



Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

23 SEP 2005

The Honorable Mark Forbes
Speaker
Mina' Bente Ocho Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

MARK FORBES
Date: 9-26-05
Time: 12:20
Rec'd by: Emy
Print Name: U12
28-05-0379

Dear Mr. Speaker:

Transmitted herewith is Bill No. 169 (EC), "AN ACT TO AMEND SECTION 36, CHAPTER VI OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9, AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES" which I signed into law on September 20, 2005, as Public Law 28-67.

Sinseru yan Magåhet,

[Handwritten signature of Felix P. Camacho]

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

Attachment: copy attached of signed bill

cc: The Honorable Eddie Baza Calvo
Senator and Legislative Secretary

Senator Edward J.B. Calvo
SECRETARY OF THE LEGISLATURE
ACKNOWLEDGEMENT RECEIPT
Rcv'd by: [Signature]
Print Name & Initial
Time: 11-23
Date: 10-3-05



MINA' BENTE OCHO NA LIHESLATURAN GUÅHAN
TWENTY-EIGHTH GUAM LEGISLATURE
155 Hessler Place, Hagåtña, Guam 96910

September 19, 2005

The Honorable Felix P. Camacho
I Maga'lahaen Guåhan
Ufisinan I Maga'lahi
Hagåtña, Guam 96910



Dear *Maga'lahi* Camacho:

Transmitted herewith are Bill Nos. 169(EC) & 193(EC) which were passed by *I Mina'Bente Ocho Na Liheslaturan Guåhan* on September 16, 2005.

Sincerely,

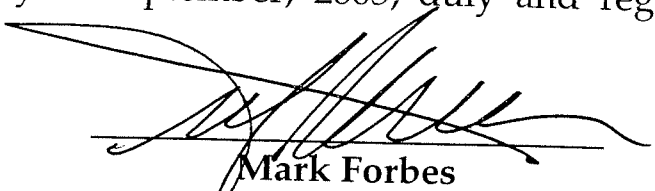
EDWARD J.B. CALVO
Senator and Secretary of the Legislature

Enclosures (2)

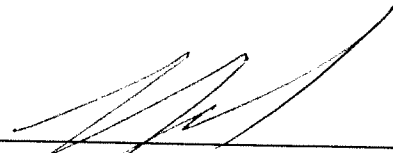
I MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN
2005 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

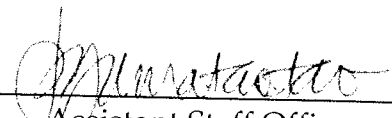
This is to certify that Bill No. 169 (EC), "AN ACT TO AMEND SECTION 36, CHAPTER VI OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9, AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES," was on the 16th day of September, 2005, duly and regularly passed.


Mark Forbes
Speaker

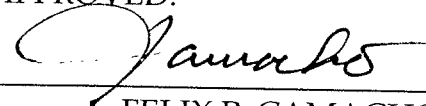
Attested:


Edward J.B. Calvo
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this 19 day of September, 2005,
at 11 o'clock AM.


Assistant Staff Officer
Maga'lahaen's Office

APPROVED:


FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: 9/20/05

Public Law No. 28-67

MINA' BENTE OCHO NA LIHESLATURAN GUÅHAN
2005 (FIRST) Regular Session

Bill No. 169 (EC)

As amended.

Introduced by:

A. R. Unpingco
L. F. Kasperbauer
J. T. Won Pat
F. B. Aguon, Jr.
J. M. S. Brown
Edward J. B. Calvo
B. J. F. Cruz
Mike Cruz
Mark Forbes
R. Klitzkie
L. A. Leon Guerrero
J. A. Lujan
A. B. Palacios
R. J. Respicio
Ray Tenorio

**AN ACT TO *AMEND* SECTION 36, CHAPTER VI OF
PUBLIC LAW 27-106 TO EXTEND THE
IMPLEMENTATION OF THE UNIFORM
COMMERCIAL CODE, REVISED ARTICLE 9, AND
TO AUTHORIZE THE BANKING AND INSURANCE
BOARD TO DEVELOP A FEE SCHEDULE FOR THE
FILING OF FINANCING STATEMENTS AND
OTHER RELATED CHARGES.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the Compiler of Laws has codified the Uniform Commercial Code (UCC),
4 Revised Article 9, relative to dealing with secured transactions. The Guam Bankers
5 Association has approached *I Liheslaturan Guåhan* to request that an additional year

1 be granted beyond the implementation date of October 1, 2005 to allow the comments,
2 as noted by the Compiler, to be effectuated. The additional time is also needed by
3 members of the Guam Bankers Association to familiarize themselves with the new
4 codified sections and to make necessary adjustments to fully and properly comply
5 with the mandates of the adopted Uniform Commercial Code (UCC), Revised Article
6 9. An extension will also allow the Banking and Insurance Board to adjudicate the
7 filing fees that are required for various sections of the law. The revised
8 comprehensive version of the fees will be submitted to *I Liheslatura* and introduced
9 *no later than* April 30, 2006.

10 It is therefore the intent of *I Liheslaturan Guåhan* to extend the
11 implementation date and authorize the Banking and Insurance Board to adjudicate the
12 required fees.

13 **Section 2. Amendment to Section. Section 36, Chapter VI of Public Law**
14 **27-106 is hereby *amended* to read:**

15 **“Section 36. Extension of UCC, Revised Article 9, Implementation**
16 **Date.** (a) Section 2 of Public Law 27-40 is hereby *amended* to read as follows:

17 Section 2. A new Section 5 is hereby *added* to Public Law 26-172
18 to read as follows:

19 Section 5. The provisions of this Act shall be effective
20 October 1, 2006, and shall apply to transactions entered into and
21 events accruing after October 1, 2006.

22 (b) Section 3 of Public Law 27-40 is hereby *amended* to read as follows:

23 Section 3. A new Section 6 is hereby *added* to Public Law 26-172
24 to read as follows:

25 Section 6. The Banking and Insurance Board shall adopt a
26 fee schedule for the filing of financing statements, amendments,

1

continuations, statements, and releases which shall be promulgated
pursuant to the Administrative Adjudication Law and filed with *I*
Lihsaturan Guahan no later than April 30, 2006.”

