
A BILL FOR AN ACT

RELATING TO UNIFORM COMMERCIAL CODE ARTICLE 9.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 490, Hawaii Revised Statutes, is
2 amended by adding to article 9 a new part to be designated and
3 to read as follows:

4 "PART 8

5 **TRANSITION PROVISIONS FOR 2010 AMENDMENTS**

6 **§490:9-801 Effective date.** This Act takes effect on
7 July 1, 2013.

8 **§490:9-802 Savings clause.** (a) Except as otherwise
9 provided in this part, this Act applies to a transaction or lien
10 within its scope, even if the transaction or lien was entered
11 into or created before this Act takes effect.

12 (b) This Act does not affect an action, case, or
13 proceeding commenced before this Act takes effect.

14 **§490:9-803 Security interest perfected before effective**
15 **date.** (a) A security interest that is a perfected security
16 interest immediately before this Act takes effect is a perfected
17 security interest under article 9 as amended by this Act if,
18 when this Act takes effect, the applicable requirements for



1 attachment and perfection under article 9 as amended by this Act
2 are satisfied without further action.

3 (b) Except as otherwise provided in section 490:9-805, if,
4 immediately before this Act takes effect, a security interest is
5 a perfected security interest, but the applicable requirements
6 for perfection under article 9 as amended by this Act are not
7 satisfied when this Act takes effect, the security interest
8 remains perfected thereafter only if the applicable requirements
9 for perfection under article 9 as amended by this Act are
10 satisfied within one year after this Act takes effect.

11 **§490:9-804 Security interest unperfected before effective**
12 **date.** A security interest that is an unperfected security
13 interest immediately before this Act takes effect becomes a
14 perfected security interest:

15 (1) Without further action, when this Act takes effect if
16 the applicable requirements for perfection under
17 article 9 as amended by this Act are satisfied before
18 or at that time; or

19 (2) When the applicable requirements for perfection are
20 satisfied if the requirements are satisfied after that
21 time.



1 §490:9-805 Effectiveness of action taken before effective
2 date. (a) The filing of a financing statement before this Act
3 takes effect is effective to perfect a security interest to the
4 extent the filing would satisfy the applicable requirements for
5 perfection under article 9 as amended by this Act.

6 (b) This Act does not render ineffective an effective
7 financing statement that, before this Act takes effect, is filed
8 and satisfies the applicable requirements for perfection under
9 the law of the jurisdiction governing perfection as provided in
10 article 9 as it existed before amendment. However, except as
11 otherwise provided in subsections (c) and (d) and section 490:9-
12 806, the financing statement ceases to be effective:

13 (1) If the financing statement is filed in this State, at
14 the time the financing statement would have ceased to
15 be effective had this Act not taken effect; or

16 (2) If the financing statement is filed in another
17 jurisdiction, at the earlier of:

18 (A) The time the financing statement would have
19 ceased to be effective under the law of that
20 jurisdiction; or

21 (B) June 30, 2018.



1 (c) The filing of a continuation statement after this Act
2 takes effect does not continue the effectiveness of a financing
3 statement filed before this Act takes effect. However, upon the
4 timely filing of a continuation statement after this Act takes
5 effect and in accordance with the law of the jurisdiction
6 governing perfection as provided in article 9 as amended by this
7 Act, the effectiveness of a financing statement filed in the
8 same office in that jurisdiction before this Act takes effect
9 continues for the period provided by the law of that
10 jurisdiction.

11 (d) Subsection (b)(2)(B) applies to a financing statement
12 that, before this Act takes effect, is filed against a
13 transmitting utility and satisfies the applicable requirements
14 for perfection under the law of the jurisdiction governing
15 perfection as provided in article 9 as it existed before
16 amendment, only to the extent that article 9 as amended by this
17 Act provides that the law of a jurisdiction other than the
18 jurisdiction in which the financing statement is filed governs
19 perfection of a security interest in collateral covered by the
20 financing statement.

21 (e) A financing statement that includes a financing
22 statement filed before this Act takes effect and a continuation



1 statement filed after this Act takes effect is effective only to
2 the extent that it satisfies the requirements of part 5 as
3 amended by this Act for an initial financing statement. A
4 financing statement that indicates that the debtor is a
5 decedent's estate indicates that the collateral is being
6 administered by a personal representative within the meaning of
7 section 490:9-503(a)(2) as amended by this Act. A financing
8 statement that indicates that the debtor is a trust or is a
9 trustee acting with respect to property held in trust indicates
10 that the collateral is held in a trust within the meaning of
11 section 490:9-503(a)(3) as amended by this Act.

12 **§490:9-806 When initial financing statement suffices to**
13 **continue effectiveness of financing statement.** (a) The filing
14 of an initial financing statement in the office specified in
15 section 490:9-501 continues the effectiveness of a financing
16 statement filed before this Act takes effect if:

- 17 (1) The filing of an initial financing statement in that
18 office would be effective to perfect a security
19 interest under article 9 as amended by this Act;
20 (2) The pre-effective-date financing statement was filed
21 in an office in another state; and



(3) The initial financing statement satisfies subsection (c).

