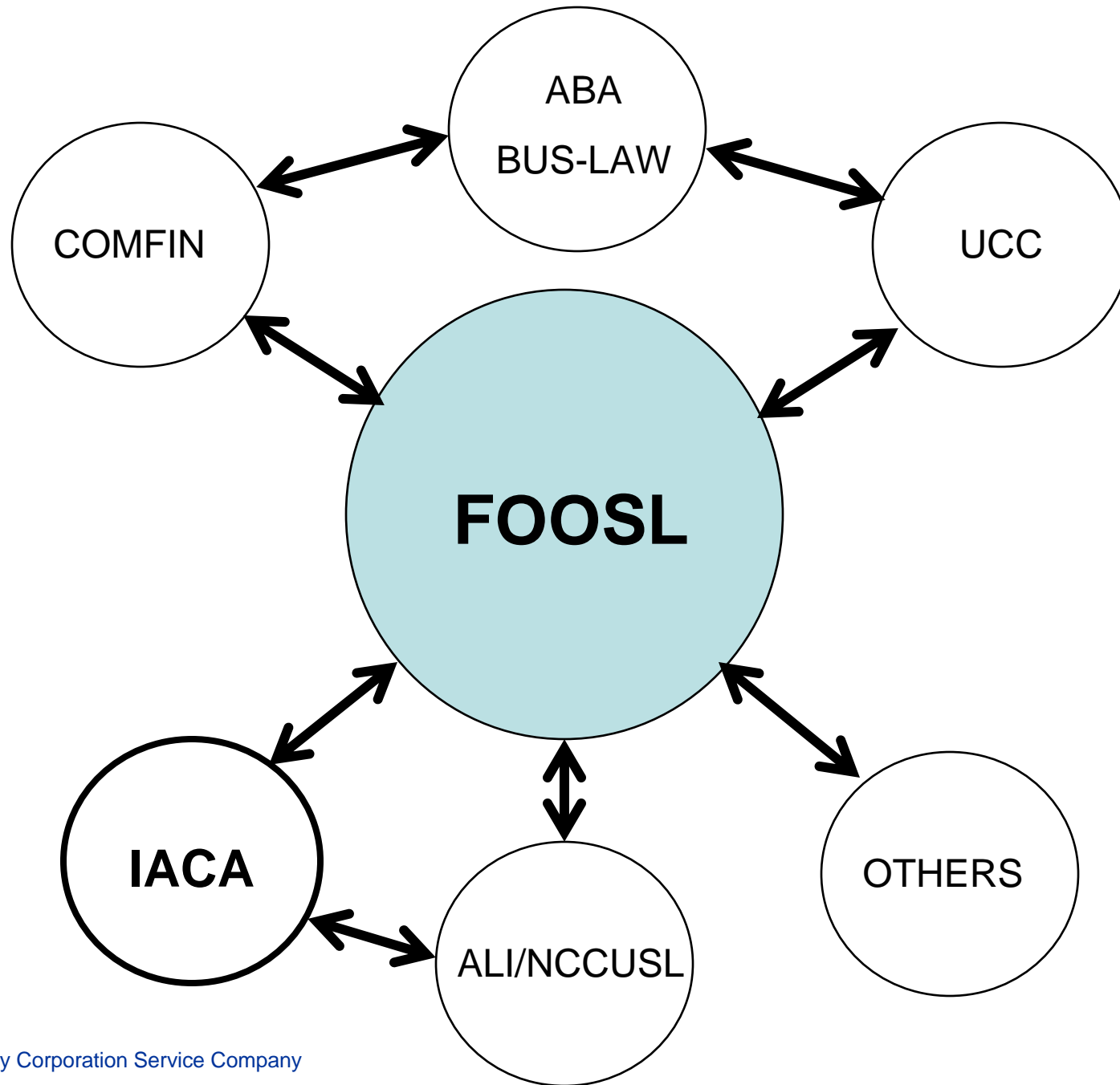
IACA 2008

This presentation is not intended to serve as legal advice. You should not act or rely on any information contained in this presentation without first seeking the advice of an attorney.