2

3

I MINA' BENE OCHO NA LIHESLATURAN GUAHAN

2005 (FIRST) Regular Session

Date: 9/16

VOTING SHEET

Bill No. 169(FC)

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSEN
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M.S.	✓				
CALVO, Edward J.B.	✓				
CRUZ, Benjamin J.F,	✓				
CRUZ, Michael (Dr.)	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
KLITZKIE, Robert	✓				
LEON GUERRERO, Lourdes A.	✓				
LUJAN, Jesse A.	✓				
PALACIOS, Adolpho B.	✓				
RESPICIO, Rory J.	✓				
TENORIO, Ray	✓				
UNPINGCO, Antonio R.	✓				
WON PAT, Judith T.	✓				

TOTAL

15 0 0 0 0

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

August 15, 2005

The Honorable Mark Forbes
Speaker
I Mina' Bente Ocho na Liheslaturan
155 Hesler Place
Hagatña, GU 96910

Dear Mr. Speaker:

The Committee on **Tourism, Maritime, Military and Veterans Affairs**, to which **BILL NO. 169 (EC) AN ACT TO AMEND SECTION 36 CHAPTER 6 OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9 AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES** was referred, wishes to report its findings and recommendations **TO PASS**:

The voting record of the members of the Committee is as follows:

TO PASS:	<u>8</u>
NOT TO PASS:	<u>0</u>
TO REPORT ONLY:	<u>0</u>
TO ABSTAIN:	<u>0</u>
TO PLACE IN INACTIVE FILE:	<u>0</u>

A copy of the committee report and other pertinent documents are attached for your reference.

Sensamentente,

Antonio R. Unpingco

Attachment

2005 AUG 15 AM 9:17
8

TABLE OF CONTENTS

- Committee Voting Sheet
- Committee Report
- Public Hearing Agenda
- Notice of Public Hearing to all committee members
- Press Release
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- Bill No. 169 (EC)
- Written Testimonies



Senator Antonio R. Unpingco

Committee on Tourism, Maritime, Military and Veterans Affairs

BILL NO. 169 (EC) AN ACT TO AMEND SECTION 36 CHAPTER 6 OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9 AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES.

	TO PASS	NOT TO PASS	TO ABSTAIN	INACTIVE FILE
 ANTONIO R. UNPINGCO Chairperson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 LARRY F. KASPERBAUER, Ph.D Vice Chairperson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FRANK B. AGUON, JR. Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 EDWARD J.B. CALVO Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 BENJAMIN J.F. CRUZ Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 MIKE CRUZ, M.D. Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 RORY J. RESPICIO Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 RAY TENORIO Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JUDITH T. WON PAT Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 MARK FORBES Speaker & Ex-officio Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Senator Antonio R. Unpingco
Committee on Tourism, Maritime,
Military & Veterans Affairs
155 Hesler Place, Hagatna, Guam 96910
Tel: 472-3455/6/7 Fax: 472-3400 Email: info@tonyunpingco.com

COMMITTEE REPORT

BILL NO. 169 (EC) AN ACT TO AMEND SECTION 36 CHAPTER 6 OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9 AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES.

INTRODUCTION AND REFERRAL

Bill 169(EC) “AN ACT TO AMEND SECTION 36 CHAPTER 6 OF PUBLIC LAW 27-106 TO EXTEND THE IMPLEMENTATION OF THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9 AND TO AUTHORIZE THE BANKING AND INSURANCE BOARD TO DEVELOP A FEE SCHEDULE FOR THE FILING OF FINANCING STATEMENTS AND OTHER RELATED CHARGES” was introduced by A.R. Unpingco on July 12, 2005. The bill was subsequently referred by the Committee on Calendar to the Committee on Tourism, Maritime, Military and Veterans Affairs on July 14, 2005.

PUBLIC HEARING

On Monday, July 25, 2005, a public hearing was conducted by the Committee on Tourism, Maritime, Military and Veterans Affairs on Bill 169(EC). Committee Chairperson Antonio R. Unpingco called the public hearing to order at 2 p.m. in the Legislative Public Hearing Room.

Chairman Unpingco called the following to provide public testimony of Bill 169(EC):

1. Andy Jordanou, Banking & Insurance Commissioner, oral
2. Ed Untalan, Guam Bankers Association Vice – President, oral and written
3. John Lee, First Hawaiian Bank Senior Vice-President, oral and written
4. Richard Johnson, Klemm, Blair, Sterling & Johnson, oral
5. Mark Fish, Bank Pacific, Ltd. Executive Vice-President, oral and written

SUMMARY OF TESTIMONY

Mr. Andy Jordanou testified in favor of the passage of Bill 169. He supports the Guam Bankers Association’s position to revise and modify the Commercial Code Article 9 and postpone the implementation for another year - from Oct. 1 2005 October 2006. The Banking and Insurance Commission will be involved with the revision and will adjudicate the filing fees. He added that all 50 states have already adopted the revisions.

Mr. Ed Untalan testified in favor of the bill. Since overhauling the entire code is a monumental task, he asked for the deletion of the April 30, 2006 deadline for the submission of the revisions. He stated that the current law did not consider the fact that the Guam Uniform Commercial Code had not been updated since the 70’s. In addition, when PL 26-172 was passed, it assumed that all the updates were already incorporated. Consequently, the existing statues refer to articles that do not exist. He added that the association is requesting that Bill 169 be amended to repeal PL 26-172.

Mr. John Lee is in support of the bill and stated that the revisions will take time. He will work with the other banks and attorneys to comply with the law.

Mr. Richard Johnson, Esq. (counsel for First Hawaiian Bank) stated that this bill is urgent because of its effect on the economy. The main problem with the revised Article 9 as it

appears in PL 26-172 is the fact that Article 1 – 8 and Article 10 have not been updated on Guam since 1977. Consequently, using the revised Article 9 assumes that numerous updates and new articles (such as Article 2.A on leasing transactions or Article 4.A on electronic fund transfers) have already been adopted. What is needed is to update the entire Guam Commercial Code. He added that this is a huge task and revisions will be voluminous.