(b) The filing of an initial financing statement under subsection (a) continues the effectiveness of the pre-effective-date financing statement:

(1) If the initial financing statement is filed before this Act takes effect, for the period provided in unamended section 490:9-515 with respect to an initial financing statement; and

(2) If the initial financing statement is filed after this Act takes effect, for the period provided in section 490:9-515 as amended by this Act with respect to an initial financing statement.

(c) To be effective for purposes of subsection (a), an initial financing statement must:

(1) Satisfy the requirements of part 5 as amended by this Act for an initial financing statement;

(2) Identify the pre-effective-date financing statement by indicating the office in which the financing statement was filed and providing the dates of filing and file numbers, if any, of the financing statement and of the



1 most recent continuation statement filed with respect
2 to the financing statement; and

3 (3) Indicate that the pre-effective-date financing
4 statement remains effective.

5 **§490:9-807 Amendment of pre-effective-date financing**

6 **statement.** (a) In this section, "pre-effective-date financing
7 statement" means a financing statement filed before this Act
8 takes effect.

9 (b) After this Act takes effect, a person may add or
10 delete collateral covered by, continue or terminate the
11 effectiveness of, or otherwise amend the information provided
12 in, a pre-effective-date financing statement only in accordance
13 with the law of the jurisdiction governing perfection as
14 provided in article 9 as amended by this Act. However, the
15 effectiveness of a pre-effective-date financing statement also
16 may be terminated in accordance with the law of the jurisdiction
17 in which the financing statement is filed.

18 (c) Except as otherwise provided in subsection (d), if the
19 law of this State governs perfection of a security interest, the
20 information in a pre-effective-date financing statement may be
21 amended after this Act takes effect only if:



1 (1) The pre-effective-date financing statement and an
2 amendment are filed in the office specified in section
3 490:9-501;

4 (2) An amendment is filed in the office specified in
5 section 490:9-501 concurrently with, or after the
6 filing in that office of, an initial financing
7 statement that satisfies section 490:9-806(c); or

8 (3) An initial financing statement that provides the
9 information as amended and satisfies section
10 490:9-806(c) is filed in the office specified in
11 section 490:9-501.

12 (d) If the law of this State governs perfection of a
13 security interest, the effectiveness of a pre-effective-date
14 financing statement may be continued only under section
15 490:9-805(c) and (e) or 490:9-806.

16 (e) Whether or not the law of this State governs
17 perfection of a security interest, the effectiveness of a pre-
18 effective-date financing statement filed in this State may be
19 terminated after this Act takes effect by filing a termination
20 statement in the office in which the pre-effective-date
21 financing statement is filed, unless an initial financing
22 statement that satisfies section 490:9-806(c) has been filed in



1 the office specified by the law of the jurisdiction governing
2 perfection as provided in article 9 as amended by this Act as
3 the office in which to file a financing statement.

4 **§490:9-808 Person entitled to file initial financing**
5 **statement or continuation statement.** A person may file an
6 initial financing statement or a continuation statement under
7 this part if:

8 (1) The secured party of record authorizes the filing; and

9 (2) The filing is necessary under this part:

10 (A) To continue the effectiveness of a financing
11 statement filed before this Act takes effect; or

12 (B) To perfect or continue the perfection of a
13 security interest.

14 **§490:9-809 Priority.** This Act determines the priority of
15 conflicting claims to collateral. However, if the relative
16 priorities of the claims were established before this Act takes
17 effect, article 9 as it existed before amendment determines
18 priority."

19 **SECTION 2.** Section 490:9-102, Hawaii Revised Statutes, is
20 amended as follows:

21 1. By adding a new definition to be appropriately inserted
22 and to read:



1 "Public organic record" means a record that is available
2 to the public for inspection and is:

3 (1) A record consisting of the record initially filed with
4 or issued by a state or the United States to form or
5 organize an organization and any record filed with or
6 issued by the state or the United States that amends
7 or restates the initial record;

8 (2) An organic record of a business trust consisting of
9 the record initially filed with a state and any record
10 filed with the state that amends or restates the
11 initial record, if a statute of the state governing
12 business trusts requires that the record be filed with
13 the state; or

14 (3) A record consisting of legislation enacted by the
15 legislature of a state or the Congress of the United
16 States that forms or organizes an organization, any
17 record amending the legislation, and any record filed
18 with or issued by the state or the United States that
19 amends or restates the name of the organization."

20 2. By amending the definitions of "authenticate",
21 "certificate of title", "jurisdiction of organization", and
22 "registered organization" to read:



1 "Authenticate" means:

2 (1) To sign; or

3 (2) ~~[To execute or otherwise adopt a symbol, or encrypt or~~

4 ~~similarly process a record in whole or in part, with~~

5 ~~the present intent of the authenticating person to~~

6 ~~identify the person and adopt or accept a record.]~~

7 With present intent to adopt or accept a record, to

8 attach or to logically associate with the record an

9 electronic sound, symbol, or process.