FOOSL MISSION

FOOSL MISSION STATEMENT

- **To collect and disseminate to those who file and search financing statements information on how filing systems operate, with particular attention to differences among the various offices.**
- **To work with IACA and individual filing offices to develop, modify and implement rules that will help filing offices perform their duties and serve their constituencies.**
- **To share with the bar IACA's advice on how to best use the services of filing offices.**
- **To make recommendations on how or whether the Uniform Commercial Code should be amended to make filing and searching easier, more uniform and more certain to yield the best results.**



UCC Case Law Update

1a. ORGANIZATION'S NAME
Tyringham Holdings

JR 1b. INDIVIDUAL'S LAST NAME

1a. ORGANIZATION'S NAME

JIM ROSS TIRES, INC. dba HTC TIRES & AUTOMOTIVE CENTERS

1b. INDIVIDUAL'S LAST NAME STEWART	FIRST NAME RICHARD	MIDDLE NAME STATE POSTAL CODE
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1a. ORGANIZATION'S NAME

AUGUSTA TISSUE MILLS, LLC

LEGISLATION RESOLUTION

FOOSL RESOLUTION

That the States refrain from passing any non-uniform amendments to Article 9 affecting filing office organization and search logic matters, including non-uniformity on issues of debtor name, search logic at variance with the search logic format recommended by the International Association of Commercial Administrators, financing statement form and content, and similar matters, until the recently appointed joint review committee of ALI/NCCUSL reports out suggested uniform amendments to Article 9 for uniform passage by the States.

IACA PEB PROPOSAL

IACA PROPOSALS TO THE PEB

1. “Public Record” Definition

- **Redefine “Registered Organization”.**
 - **Change § 9-102(a)(70).**
 - New definition would refer to “public organic record”.
- **Add Definition of “Public Organic Record”.**
 - **New § 9-102(a)(67)(A).**
 - Refers to records that create an entity.
- **Amend § 9-503(a)(1).**
 - **Specify that a financing statement must provide the name found in the public organic record.**

IACA PROPOSALS TO THE PEB

2. Claim Concerning Inaccurate or Wrongfully Filed Record (Correction Statement)

- **IACA Recommendations:**

- **Amend § 9-518(a).**

- **Clarify that the record can be filed by a person that is indexed of record (debtor), entitled to file the a record (secured party) or that actually filed the record.**

IACA PROPOSALS TO THE PEB

3. Transmitting Utility Financing Statements

- **IACA Recommendations:**
 - **Amend § 9-515(f).**
 - **Clarify that the required indication can only be made on the initial financing statement.**

IACA PROPOSALS TO THE PEB

4. Uniform Form of Written Financing Statement And Amendment

- **IACA Recommendations:**

- **Amend § 9-521.**

- **Eliminate the form version from statute and grant authority to the filing office to adopt a form (intended to be the current IACA approved versions).**

PROPOSED FOOSL SUBCOMMITTEES

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- **Driver's License Subcommittee**
 - Analyze whether the driver's license would provide an acceptable safe harbor or exclusive source of an individual debtor name.
- **Electronic Filing Subcommittee**
 - Educate attorneys on electronic UCC filing systems, identify any objections attorneys may have to e-filing and offer solutions to make e-filing more acceptable to law firms.

FOOSL PROPOSED SUBCOMMITTEES

- **National UCC Form Subcommittee**
 - Examine whether it is possible or advisable to amend § 9-521 in a way that removes the embedded forms, yet retains a national safe harbor. Also, if form revision is necessary, offer suggestions for improvement.
- **Organization Information Subcommittee**
 - Analyze whether the information required to avoid rejection under § 9-516(b)(5)(C) really has value for filers or searchers and, if not, whether this requirement should be eliminated.

FOOSL PROPOSED SUBCOMMITTEES

- **Bogus Filing Subcommittee**
 - Identify due diligence problems created by bogus UCC filings in the state index and offer advice to filing offices on the issue.
- **Redaction Subcommittee**
 - Communicate concerns about the impact of redaction initiatives on due diligence and offer suggestions for how to implement balanced redaction programs.

Questions?

Paul Hodnefield
Associate General Counsel
Corporation Service Company
380 Jackson Street, Suite 700
St. Paul, MN 55101
800-927-9801, ext. #2375
phodnefi@cscinfo.com

Jim Prendergast
Sr. V.P. & General Counsel
UCC Division
The First American Corporation
5 First American Way
Santa Ana, CA 92707
714-250-8622
jprendergast@firstam.com