Mr. Mark Fish stated his support for the bill. The implementation of PL 26-172 has been delayed twice because of the revisions needed on the Guam Code. If the law were implemented, it would be deficient. He supports the Guam Bankers Association's position that a rewrite is needed as well as the increase in fees.

DISCUSSION

Chairman Unpingco stated that he cannot agree with the Bankers Association's request of repealing PL 26-172 because banks would be operating without laws.

Chairman Unpingco is aware that the revisions will be time consuming and voluminous so he set the deadline for submission to the Legislature for April 30, 2006, which is 9 months away. He plans on giving the Legislature about 5 months to review the revisions in time for a Fall 2006 session.

Chairperson Unpingco suggested that the bankers also work with the Compiler of Law.

Chairperson Unpingco informed them that committee members have already expressed their concern with the delays.

There being no other question or comment, the hearing on Bill 169(EC) was concluded.

COMMITTEE RECOMMENDATIONS

The Committee on Tourism, Maritime, Military and Veterans Affairs recommends that Bill 169(EC) be reported out to the full body with the recommendation **TO DO PASS**.



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

PUBLIC HEARING

July 25, 2005

Monday, 2:00 p.m.

AGENDA

Bill No. 169 (EC) An Act to amend Section 36 Chapter 6 of Public Law 27-106 to extend the implementation of the uniform commercial code, revised Article 9 and to authorize the Banking and Insurance Board to develop a fee schedule for the filing of financing statements and other related charges.



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

MEMORANDUM

To: All Members
Committee on Tourism, Maritime, Military and Veterans Affairs

From: A.R. Unpingco
Chairman

Subject: **Notice of Public Hearing**

Please be advised that the Committee on Tourism, Maritime, Military and Veterans Affairs will conduct a Public Hearing on Monday, July 25, 2005, beginning at 2:00 p.m. in the Legislature Public Hearing Room on the following:

Bill No. 169 (EC) *An Act to amend Section 36 Chapter 6 of Public Law 27-106 to extend the implementation of the uniform commercial code, revised Article 9 and to authorize the Banking and Insurance Board to develop a fee schedule for the filing of financing statements and other related charge.*

I look forward to your attendance. Should you wish to discuss Bill No. 169 before the hearing, I will be available to do so.

Thank you.

CC: All Senators
Protocol
Audio
Office of the Clerk

RECEIVED

DATE: 7-15-05 26

2005 JUL 14 AM 8:41



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

PRESS RELEASE

July 14, 2005

Subject: Notice of Public Hearing

The Committee on Tourism, Maritime, Military and Veterans Affairs will be conducting a Public Hearing on Monday, July 25, 2005, beginning at 2:00 p.m. in the Legislature Public Hearing Room on the following:

Bill No. 169 (EC) *An Act to amend Section 36 Chapter 6 of Public Law 27-106 to extend the implementation of the uniform commercial code, revised Article 9 and to authorize the Banking and Insurance Board to develop a fee schedule for the filing of financing statements and other related charges.*

Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

will be posted each week.

Strategy and Operational Policies.



I Mina Bente Ocho na
Liheslaturan Guahan
**COMMITTEE ON TOURISM,
MARITIME, MILITARY AND VETERANS AFFAIRS**
Senator Antonio R. Unpingco,
Chairman

NOTICE OF PUBLIC HEARING
July 25, 2005
Monday, 2:00 P.M.

The Committee on Tourism, Maritime, Military & Veterans Affairs will be holding a public hearing on Bill No. 169 (EC) An Act to Amend Section 36 Chapter 6 of Public Law 27-106 to extend the implementation of the Uniform Commercial Code, Revised Article 9 and to authorize the Banking and Insurance Board to develop a Fee Schedule for the filing of Financing Statements and other related charges.

The Public is invited to attend, persons with disabilities who require special accommodations, auxiliary and / or services are asked to call Dee Hernandez at 472-3455/6/7 or email us at info@tony unpingco.com.

This ad paid was for by government funds.

conditions may claim Local Preference(s), such as working in Guam or disability.

No. of Members	Lower Income
01	\$35,300
02	\$40,300
03	\$45,350
04	\$50,400
05	\$54,450
06	\$58,450
07	\$62,500
08	\$66,550

Upon completion and submission of the application form, you will be required identification and financial documents that you will be required for appointment so that your application can be completed as quickly as possible. **submit any supporting documents at this time.**

For more information regarding the Public Housing Program, please contact the Housing Manager (Acting), at 477-9851-54.

GHURA will make necessary arrangements for persons with disabilities who require accommodations, please contact the Section 504 Coordinator, Michael (TTY/TDD).

/s/ RONALD S. De GUZMAN
Executive Director

GHURA does not discriminate against persons with disabilities. The Chief Coordinator and can be contacted at the above address.



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. David Guevara
Resident Manager
Merril Lynch Global Private Client
First Hawaiian Bldg., Ste. 403
400 Rte. 8
Maite, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Guevara:

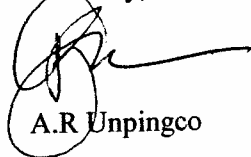
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You're invited to attend and submit a written or oral testimony or email your testimony to info@tonyunpingco.com. in support for or against Bill No. 169 (EC)

I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R. Unpingco

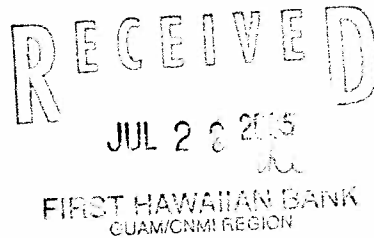
2005 JUL 20 P 13 52
JMS-MV



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. John K. Lee
SVP & Guam/CNMI Region Supervisor
First Hawaiian Bank
400 Route 8
Mongmong, Guam 96910



Subject: Notice of Public Hearing

Dear Mr. Lee:

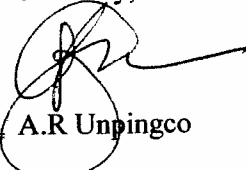
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R. Unpingco



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. John Arroyo
Interim CEO
Government of Guam Employees Federal Credit Union
121 Robat Street
Maite, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Arroyo:

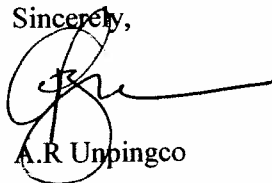
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,



A.R. Unpingco

RECEIVED
7/20/05
San Juan
12:45pm.