10 "Certificate of title" means a certificate of title with
11 respect to which a statute provides for the security interest in
12 question to be indicated on the certificate as a condition or
13 result of the security interest's obtaining priority over the
14 rights of a lien creditor with respect to the collateral. The
15 term includes another record maintained as an alternative to a
16 certificate of title by the governmental unit that issues
17 certificates of title if a statute permits the security interest
18 in question to be indicated on the record as a condition or
19 result of the security interest's obtaining priority over the
20 rights of a lien creditor with respect to the collateral.



1 "Jurisdiction of organization", with respect to a
2 registered organization, means the jurisdiction under whose law
3 the organization is formed or organized.

4 "Registered organization" means an organization formed or
5 organized solely under the law of a single state or the United
6 States [and as to which the state or the United States must
7 maintain a public record showing the organization to have been
8 organized.] by the filing of a public organic record with, the
9 issuance of a public organic record by, or the enactment of
10 legislation by the state or the United States. The term
11 includes a business trust that is formed or organized under the
12 law of a single state if a statute of the state governing
13 business trusts requires that the business trust's organic
14 record be filed with the state."

15 SECTION 3. Section 490:9-105, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "**§490:9-105 Control of electronic chattel paper.** (a) A
18 secured party has control of electronic chattel paper if a
19 system employed for evidencing the transfer of interests in the
20 chattel paper reliably establishes the secured party as the
21 person to which the chattel paper was assigned.



1 (b) A system satisfies subsection (a) if the record or
2 records comprising the chattel paper are created, stored, and
3 assigned in such a manner that:

4 (1) A single authoritative copy of the record or records
5 exists which is unique, identifiable and, except as
6 otherwise provided in paragraphs (4), (5), and (6),
7 unalterable;

8 (2) The authoritative copy identifies the secured party as
9 the assignee of the record or records;

10 (3) The authoritative copy is communicated to and
11 maintained by the secured party or its designated
12 custodian;

13 (4) Copies or ~~[revisions]~~ amendments that add or change an
14 identified assignee of the authoritative copy can be
15 made only with the ~~[participation]~~ consent of the
16 secured party;

17 (5) Each copy of the authoritative copy and any copy of a
18 copy is readily identifiable as a copy that is not the
19 authoritative copy; and

20 (6) Any ~~[revision]~~ amendment of the authoritative copy is
21 readily identifiable as ~~[an]~~ authorized or
22 unauthorized ~~[revision]~~ ."



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1 SECTION 4. Section 490:9-307, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:

3 "(f) Except as otherwise provided in subsection (i), a
4 registered organization that is organized under the law of the
5 United States and a branch or agency of a bank that is not
6 organized under the law of the United States or a state are
7 located:

8 (1) In the state that the law of the United States
9 designates, if the law designates a state of location;

10 (2) In the state that the registered organization, branch,
11 or agency designates, if the law of the United States
12 authorizes the registered organization, branch, or
13 agency to designate its state of location[+],
14 including by designating its main office, home office,
15 or other comparable office; or

16 (3) In the District of Columbia, if neither paragraph (1)
17 nor paragraph (2) applies."

18 SECTION 5. Section 490:9-311, Hawaii Revised Statutes, is
19 amended by amending subsection (a) to read as follows:

20 "(a) Except as otherwise provided in subsection (d), the
21 filing of a financing statement is not necessary or effective to
22 perfect a security interest in property subject to:



(1) A statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt section 490:9-310(a);

(2) Chapter 286; or

(3) A [~~certificate of title~~] statute of another jurisdiction which provides for a security interest to be indicated on [~~the~~] a certificate of title as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the property."

SECTION 6. Section 490:9-316, Hawaii Revised Statutes, is amended to read as follows:

"§490:9-316 [~~Continued perfection of security interest following~~] Effect of change in governing law. (a) A security interest perfected pursuant to the law of the jurisdiction designated in section 490:9-301(1) or 490:9-305(c) remains perfected until the earliest of:

(1) The time perfection would have ceased under the law of that jurisdiction;

(2) The expiration of four months after a change of the debtor's location to another jurisdiction; or



1 (3) The expiration of one year after a transfer of
2 collateral to a person that thereby becomes a debtor
3 and is located in another jurisdiction.

4 (b) If a security interest described in subsection (a)
5 becomes perfected under the law of the other jurisdiction before
6 the earliest time or event described in that subsection, it
7 remains perfected thereafter. If the security interest does not
8 become perfected under the law of the other jurisdiction before
9 the earliest time or event, it becomes unperfected and is deemed
10 never to have been perfected as against a purchaser of the
11 collateral for value.

12 (c) A possessory security interest in collateral, other
13 than goods covered by a certificate of title and as-extracted
14 collateral consisting of goods, remains continuously perfected
15 if:

16 (1) The collateral is located in one jurisdiction and
17 subject to a security interest perfected under the law
18 of that jurisdiction;

19 (2) Thereafter the collateral is brought into another
20 jurisdiction; and



1 (3) Upon entry into the other jurisdiction, the security
2 interest is perfected under the law of the other
3 jurisdiction.

