

23. Add the following additional sentence to subsection 9-403(2):
 "A filed financing statement, which states that the obligation secured is payable on demand, is effective for five years from the date of filing."

Comment of the editorial board:

"This amendment adopted in Connecticut, Massachusetts, New Hampshire, New Jersey, and New York makes no change from the intended result, but clarifies a point as to which there is sufficient ambiguity to make the amendment desirable."

The source of this proposal is Massachusetts.

24. Add the following to subsection 10-104(2), which subsection has been recommended in this Committee's report (p. 606 of November 1962 Journal):
 "and if in any respect there is any inconsistency between that Act and the article of this Act on investment securities (art. 8) the provisions of the former Act shall control",

Comment of the editorial board

"Doubts have been expressed whether article 8 provides as complete protection on transfers of securities by fiduciaries as the Uniform Act for the Simplification of Fiduciary Security Transfers. The editorial board entirely favors the policy of simplifying fiduciary security transfers and believes that article 8 soundly implements this policy. However, since the shorter Simplification Act has been so widely enacted and has been working satisfactorily, the editorial board recommends that it be retained."

This change means that the District of Columbia Uniform Act for Simplification of Fiduciary Security Transfers (subch. II of ch. 23 of title 28 of the D.C. Code) would prevail over article 8 of the UCC.

II

Resolved, That the Uniform Commercial Code as enacted for the District of Columbia be incorporated in the D.C. Code as a separate chapter or a separate title, denominated "Uniform Commercial Code", with a list of the UCC articles under the chapter or title heading and a list of sections under each article heading, and without any change whatsoever in the UCC article, section, and subsection numbers; and that this system be followed in any revision of the D.C. Code.

Comment

For the sake of ease of reference and speed in research it is all important that the UCC be taken into the D.C. Code as an entity, and that the same system of numbering be retained with no exceptions. Any renumbering or rearrangement of the UCC provisions would greatly hamper the use, in interpreting the District of Columbia UCC, of State annotations and of texts and articles pertaining to the UCC.

CONCLUSION

All recommended changes described above, which are approved by the Board of Directors, will be included in the proposed legislation now in the process of preparation.

The Uniform Commercial Code has been enacted in 18 States, in 14 of which it is now or will be by January 1, 1963, effective. It is hoped that the District of Columbia will soon be permitted to turn the clock forward and join the growing list of jurisdictions which have decided to make a unified and democratic effort to have their commercial and business life governed basically by the same progressive written law.

GEORGE E. MONK, *Chairman*.
 ANDREW T. ALTMANN.
 JACK E. BINDEMAN.

Mr. HUDDLESTON. The first witness on H.R. 5338, to enact the Uniform Commercial Code for the District of Columbia, will be from the Bar Association of the District of Columbia. We have Mr. George Monk and Mr. Howard Anderson. Will you come around, Mr. Monk and Mr. Anderson?