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Michael A. Camacho
President & CEO
Personal Finance Center
973 South Marine Corp Drive
Tamuning, Guam 96913

Subject: Notice of Public Hearing

Dear Mr. Camacho:

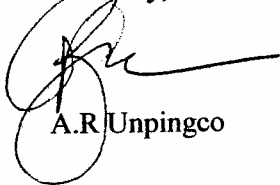
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,



A.R. Unpingco

RECEIVED

JUL 20 2005





Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

RECEIVED BY FINANCE FACTORS, LTD.

JUL 20 2005

(Date)

Ms. Elsa (Gigi) Delos Santos
AVP/Branch Manager
Finance Factors, Ltd.
719 S. Marine Corp Drive, Ste. 103
Tamuning, Guam 96913

Subject: Notice of Public Hearing

Dear Ms. Delos Santos:

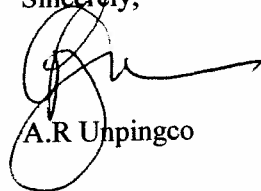
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,



A.R. Unpingco



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Ms. Maritess A. Veracruz
Asst. Vice President & General Manager
Metropolitan Bank & Trust Co. Guam Branch
665 South Marine Corp. Drive
Tamuning, Guam 96913

Subject: Notice of Public Hearing

Dear Ms. Veracruz:


Please be advised that the Committee on Tourism, Maritime, Military and Veterans Affairs will conduct a Public Hearing on Monday, July 25, 2005, beginning at 2:00 p.m. in the Legislature Public Hearing Room on the following:

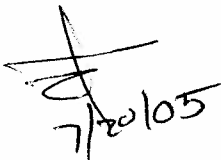
Bill No. 169 (EC) An Act to amend Section 36 Chapter 6 of Public Law 27-106 to extend the implementation of the uniform commercial code, revised Article 9 and to authorize the Banking and Insurance Board to develop a fee schedule for the filing of financing statements and other related charge.

You're invited to attend and submit a written or oral testimony or email your testimony to info@tonyunpingco.com. in support for or against Bill No. 169 (EC)

I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R. Unpingco


7/20/05



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Ajay Kashyap
Country Business Manager
Citibank, N.A.
420 E. Marine Drive
Hagatna, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Kashyap:

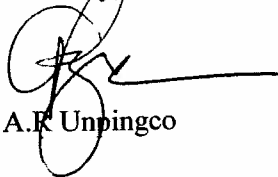
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Sincerely,



A.R. Unpingco

RECEIVED

JUL 20 2005

Rose Sablan
Citibank, N.A.



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Andrew Sergio Quenga
Office of the Compiler of Laws
Supreme Court of Guam
Ste 300 Guam Judicial Center
120 West O'Brien Drive
Hagatna, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Quenga:

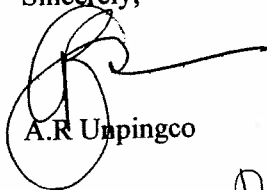
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Sincerely,


A.R. Unpingco

*Received by: Janice L. Machado
7/20/05 @ 4:15 P.M.*



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Joseph M. Borja
Director
Department of Land Management
P.O. Box 2950
Hagatna, Guam 96932

RECEIVED

JUL 20 2005

Department of Land Management
Time: 7:44 Initial: My

Subject: Notice of Public Hearing

Dear Mr. Borja:

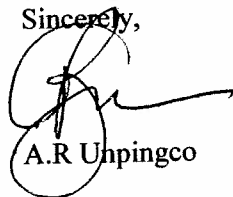
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R Unpingco



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Larry K. Butterfield
President & CEO
Citizens Security Bank
P.O. Box EQ
Hagatna, Guam 96932

Subject: Notice of Public Hearing

Dear Mr. Butterfield:


Please be advised that the Committee on Tourism, Maritime, Military and Veterans Affairs will conduct a Public Hearing on Monday, July 25, 2005, beginning at 2:00 p.m. in the Legislature Public Hearing Room on the following:

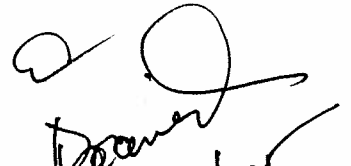
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Sincerely,


A.R. Unpingco

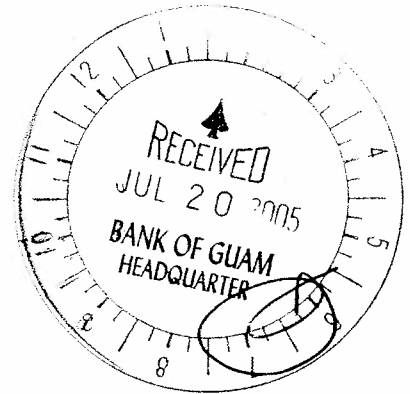

7/20/05



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Anthony A. Leon Guerrero
President & CEO
Bank of Guam
P.O. Box BW
Hagatna, Guam 96932



Subject: Notice of Public Hearing

Dear Mr. Leon Guerrero:

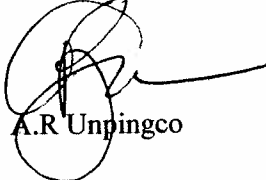
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Sincerely,



A.R. Unpingco



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Ronald H. Leach
EVP/Pacific Islands & International Banking
Bank of Hawaii
P.O. Box BH
Hagatna, Guam 96932

Subject: Notice of Public Hearing

Dear Mr. Leach:


Please be advised that the Committee on Tourism, Maritime, Military and Veterans Affairs will conduct a Public Hearing on Monday, July 25, 2005, beginning at 2:00 p.m. in the Legislature Public Hearing Room on the following:

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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,



A.R. Unpingco

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JUL 20 2005
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BANK OF HAWAII - GRBSC #158