4 (d) Except as otherwise provided in subsection (e), a
5 security interest in goods covered by a certificate of title
6 which is perfected by any method under the law of another
7 jurisdiction when the goods become covered by a certificate of
8 title from this State remains perfected until the security
9 interest would have become unperfected under the law of the
10 other jurisdiction had the goods not become so covered.

11 (e) A security interest described in subsection (d)
12 becomes unperfected as against a purchaser of the goods for
13 value and is deemed never to have been perfected as against a
14 purchaser of the goods for value if the applicable requirements
15 for perfection under section 490:9-311(b) or 490:9-313 are not
16 satisfied before the earlier of:

17 (1) The time the security interest would have become
18 unperfected under the law of the other jurisdiction
19 had the goods not become covered by a certificate of
20 title from this State; or

21 (2) The expiration of four months after the goods had
22 become so covered.



1 (f) A security interest in deposit accounts, letter-of-
2 credit rights, or investment property which is perfected under
3 the law of the bank's jurisdiction, the issuer's jurisdiction, a
4 nominated person's jurisdiction, the securities intermediary's
5 jurisdiction, or the commodity intermediary's jurisdiction, as
6 applicable, remains perfected until the earlier of:

7 (1) The time the security interest would have become
8 unperfected under the law of that jurisdiction; or

9 (2) The expiration of four months after a change of the
10 applicable jurisdiction to another jurisdiction.

11 (g) If a security interest described in subsection (f)
12 becomes perfected under the law of the other jurisdiction before
13 the earlier of the time or the end of the period described in
14 that subsection, it remains perfected thereafter. If the
15 security interest does not become perfected under the law of the
16 other jurisdiction before the earlier of that time or the end of
17 that period, it becomes unperfected and is deemed never to have
18 been perfected as against a purchaser of the collateral for
19 value.

20

(h) The following rules apply to collateral to which a

21

security interest attaches within four months after the debtor

22

changes its location to another jurisdiction:



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1 (1) A financing statement filed before the change pursuant
2 to the law of the jurisdiction designated in section
3 490:9-301(1) or 490:9-305(c) is effective to perfect a
4 security interest in the collateral if the financing
5 statement would have been effective to perfect a
6 security interest in the collateral had the debtor not
7 changed its location; and

8 (2) If a security interest perfected by a financing
9 statement that is effective under paragraph (1)
10 becomes perfected under the law of the other
11 jurisdiction before the earlier of the time the
12 financing statement would have become ineffective
13 under the law of the jurisdiction designated in
14 section 490:9-301(1) or 490:9-305(c) or the expiration
15 of the four-month period, it remains perfected
16 thereafter. If the security interest does not become
17 perfected under the law of the other jurisdiction
18 before the earlier time or event, it becomes
19 unperfected and is deemed never to have been perfected
20 as against a purchaser of the collateral for value.

21 (i) If a financing statement naming an original debtor is
22 filed pursuant to the law of the jurisdiction designated in



1 section 490:9-301(1) or 490:9-305(c) and the new debtor is
2 located in another jurisdiction, the following rules apply:

3 (1) The financing statement is effective to perfect a
4 security interest in collateral acquired by the new
5 debtor before, and within four months after, the new
6 debtor becomes bound under section 490:9-203(d), if
7 the financing statement would have been effective to
8 perfect a security interest in the collateral had the
9 collateral been acquired by the original debtor; and

10 (2) A security interest perfected by the financing
11 statement and that becomes perfected under the law of
12 the other jurisdiction before the earlier of the time
13 the financing statement would have become ineffective
14 under the law of the jurisdiction designated in
15 section 490:9-301(1) or 490:9-305(c) or the expiration
16 of the four-month period remains perfected thereafter.
17 A security interest that is perfected by the financing
18 statement but that does not become perfected under the
19 law of the other jurisdiction before the earlier time
20 or event becomes unperfected and is deemed never to
21 have been perfected as against a purchaser of the
22 collateral for value."



1 SECTION 7. Section 490:9-317, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (b) to read:

4 "(b) Except as otherwise provided in subsection (e), a
5 buyer, other than a secured party, of tangible chattel paper,
6 tangible documents, goods, instruments, or ~~[a security~~
7 ~~certificate]~~ certificated security takes free of a security
8 interest or agricultural lien if the buyer gives value and
9 receives delivery of the collateral without knowledge of the
10 security interest or agricultural lien and before it is
11 perfected."

12 2. By amending subsection (d) to read:

13 "(d) A licensee of a general intangible or a buyer, other
14 than a secured party, of ~~[accounts, electronic chattel paper,~~
15 ~~electronic documents, general intangibles, or investment~~
16 ~~property]~~ collateral other than tangible chattel paper, tangible
17 documents, goods, instruments, or a certificated security takes
18 free of a security interest if the licensee or buyer gives value
19 without knowledge of the security interest and before it is
20 perfected."

21 SECTION 8. Section 490:9-326, Hawaii Revised Statutes, is
22 amended to read as follows:



1 "§490:9-326 Priority of security interests created by new
2 debtor. (a) Subject to subsection (b), a security interest
3 that is created by a new debtor [which is] in collateral in
4 which the new debtor has or acquires rights and is perfected
5 solely by a filed financing statement that [is effective solely
6 under section 490:9-508 in collateral in which a new debtor has
7 or acquires rights] would be ineffective to perfect the security
8 interest but for the application of section 490:9-316(i)(1) or
9 490:9-508 is subordinate to a security interest in the same
10 collateral which is perfected other than by such a filed
11 financing statement [~~that is effective solely under section~~
12 ~~490:9-508~~].

13 (b) The other provisions of this part determine the
14 priority among conflicting security interests in the same
15 collateral perfected by filed financing statements [~~that are~~
16 ~~effective solely under section 490:9-508.~~] described in
17 subsection (a). However, if the security agreements to which a
18 new debtor became bound as debtor were not entered into by the
19 same original debtor, the conflicting security interests rank
20 according to priority in time of the new debtor's having become
21 bound."



1 SECTION 9. Section 490:9-406, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) Subsection (d) does not apply to the sale of a
4 payment intangible or promissory note[-], other than a sale
5 pursuant to a disposition under section 490:9-610 or an
6 acceptance of collateral under section 490:9-620."

7 SECTION 10. Section 490:9-408, Hawaii Revised Statutes, is
8 amended by amending subsection (b) to read as follows:

9 "(b) Subsection (a) applies to a security interest in a
10 payment intangible or promissory note only if the security
11 interest arises out of a sale of the payment intangible or
12 promissory note[-], other than a sale pursuant to a disposition
13 under section 490:9-610 or an acceptance of collateral under
14 section 490:9-620."

15 SECTION 11. Section 490:9-502, Hawaii Revised Statutes, is
16 amended by amending subsection (c) to read as follows:

17 "(c) A record of a mortgage is effective, from the date of
18 recording, as a financing statement filed as a fixture filing or
19 as a financing statement covering as-extracted collateral or
20 timber to be cut only if:

- 21 (1) The record indicates the goods or accounts that it
22 covers;



(2) The goods are or are to become fixtures related to the real property described in the record or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut;

(3) The record satisfies with the requirements for a financing statement in this section [~~either than an indication~~], but:

(A) The record need not indicate that it is to be filed in the real property records; and

(B) The record sufficiently provides the name of a debtor who is an individual if it provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom section 490:9-503(a)(4) applies; and

(4) The record is duly recorded."

SECTION 12. Section 490:9-503, Hawaii Revised Statutes, is amended to read as follows:

"§490:9-503 Name of debtor and secured party. (a) A financing statement sufficiently provides the name of the debtor:



- (1) ~~[If]~~ Except as otherwise provided in paragraph (3), if the debtor is a registered organization or the collateral is held in a trust that is a registered organization, only if the financing statement provides the name ~~[of the debtor indicated]~~ that is stated to be the registered organization's name on the public organic record ~~[of]~~ most recently filed with or issued or enacted by the ~~[debtor's]~~ registered organization's jurisdiction of organization which ~~[shows the debtor to have been organized,]~~ purports to state, amend, or restate the registered organization's name;
- (2) ~~[If]~~ Subject to subsection (f), if the ~~[debtor is a decedent's estate,]~~ collateral is being administered by the personal representative of a decedent, only if the financing statement provides, as the name of the debtor, the name of the decedent and, in a separate part of the financing statement, indicates that the ~~[debtor is an estate,]~~ collateral is being administered by a personal representative;
- (3) ~~If the [debtor is a trust or a trustee acting with respect to property held in trust, only if the financing statement-~~



- ~~(A) Provides the name specified for the trust in its organic documents or, if no name is specified, provides the name of the settlor and additional information sufficient to distinguish the debtor from other trusts having one or more of the same settlors; and~~
- ~~(B) Indicates, in the debtor's name or otherwise, that the debtor is a trust or is a trustee acting with respect to property held in trust; and]~~
- collateral is held in a trust that is not a registered organization, only if the financing statement:
- (A) Provides, as the name of the debtor:
- (i) If the organic record of the trust specifies a name for the trust, the name specified; or
- (ii) If the organic record of the trust does not specify a name for the trust, the name of the settlor or testator; and
- (B) In a separate part of the financing statement:
- (i) If the name is provided in accordance with subparagraph (A)(i), indicates that the collateral is held in a trust; or



1 (ii) If the name is provided in accordance with
2 subparagraph (A)(ii), provides additional
3 information sufficient to distinguish the
4 trust from other trusts having one or more
5 of the same settlors or the same testator
6 and indicates that the collateral is held in
7 a trust, unless the additional information
8 so indicates;

9 (4) Subject to subsection (g), if the debtor is an
10 individual to whom this State has issued a driver's
11 license or non-driver identification card that has not
12 expired, only if the financing statement provides the
13 name of the individual that is indicated on the
14 driver's license or non-driver identification card;

15 (5) If the debtor is an individual to whom paragraph (4)
16 does not apply, only if the financing statement
17 provides the individual name of the debtor or the
18 surname and first personal name of the debtor; and

19 ~~[-(4)]~~ (6) In other cases:

20 (A) If the debtor has a name, only if [it] the
21 financing statement provides the [individual or]
22 organizational name of the debtor; and



1 (B) If the debtor does not have a name, only if it
2 provides the names of the partners, members,
3 associates, or other persons comprising the
4 debtor~~[+]~~, in a manner that each name provided
5 would be sufficient if the person named were the
6 debtor.