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Philip J. Flores
President & CEO
Bank Pacific
151 Aspinall Ave.
Hagatna, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Flores:

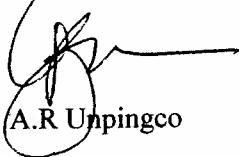
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Sincerely,


A.R. Unpingco





Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Michael Pexa
President
Asia Pacific Investors Services
145 Aspinall Ave., Ste. 101
Hagatna, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Pexa:

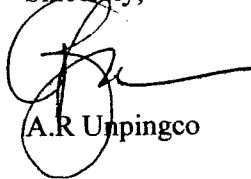
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Sincerely,



A.R. Unpingco

received
7/20/05



Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Andy Jordanou
Banking & Insurance Commissioner
Dept. of Revenue & Taxation
P.O. Box 23607
GMF, Guam 96921

Subject: Notice of Public Hearing

Dear Mr. Jordanou:

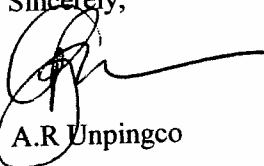
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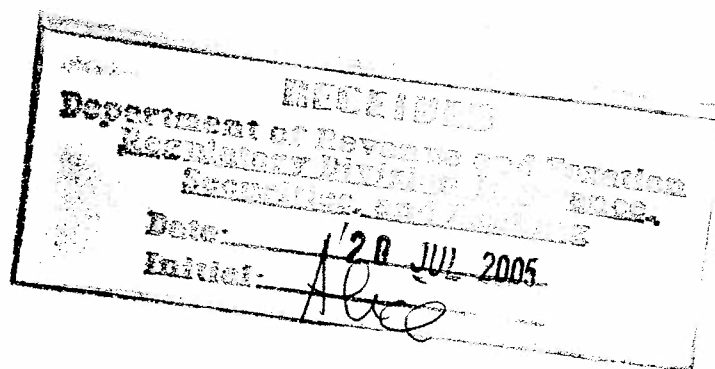
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R. Unpingco





Senator Antonio R. Unpingco
Committee on Tourism, Maritime, Military and Veterans Affairs

July 12, 2005

Mr. Gerard A. Cruz
President & CEO
Community First Guam Federal Credit Union
238 A.F.C. Flores St., Suite 102
Hagatna, Guam 96910

Subject: Notice of Public Hearing

Dear Mr. Cruz:

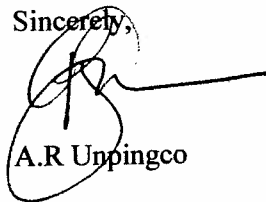
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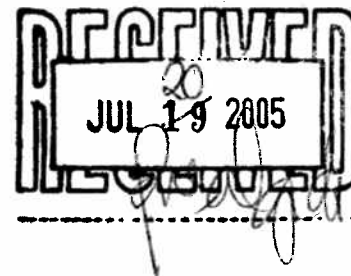
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I look forward to your participation. Should you have any questions, please feel free to contact Alfred F. Duenas (SPOC) at 472-3455/6/7.

Sincerely,


A.R. Unpingco



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9-16-05

3rd
9-16-05

MINA' BENTE OCHO NA LIHESLATURAN GUÅHAN
2005 (FIRST) Regular Session

SEP 19 12 PM '05

Bill No. 169 (EC)

Introduced by:

A. R. Unpingco *6*
LFK
JTWOP *S*

**AN ACT TO AMEND SECTION 36 CHAPTER 6 OF
PUBLIC LAW 27-106 TO EXTEND THE
IMPLEMENTATION OF THE UNIFORM
COMMERCIAL CODE, REVISED ARTICLE 9 AND
TO AUTHORIZE THE BANKING AND
INSURANCE BOARD TO DEVELOP A FEE
SCHEDULE FOR THE FILING OF FINANCING
STATEMENTS AND OTHER RELATED CHARGES.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the Compiler of Law has codified the Uniform Commercial Code (UCC),
4 Revised Article 9, relative to dealing with secured transactions. The Guam
5 Bankers association has approached I Liheslaturan Guåhan to request an
6 additional year be granted beyond the implementation date of October 1, 2005
7 to allow the comments as noted by the Compiler to be effectuated. The
8 additional time is also needed by the Guam Bankers Association to familiarize
9 themselves with the new codified sections and to make necessary adjustments

1 to fully and properly comply with the mandates of the adopted Uniform
2 Commercial Code (UCC), Revised Article 9. It will also allow the Banking and
3 Insurance Commission to adjudicate the filing fees that are required for
4 various sections of the law. The revised comprehensive version will be
5 submitted to *I Liheslatura* and introduced no later than April 30, 2006.

6 It is therefore the intent of *I Liheslaturan Guåhan* to extend the
7 implementation date and authorize the Banking and Insurance Commission to
8 adjudicate the required fees.

9 **Section 2. Amendment to Section. Section 36, Chapter 6 of Public**
10 **Law 27-106 is amended to read:**

11 **“Section 36. Extension of UCC Article 9 Implementation Date.**

12 **“(a). Section 2 of Public Law 27-40 is hereby amended to read as**
13 **follows:**

14 **Section 2. A new Section 5 is hereby added to Public Law 26-172 to read**
15 **as follows:**

16 **Section 5. The provisions of this Act shall be effective October 1, 2005~~6~~,**
17 **and shall apply to transactions entered into and events accruing after October**
18 **1, 2005~~6~~.**

19 **(b). Section 3 of Public Law 27-40 is hereby amended to read as follows:**

20 **Section 3. A new Section 6 is hereby added to Public Law 26-172 to read**
21 **as follows:**

1 Section 6. The Banking and Insurance Board shall adopt a fee schedule
2 for the filling of financing statements, amendments, continuations, statements,
3 and releases which shall be promulgated pursuant to the Administrative
4 Adjunction Law and filed with *I Liheslaturan Guåhan* ~~thirty (30) days prior to~~
5 ~~October 1, 2005~~ no latter than April 30, 2006."

GUAM BANKER'S ASSOCIATION

July 25, 2005

VIA HAND DELIVERY

Senator Edward J. B. Calvo
Chairman, Committee on Finance, Taxation & Commerce
MINA' BENTE OCHO NA LIHESLATURAN GUÁHAN

Re: Written testimony regarding Bill No. 169

Dear Senator Calvo:

The Guam Banker's Association ("GBA") submits this written testimony regarding Bill No. 169, an act introduced by Senator Antonio R. Unpingco to extend the implementation date of Revised Article 9 of the Uniform Commercial Code ("Revised Article 9") and to authorize the Office of the Commissioner of Banking and Insurance to develop a fee schedule for the filing of financing statements and other related charges.

The GBA favors of extending the implementation date of Revised Article 9. Revised Article 9 should not be immediately implemented as borrowers, financial institutions and the legal community would need time to familiarize themselves and make necessary adjustments to fully and properly comply with the mandates of Revised Article 9. Moreover, the GBA is in favor of allowing the Office of the Commissioner of Banking and Insurance to develop a fee schedule for the filing of financing statements and other related charges; the GBA believes that an increase in the filing fees for a financing statement and other related charges is appropriate.

Notwithstanding, the GBA is opposed to the passage of Bill No. 169 in its present form. Bill No. 169 essentially allows Public Law 26-172 to become effective on October 1, 2006. As you are aware, Public Law 26-172, "AN ACT TO ADOPT THE UNIFORM COMMERCIAL CODE, REVISED ARTICLE 9, RELATIVE TO DEALING WITH SECURED TRANSACTIONS," was passed by the Guam Legislature ("Legislature") on December 30, 2002, and signed into law by the Governor on January 5, 2003. Although the GBA fully supports the Legislature's adoption of Revised Article 9 in Guam, for reasons set forth below, the GBA respectfully requests that the Legislature repeal Public Law 26-172 and enact a new law providing for a complete overhaul of the Guam Uniform Commercial Code. In other words, rather than enacting legislation that only adopts Revised Article 9, the GBA is in favor of enacting legislation that repeals the entire Title 13 of the Guam Code Annotated and reenacts Title 13 as follows:

1. Revised Article 1 (General Provisions);
2. Revised Article 2 (Sales);
3. Revised Article 2A (Leases);
4. Revised Article 3 (Negotiable Instruments);
5. Revised Article 4 (Bank Deposits and Collections);
6. Article 4A (Funds Transfers);

7. Revised Article 5 (Letters of Credit);
8. Revised Article 6 (Bulk Sales);
9. Revised Article 7 (Documents of Title);
10. Revised Article 8 (Investment Securities); and
11. Revised Article 9 (Secured Transactions).

Currently, Guam has only adopted "Old" Articles 1, 2, 3, 4, 5, 6, 7, 8, and 9; Guam has not adopted any version of Article 2A or Article 4A.

Reasons to repeal Public Law 26-172

Public Law 26-172 is a mirror of Revised Article 9-Secured Transactions of the Uniform Commercial Code as drafted by the National Conference of Commissioners on Uniform State Laws (hereinafter the "Uniform Model Law"). The Uniform Model Law contains numerous cross-references to other provisions of the Uniform Commercial Code, e.g. Article 2 of the UCC relating to the sale of goods and Article 3 of the UCC relating to commercial paper. The Uniform Model Law as drafted contemplates that the adopting jurisdiction has adopted the entire UCC in its most recent version, i.e. Revised Articles 1 thru 9. Because the Legislature has not adopted the entire UCC in its most recent version, i.e. Article 2A-Leases has not been adopted in Guam and Revised Articles 1 thru 9 have not been adopted in Guam, several cross-references found in Public Law 26-172 are inaccurate and inconsistent with the numbering system of the Guam Uniform Commercial Code.

You should be alerted that the task of drafting a workable version of Revised Article 9 for Guam with accurate cross-references to other provisions of the Guam Uniform Commercial Code is a difficult one. This task is difficult because the Guam Uniform Commercial Code does not contain an analogous provision for every provision that is cross-referenced by Revised Article 9. Plainly, Revised Article 9 was not intended to be adopted in a jurisdiction that has not adopted Revised Articles 1 thru 8. Without completely overhauling the entire Guam Uniform Commercial Code, the only way to economically draft a workable version of Revised Article 9 is to ensure that the provisions within Revised Article 9 make accurate cross-references to provisions outside of Revised Article 9, and that the provisions outside of Revised Article 9 make accurate cross-references to the provisions within Revised Article 9.

You should also note that every jurisdiction, including California, which has adopted Revised Article 9 has also adopted conforming amendments to ensure that the accuracy of cross-references and the consistency of the statutory numbering system is maintained. Admittedly, Public Law 26-172 requires the Guam Compiler of Laws ("Compiler") to renumber the sections of Revised Article 9 to conform with the Guam Code Annotated numbering system. According to Bill No. 169, the Compiler has codified Revised Article 9. If the Legislature does decide to allow Public Law 26-172 to become effective, we strongly recommend that the Legislature ensure that these issues be resolved.

Reasons to completely overhaul the Guam Uniform Commercial Code

Enacted by Public Law 13-60, the Guam Uniform Commercial Code was mirrored after the Uniform Commercial Code of California. Therefore, the Guam Uniform Commercial Code is generally equivalent to the Uniform Commercial Code of California as it existed in the mid-1970's. Since such time, the Guam Uniform Commercial Code has remained unamended, while the California Legislature has adopted Article 2A (Leases), Revised Article 3 (Negotiable Instruments), Revised Article 4 (Bank Deposits and Collections), Article 4A (Funds Transfers),

Revised Article 5 (Letters of Credit), Revised Article 6 (Bulk Sales), Revised Article 8 (Investment Securities), and Revised Article 9 (Secured Transactions).

A complete overhaul of the Guam Uniform Commercial Code is necessary to: (i) effectuate uniformity across the states in connection with commercial transactions; (ii) bring up-to-date Guam law governing commercial transactions; (iii) bring greater certainty to commercial transactions, thereby facilitating commerce and trade and reducing both transactions costs and the cost of credit; (iv) reflect modern commerce, commercial practices, and new technological developments; (v) incorporate established case-law interpretations; (vi) streamline existing business rules, thus avoiding the unnecessary burden for interstate and foreign commercial/financing transactions; and (vii) avoid the immense difficulty created by adopting each Revised Article of the UCC separately and at different times of ensuring that the accuracy of cross-references and the consistency of the statutory numbering system is maintained.