7 (b) A financing statement that provides the name of the
8 debtor in accordance with subsection (a) is not rendered
9 ineffective by the absence of:

10 (1) A trade name or other name of the debtor; or

11 (2) Unless required under subsection ~~[(a)-(4)-(B)],~~

12 (a) (6) (B), names of partners, members, associates, or
13 other persons comprising the debtor.

14 (c) A financing statement that provides only the debtor's
15 trade name does not sufficiently provide the name of the debtor.

16 (d) Failure to indicate the representative capacity of a
17 secured party or representative of a secured party does not
18 affect the sufficiency of a financing statement.

19 (e) A financing statement may provide the name of more
20 than one debtor and the name of more than one secured party.

21 (f) The name of the decedent indicated on the order
22 appointing the personal representative of the decedent issued by



1 the court having jurisdiction over the collateral is sufficient
2 as the "name of the decedent" under subsection (a)(2).

3 (g) If this State has issued to an individual more than
4 one driver's license or non-driver identification card of a kind
5 described in subsection (a)(4), the one that was issued most
6 recently is the one to which subsection (a)(4) refers.

7 (h) In this section, the "name of the settlor or testator"
8 means:

9 (1) If the settlor is a registered organization, the name
10 that is stated to be the settlor's name on the public
11 organic record filed most recently with or issued or
12 enacted by the settlor's jurisdiction of organization
13 that purports to state, amend, or restate the
14 settlor's name; or

15 (2) In other cases, the name of the settlor or testator
16 indicated in the trust's organic record."

17 SECTION 13. Section 490:9-507, Hawaii Revised Statutes, is
18 amended by amending subsection (c) to read as follows:

19 "(c) If [~~a debtor so changes its~~] the name that a filed
20 financing statement provides for a debtor becomes insufficient
21 as the name of the debtor under section 490:9-503(a) so that the



1 financing statement becomes seriously misleading under section
2 490:9-506:

3 (1) The financing statement is effective to perfect a
4 security interest in collateral acquired by the debtor
5 before, or within four months after, the [~~change,~~]
6 filed financing statement becomes seriously
7 misleading; and

8 (2) The financing statement is not effective to perfect a
9 security interest in collateral acquired by the debtor
10 more than four months after the [~~change,~~] filed
11 financing statement becomes seriously misleading,
12 unless an amendment to the financing statement which
13 renders the financing statement not seriously
14 misleading is filed within four months after [~~the~~
15 ~~change,~~] the financing statement became seriously
16 misleading."

17 SECTION 14. Section 490:9-515, Hawaii Revised Statutes, is
18 amended by amending subsection (f) to read as follows:

19 "(f) If a debtor is a transmitting utility and a filed
20 initial financing statement so indicates, the financing
21 statement is effective until a termination statement is filed."



1 SECTION 15. Section 490:9-516, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Filing does not occur with respect to a record that a
4 filing office refuses to accept because:

5 (1) The record is not communicated by a method or medium
6 of communication authorized by the filing office;

7 (2) An amount equal to or greater than the applicable
8 filing fee is not tendered;

9 (3) The filing office is unable to index the record
10 because:

11 (A) In the case of an initial financing statement,
12 the record does not provide a name for the
13 debtor;

14 (B) In the case of an amendment or [~~correction~~]
15 information statement, the record:

16 (i) Does not identify the initial financing
17 statement as required by section 490:9-512
18 or 490:9-518, as applicable; or

19 (ii) Identifies an initial financing statement
20 whose effectiveness has lapsed under section
21 490:9-515;



1 (C) In the case of an initial financing statement
2 that provides the name of a debtor identified as
3 an individual or an amendment that provides a
4 name of a debtor identified as an individual
5 which was not previously provided in the
6 financing statement to which the record relates,
7 the record does not identify the debtor's [~~last~~
8 ~~name;~~] surname; or

9 (D) In the case of a record filed in the filing
10 office described in section 490:9-501(a)(1), the
11 record does not provide a sufficient description
12 of the real property to which it relates;

13 (4) In the case of an initial financing statement or an
14 amendment that adds a secured party of record, the
15 record does not provide a name and mailing address for
16 the secured party of record;

17 (5) In the case of an initial financing statement or an
18 amendment that provides a name of a debtor which was
19 not previously provided in the financing statement to
20 which the amendment relates, the record does not:

21 (A) Provide a mailing address for the debtor; or



(B) Indicate whether the name provided as the name of
the debtor is the name of an individual or an
organization; [or

~~(C) If the financing statement indicates that the~~
~~debtor is an organization, provide:~~

~~(i) A type of organization for the debtor;~~

~~(ii) A jurisdiction of organization for the~~
~~debtor; or~~

~~(iii) An organizational identification number for~~
~~the debtor or indicate that the debtor has~~
~~none.]~~

(6) In the case of an assignment reflected in an initial
financing statement under section 490:9-514(a) or an
amendment filed under section 490:9-514(b), the record
does not provide a name and mailing address for the
assignee; or

(7) In the case of a continuation statement, the record is
not filed within the six-month period prescribed by
section 490:9-515(d)."