Conclusion

The GBA supports extending the implementation date of Revised Article 9. Moreover, the GBA is in favor of allowing the Office of the Commissioner of Banking and Insurance to develop a fee schedule for the filing of financing statements and other related charges; the GBA believes that an increase in the filing fees for a financing statement and other related charges is appropriate. Although the GBA fully supports the Legislature's adoption of Revised Article 9 in Guam, the GBA respectfully requests that the Legislature repeal Public Law 26-172 and enact a new law providing for a complete overhaul of the Guam Uniform Commercial Code that repeals and reenacts the entire Guam Uniform Commercial Code - Title 13 of the Guam Code Annotated. The GBA would recommend that the Legislature may wish to follow the manner in which a more progressive jurisdiction has adopted Revised Articles 1 thru 9 of the Uniform Commercial Code.

Alternatively, if the Legislature decides to not completely overhaul the Guam Uniform Commercial Code, and instead decides to allow Public Law 26-172 to come into effect, then the GBA respectfully requests that the Legislature and the Compiler perform its due diligence to ensure that the provisions within Revised Article 9 make accurate cross-references to provisions outside of Revised Article 9, and that the provisions outside of Revised Article 9 make accurate cross-references to the provisions within Revised Article 9.

Put Respetu,



Ed Untalan
Vice President/Guam Banker's Association

July 25, 2005

Senator Edward J. B. Calvo
Chairman, Committee on Finance, Taxation & Commerce
28th Guam Legislature

Via Hand Delivery

Dear Chairman Calvo:

BankPacific, Ltd hereby provides written testimony to the 28th Guam Legislature's Committee on Finance, Taxation & Commerce in support of Bill Number 169 and the passage of this proposed legislation by the 28th Guam Legislature.

Public Law 26-172 ("An Act to Adopt the Uniform Commercial Code, Revised Article 9, Relative to Dealing with Secured Transactions") was passed by the Guam Legislature on December 30, 2002 and signed into law on January 5, 2003. The effective date of this law has been delayed twice, once via Public Law 27-40 and again by Public Law 27-106. The effective date is now set at October 1, 2005.

The foregoing effective date delays were necessary to address numerous deficiencies in the new legislation. Public Law 26-172 is a mirror of the Revised Article 9-Secured Transactions of the Uniform Commercial Code as drafted by the National Conference of Commissioners on Uniforms State Laws (Uniform Model Law). The Uniform Model Law contains cross references to the provisions of other new model laws including the Uniform Commercial Code. As Guam has not adopted other sections of the Model UCC, a comprehensive review of and modifications to the Guam Code Annotated are necessary to bring Public Law 26-172 in line with the aged Guam Code Annotated. These modifications have yet to be completed.

Rather than to allow a deficient law to take effect, BankPacific supports Bill 169's further one year delay of the effective date of Public Law 26-172 in order to either provide the needed time for a comprehensive review and update of the Gam Code Annotated or, to undertake preparation of replacement legislation via a new and modern Guam Commercial Code. We believe this to be reasonable and we note that this position runs consistent with that of the Guam Banker's Association on this matter.

We also note that Bill 169 directs the Banking and Insurance Board will adopt new fee schedules for filing of financing statements, amendments, continuations and releases. It is our understanding these fees have not been adjusted for quite some time. BankPacific will work the Banking and Insurance Commissioner and the Guam Banking and Insurance Board to provide for reasonable recommended increases for these important security interest related services.

Thank you for the opportunity to provide testimony on this important matter.

Very truly yours,

A handwritten signature in black ink, appearing to be 'Mark O. Fish', with a long horizontal stroke extending to the right.

Mark O. Fish
Executive Vice President
Chief Operating Officer



First Hawaiian Bank
Guam & CNMI Region
400 Route 8
Mongmong, Guam 96910

John K. Lee
Senior Vice President
Guam & CNMI Region Supervisor

July 22, 2005

TESTIMONY OF FIRST HAWAIIAN BANK REGARDING BILL 169 (EC)

Honorable Antonio R. Unpingco
Chairman
Committee on Tourism, Maritime,
Military and Veterans' Affairs
MINA'BENTE OCHO NA
LIHESLATURAN GUÅHAN
Hagåtña, Guam 96910

Mr. Chairman:

Thank you for the opportunity to testify in support of Bill Number 169 (EC), an Act to amend Section 26, Chapter 6 of Public Law 27-106 to Extend the Implementation of the Uniform Commercial Code Revised Article 9 and to Authorize the Banking and Insurance Board to Develop a Fee Schedule for the Filing of Financing Statements and Other Related Charges.

During the 26th Guam Legislature, Bill No. 265(COR) was introduced by Former Speaker Pangelinan and others. Speaker Pangelinan's motivation was laudatory. He intended to bring the laws of Guam respecting secured transactions in line with the laws of the 50 states and the District of Columbia by enacting revised Article 9 of the Uniform Commercial Code. The bill enacted revised Article 9 as published by the American Law Institute and the National Conference of Commissioners on Uniform State Laws, entitled Uniform Commercial Code 2001 Edition - 2001 Official Text. This Official Text was attached to the bill and incorporated into the bill by reference. The bill was passed on December 30, 2002 and became Public Law 26-172, on January 5, 2003.

RECEIVED
DATE: 7-25-05 8:45A.

Unfortunately, the law suffers from certain defects. Among them are the following:

1. Because Guam has not amended its Uniform Commercial Code since its enactment in 1978, Guam has not updated the Code to include literally dozens of sections which are referenced in revised Article 9, and even new divisions of the Code, such as Article 2.A on leasing transactions and Article 4.A on electronic funds transfers. As a result, revised Article 9, as adopted by Public Law 26-172 cross references numerous sections and divisions of the Uniform Commercial Code which are not yet included in Guam's version of the Code. This leaves large gaps in the law.