SECTION 16. Section 490:9-518, Hawaii Revised Statutes, is
amended to read as follows:



1 "§490:9-518 Claim concerning inaccurate or wrongfully
2 filed record. (a) A person may file in the filing office [a
3 ~~correction~~] an information statement with respect to a record
4 indexed there under the person's name if the person believes
5 that the record is inaccurate or was wrongfully filed.

6 ~~[(b) A correction statement must:~~

7 ~~(1) Identify the record to which it relates by the file
8 number assigned to the initial financing statement to
9 which the record relates;~~

10 ~~(2) Indicate that it is a correction statement; and~~

11 ~~(3) Provide the basis for the person's belief that the
12 record is inaccurate and indicate the manner in which
13 the person believes the record should be amended to
14 cure any inaccuracy or provide the basis for the
15 person's belief that the record was wrongfully filed.]~~

16 (b) An information statement under subsection (a) shall:

17 (1) Identify the record to which it relates by the file
18 number assigned to the initial financing statement to
19 which the record relates;

20 (2) Indicate that it is an information statement; and

21 (3) Provide the basis for the person's belief that the
22 record is inaccurate and indicate the manner in which



1 the person believes the record should be amended to
2 cure any inaccuracy or provide the basis for the
3 person's belief that the record was wrongfully filed.

4 (c) A person may file in the filing office an information
5 statement with respect to a record filed there if the person is
6 a secured party of record with respect to the financing
7 statement to which the record relates and believes that the
8 person that filed the record was not entitled to do so under
9 section 490:9-509(d).

10 (d) An information statement under subsection (c) shall:

11 (1) Identify the record to which it relates by the file
12 number assigned to the initial financing statement to
13 which the record relates;

14 (2) Indicate that it is an information statement; and

15 (3) Provide the basis for the person's belief that the
16 person that filed the record was not entitled to do so
17 under section 490:9-509(d).

18 ~~[(e)]~~ (e) The filing of [a-correction] an information
19 statement does not affect the effectiveness of an initial
20 financing statement or other filed record."

21 SECTION 17. Section 490:9-521, Hawaii Revised Statutes, is
22 amended to read as follows:



1 "§490:9-521 Uniform form of written financing statement
 2 and amendment. (a) A filing office that accepts written
 3 records for filing may not refuse to accept a written initial
 4 financing statement in the following form, except for a reason
 5 set forth in section 490:9-516(b):

6 UCC FINANCING STATEMENT

7 FOLLOW INSTRUCTIONS

8

9 A. NAME & PHONE OF CONTACT AT FILER (optional)

10

11 B. E-MAIL CONTACT AT FILER (optional)

12

13 C. SEND ACKNOWLEDGMENT TO: (Name and Address)

14

15

16 THE ABOVE SPACE IS FOR

17 FILING OFFICE USE ONLY

18

19 1. DEBTOR'S NAME - provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate
 20 any word in the Debtor's name)

21 1a. ORGANIZATION'S NAME

22

23 OR

24 1b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

25



1	ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR	SUFFIX
2	<hr/>	
3	1c. MAILING ADDRESS	
4	<hr/>	
5	CITY	STATE POSTAL CODE COUNTRY
6	<hr/>	
7	2. DEBTOR'S NAME - provide only <u>one</u> Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate	
8	any word in the Debtor's name)	
9		
10	2a. ORGANIZATION'S NAME	
11	<hr/>	
12	OR	
13	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME
14	<hr/>	
15	ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR	SUFFIX
16	<hr/>	
17	2c. MAILING ADDRESS	
18	<hr/>	
19	CITY	STATE POSTAL CODE COUNTRY
20	<hr/>	
21	3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - provide only <u>one</u> Secured	
22	Party name (3a or 3b)	
23	3a. ORGANIZATION'S NAME	
24	<hr/>	
25	OR	
26	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME
27	<hr/>	
28	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
29	<hr/>	



3c. MAILING ADDRESS

CITY STATE POSTAL CODE COUNTRY

4. COLLATERAL: This financing statement covers the following collateral:

5. Check only if applicable and check only one box:

Collateral is ☐ held in a Trust (see Instructions)

☐ being administered by a Decedent's Personal Representative.

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction

☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer

☐ Bailee/Bailor ☐ Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA

[UCC FINANCING STATEMENT (Form UCC1)]

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR (same as item 1a or 1b on Financing Statement)

9a. ORGANIZATION'S NAME

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME



1	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2	_____	
3	THE ABOVE SPACE IS FOR	
4	FILING OFFICE USE ONLY	
5		
6	10. ADDITIONAL DEBTOR'S NAME - provide only <u>one</u> Debtor name (10a or 10b) (use exact, full name; do not omit, modify,	
7	or abbreviate any word in the Debtor's name)	
8	10a. ORGANIZATION'S NAME	
9	_____	
10	OR	
11	10b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME
12	_____	_____
13	ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR	SUFFIX
14	_____	
15	10c. MAILING ADDRESS	
16	_____	
17	CITY	STATE POSTAL CODE COUNTRY
18	_____	_____
19		
20	11. 9 ADDITIONAL SECURED PARTY'S NAME <u>or</u> 9 ASSIGNOR SECURED PARTY'S NAME - provide only <u>one</u> name (11a	
21	or 11b)	
22	11a. ORGANIZATION'S NAME	
23	_____	
24	OR	
25	11b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME
26	_____	_____
27	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
28	_____	
29	11c. MAILING ADDRESS	
30	_____	



CITY STATE POSTAL CODE COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

13. 9 This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:

9 covers timber to be cut 9 covers as-extracted collateral 9 is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

16. Description of real estate:

17. MISCELLANEOUS:

[UCC FINANCING STATEMENT ADDENDUM (Form UCC1Ad)]

(b) A filing office that accepts written records for
filing may not refuse to accept a written financing statement
amendment in the following form, except for a reason set forth
in section 490:9-516(b):

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR
FILING OFFICE USE ONLY



1a. INITIAL FINANCING STATEMENT FILE NUMBER

1b. 9 This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. 9 TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. 9 ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9. For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. 9 CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured

Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. 9 PARTY INFORMATION CHANGE:

Check one of these two boxes:

This Change affects 9 Debtor or 9 Secured Party of record.

AND

Check one of these three boxes to:

9 CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c.

9 ADD name: Complete item 7a or 7b, and item 7c.

9 DELETE name: Give record name to be deleted in item 6a or 6b.

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b) (use exact, full name; do not omit, modify, or abbreviate any word in the Debtor's name)

6a. ORGANIZATION'S NAME

OR

6b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact full name; do not omit, modify, or abbreviate any word in the Debtor's name)

7a. ORGANIZATION'S NAME



1 _____

2 OR

3 7b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

4 _____

5 ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR SUFFIX

6 _____

7 7c. MAILING ADDRESS

8 _____

9 CITY STATE POSTAL CODE COUNTRY

10 _____

11 8. 9 COLLATERAL CHANGE:

12 Also check one of these four boxes:

13 9 ADD collateral 9 DELETE collateral 9 RESTATE covered collateral

14 9 ASSIGN collateral

15 Indicate collateral:

16 9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT - provide only one name (9a or 9b)

17 (name of Assignor, if this is an Assignment)

18 If this is an Amendment authorized by a DEBTOR, check here 9 and provide name of authorizing Debtor

19 9a. ORGANIZATION'S NAME

20 _____

21 OR

22 9b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

23 _____

24 ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

25 _____

26 10. OPTIONAL FILER REFERENCE DATA

27 _____

28 [UCC FINANCING STATEMENT AMENDMENT (Form UCC3)]

29



UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS

11. INITIAL FINANCING STATEMENT FILE NUMBER (same as item 1a on Amendment form)

12. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)

12a. ORGANIZATION'S NAME

OR

12b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

THE ABOVE SPACE IS FOR

FILING OFFICE USE ONLY

13. Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction for item 13 - insert only one Debtor name (13a or 13b) (use exact, full name; do not omit, modify, or abbreviate any word in the Debtor's name)

13a. ORGANIZATION'S NAME

OR

13b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

14. ADDITIONAL SPACE FOR ITEM 8 (Collateral)

15. This FINANCING STATEMENT AMENDMENT: 9 covers timber to be cut

9 covers as-extracted collateral

9 is filed as a fixture filing

16. Name and address of a RECORD OWNER of real estate described in item 17 (if Debtor does not have a record interest):



17. Description of real estate

18. MISCELLANEOUS:

[UCC FINANCING STATEMENT AMENDMENT ADDENDUM (Form UCC3Ad)]

(c) A form that a filing office may not refuse to accept under subsection (a) or (b) must conform to the format prescribed for the form by the National Conference of Commissioners on Uniform State Laws."

SECTION 18. Section 490:9-607, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) If necessary to enable a secured party to exercise under subsection (a)(3) the right of a debtor to enforce a mortgage nonjudicially, the secured party may record in the office in which a record of the mortgage is recorded:

(1) A copy of the security agreement that creates or provides for a security interest in the obligation secured by the mortgage; and

(2) The secured party's sworn affidavit in recordable form stating that:

(A) A default has occurred[+] with respect to the obligation secured by the mortgage; and



6

h

JAN 20 2012

H.B. NO. 2162

Report Title:

Uniform Commercial Code; Secured Transactions

Description:

Implements the amendments to Article 9 of the Uniform Commercial Code, relating to secured transactions, set forth by the Uniform Law Commission.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