2. In a number of its sections, the Uniform Act requires the jurisdiction adopting it to elect between two or more alternative provisions within a single section. In the case of Public Law 26-172, no elections were made. All alternatives were included, in the disjunctive, together with the instructions to pick the one that the jurisdiction prefers. Thus, Guam has picked neither or none of the alternatives within these sections and the text of all of them remains set forth in the disjunctive. This renders them meaningless and creates further gaps in the law.

3. Numerous blanks were left in revised Article 9 as adopted by Public Law 26-172. As examples, the offices for filing financing statements and fixture filings were left blank, as were the amounts of fees for filing various types of statements. It is therefore impossible to make filings and to perfect a security interest.

4. The effective date of revised Article 9 as set forth in Public Law 26-172 was pegged at July 1, 2001, although it did not become law until January 2003, leaving a year and a half hiatus. This appears to undo the validity of any financing statements filed during that period.

5. Insufficient time was allowed for either merchants, banks, lenders or other secured parties or legal practitioners to familiarize themselves with revised Article 9.

These are not just technical or academic problems. While most of us do not pay much attention to the laws of secured transactions, they impact

on all of our lives on a daily basis. Inventory held for sale by businesses is generally financed. The party providing the financing relies upon its perfected security interest in the inventory to secure repayment of the monies lent or credit provided to acquire the inventory. This type of inventory ranges from motor vehicles to groceries, clothing, dry goods, hardware and virtually anything else that can be imagined. Lenders rely upon security interests in personal property as part of their collateral for their loans.

Without a coherent and comprehensive law on secured transactions, business will be deeply impacted. Businesses may no longer be able to obtain financing for inventory and loans for myriad other purposes. Lawyers who are regularly called upon to provide opinions in connection with secured financing and the enforceability of security interests and fixture filings in Guam would not be able to do so. Already, the possibility of Public Law 26-172 becoming effective has caused concerns. This will only increase as we move towards October.

As a consequence of these problems, the effective date of Public Law 26-172 was initially extended to October 1, 2004 by Public Law 27-40. Thereafter, because the issue had not yet been resolved, the effective date of implementation of Public Law 26-172 was further extended to October 1, 2005 by Public Law 27-106, which became law on September 30, 2004, a day prior to the date Public Law 26-172 was to take effect. There was extreme time pressure for each extension, and much nervousness as to what would happen if the extensions were not enacted, given the lack of progress in solving the many issues created by the state of Public Law 26-172. In addition, a savings provision was necessarily a part of Public Law 27-40 because Public Law 26-172, in its deficient state, was in effect between the date of its enactment and the effective date of Public Law 27-40.

Not much time is left between now and October. Given the seriousness of the implications of this law taking effect in its current form and the amount of time and money it is going to take to either try to rehabilitate it or update the entire code, we respectfully suggest that the only responsible thing to do at the current time is either to pass Bill 169(EC) promptly. The delay in implementation will allow all of us time to do what is necessary, that is, to update the entire Guam Uniform Commercial Code to bring commercial law in Guam into sync with that of

the rest of the country. This will take time, but it is important and the desirable goal. In fact, if anything, we believe even more time should be provided. We would suggest that the deadlines in this bill be further extended for at least another six months to ensure that the necessary work will be done and that there will be sufficient time for the Legislature to enact the final bill updating the entire Guam Uniform Commercial Code, including Article 9.

Very truly yours,


JOHN K. LEE

MINA' BENTE OCHO NA LIHESLATURAN GUÅHAN
2005 (FIRST) Regular Session

Bill No. 169 (EC)

Introduced by:

A. R. Unpingco *6*

AN ACT TO AMEND SECTION 36 CHAPTER 6 OF
PUBLIC LAW 27-106 TO EXTEND THE
IMPLEMENTATION OF THE UNIFORM
COMMERCIAL CODE, REVISED ARTICLE 9 AND
TO AUTHORIZE THE BANKING AND
INSURANCE BOARD TO DEVELOP A FEE
SCHEDULE FOR THE FILING OF FINANCING
STATEMENTS AND OTHER RELATED CHARGES.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the Compiler of Law has codified the Uniform Commercial Code (UCC),
4 Revised Article 9, relative to dealing with secured transactions. The Guam
5 Bankers association has approached I Liheslaturan Guåhan to request an
6 additional year be granted beyond the implementation date of October 1, 2005
7 to allow the comments as noted by the Compiler to be effectuated. The
8 additional time is also needed by the Guam Bankers Association to familiarize
9 themselves with the new codified sections and to make necessary adjustments

1 to fully and properly comply with the mandates of the adopted Uniform
2 Commercial Code (UCC), Revised Article 9. It will also allow the Banking and
3 Insurance Commission to adjudicate the filing fees that are required for
4 various sections of the law. The revised comprehensive version will be
5 submitted to *I Liheslatura* and introduced no later than April 30, 2006.

6 It is therefore the intent of *I Liheslaturan Guåhan* to extend the
7 implementation date and authorize the Banking and Insurance Commission to
8 adjudicate the required fees.

9 **Section 2. Amendment to Section. Section 36, Chapter 6 of Public**
10 **Law 27-106 is amended to read:**

11 **“Section 36. Extension of UCC Article 9 Implementation Date.**

12 **“(a). Section 2 of Public Law 27-40 is hereby amended to read as**
13 **follows:**

14 **Section 2. A new Section 5 is hereby added to Public Law 26-172 to read**
15 **as follows:**

16 **Section 5. The provisions of this Act shall be effective October 1, 2005~~6~~,
17 and shall apply to transactions entered into and events accruing after October**
18 **1, 2005~~6~~.**

19 **(b). Section 3 of Public Law 27-40 is hereby amended to read as follows:**

20 **Section 3. A new Section 6 is hereby added to Public Law 26-172 to read**
21 **as follows:**

1 Section 6. The Banking and Insurance Board shall adopt a fee schedule
2 for the filling of financing statements, amendments, continuations, statements,
3 and releases which shall be promulgated pursuant to the Administrative
4 Adjunction Law and filed with *I Liheslaturan Guåhan* ~~thirty (30) days prior to~~
5 ~~October 1, 2005~~ no latter than April 30, 2006."