

**NON-UCC LAWS found in UCC 9 – Which is addressing the Constitutional, Amended and Statutory REPUBLIC “NON-UCC” CHOICE-OF-LAWS and Republic Jurisdiction for this Nation, as being the Superior Laws of the United States of America.**

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### **5. Deposit Accounts.**

Under new subsection (b)(1), the **only method of perfecting a security interest** in a **deposit account** as original collateral is by **Control**. Filing is ineffective, except as provided in Section **9-315** with respect to **proceeds**. As explained in Section **9104**, "**Control**" can arise as a result of an agreement among the **Secured Party**, **DEBTOR**, and **BANK**, whereby the bank agrees **to comply with instructions of the Secured Party** with respect to disposition of the funds on deposit, even though the **DEBTOR** retains the right to direct disposition of the funds. Thus, subsection (b)(1) takes an intermediate position between certain **NON-UCC LAW**, which conditions the effectiveness of a security interest on the **Secured Party's** enjoyment of such dominion and control over the deposit account that the **DEBTOR** is unable to dispose of the funds, and the approach this Article takes to securities accounts, under which a secured party who is unable to reach the collateral without resort to judicial process may perfect by filing. By conditioning perfection on "control," rather than requiring the **Secured Party** to enjoy absolute dominion to the exclusion of the **DEBTOR**, subsection (b)(1) permits perfection in a wide variety of transactions, including those in which the **Secured Party** actually relies on the deposit account in extending credit and maintains some meaningful dominion over it, but does not wish to deprive the **DEBTOR** of access to the funds altogether.

### **4. Liability of Bank.**

This Article does not determine whether a **BANK** that pays out funds from an encumbered deposit is liable to the holder of a security interest. Although the fact that a **Secured Party** has control over the **deposit account** and the manner by which control was achieved may be relevant to the imposition of liability, whatever rule applies generally when a **BANK** pays out funds in which a third party has an interest would determine liability to a **Secured Party**. Often, this **Rule** is found in a **NON-UCC Adverse Claim Statute**.

This Article does not provide a specific answer to the question of which State's law applies to the restriction on assignment in the example. However, assuming that under **NON-UCC CHOICE-OF-LAW** principles the effectiveness of the restriction would be governed by the **LAW** of State Y, which governs the franchise agreement, the fact that State X's Article 9 governs the secured transaction between SP and D would not override the otherwise applicable law governing the agreement. Of course, to the extent that jurisdictions eventually adopt identical versions of this Article and courts interpret it consistently, the inability to identify the applicable law in circumstances such as those in the example may be inconsequential.

### **5. Cumulative Remedies.**

Former Section 9-501(1) provided that the **Secured Party's** remedies were cumulative, but it did not explicitly provide whether the remedies could be exercised simultaneously. Subsection (c) permits the simultaneous exercise of remedies if the **Secured Party** acts in **good faith**. The **LIABILITY SCHEME** of Subpart 2 **Affords Redress** to an aggrieved **DEBTOR** or **OBLIGOR**. Moreover, permitting the simultaneous exercise of remedies under subsection (c) does not override any **NON-UCC LAW**, including the **LAW OF TORT** and **STATUTES** regulating collection of debts, under which the simultaneous exercise of remedies in a particular case constitutes abusive behavior or harassment giving rise to liability.

### **5. Multiple Secured Parties.**

More than one **Secured Party** may be entitled to take possession of collateral under this section. Conflicting rights to possession among **Secured Parties** are resolved by the priority rules of this Article. Thus, a **Senior Secured Party** is entitled to possession as against a **Junior** claimant. **NON-UCC LAW** governs whether a junior secured party in possession of collateral is liable to the senior in conversion. Normally, a **Junior** who refuses to relinquish possession of collateral upon the demand of a **Secured Party** having a superior possessory right to the collateral would be liable in conversion.

### **3. TITLE-CLEARING Systems UNDER OTHER LAW.**

Applicable **NON-UCC LAW** (e.g., a **Certificate-Of-Title STATUTE**, federal registry rules, or the like) may provide a means by which the **Secured Party** may obtain or **Transfer Record or Legal Title** for the purpose of a disposition of the property under this Article. The mechanism provided by this section is in addition to **Any TITLE CLEARING Provision Under LAW**, other than this Article.

#### **Scope.**

The basic damage remedy under Section 9-625(b) is subject to the special rules in this section for transactions other than **consumer transactions**. This section addresses situations in which the amount of a deficiency or surplus is in issue, i.e., situations in which the **secured party** has collected, enforced, disposed of, or accepted the collateral. It contains special rules applicable to a determination of the amount of a deficiency or surplus. Because this section affects a person's liability for a deficiency, it is subject to Section 9-628, which should be read in conjunction with Section 9-605. The rules in this section apply only to noncompliance in connection with the "collection, enforcement, disposition, or acceptance" under Part 6. For other types of noncompliance with Part 6, the general liability rule of Section 9-625(b) - recovery of actual damages-applies. Consider, for example, a repossession that does not comply with Section 9-609 for want of a default. The **DEBTOR'S** remedy is under Section 9-625(b). In a proper case, the secured party also may be liable for conversion under **NON-UCC LAW**. If the secured party thereafter disposed of the collateral, however, it would violate Section 9-610 at that time, and this section would apply.

Other problems arise from transactions and relationships that were entered into under former Article 9 or under **NON-UCC LAW** and which remain outstanding on the effective date of this Article. The difficulties arise primarily because this Article expands the scope of former Article 9 to cover additional types of collateral and transactions and because it provides new methods of perfection for some types of collateral, different priority rules, and **Different Choice-Of-Law Rules Governing Perfection and Priority**. This Section and the other sections in this Part address primarily this second set of problems.

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### **You're Taking CONTROL Procedure: using the REPUBLIC "CHOICE-OF-LAWS".**

1. **Registered Mailed "Private NON-UCC" of Your Foreign Contract TRUSTS.**
2. **Registered Mail "Transfer of DEEDS" of Your Foreign Contract TRUST, with their supporting General Accounting forms.**
  - a. **SF-30 – MODIFICATION OF CONTRACT.** *(To be used by the Owner to Control the Contract.)*
  - b. **SF-1414 - CONSENT OF SURETY.** *(Owner's control over the SURETY.)*
  - c. **SF-1416 - PAYMENT BOND FOR OTHER THAN CONSTRUCTION CONTRACTS.** *Republic Credit Asset reservoir depository, as the Collateral foundation for the Performance Bonds.*
  - d. **SF-1418 - PERFORMANCE BOND FOR OTHER THAN CONSTRUCTION CONTRACTS.** *(Was to be used to pay all the Bills and Taxes.)*

### **Per NON-UCC "CHOICE-OF-LAW" in the United States Peoples Republic Jurisdiction:**

- a. **The Constitution of the United States: per the Peoples - Article 4.**
- b. **1<sup>st</sup> volume of the Statutes at Large; Fifth Congress. Sess. II: Chapters 49 and 50.**
- c. **15<sup>th</sup> volume of the Statutes at Large; Fortieth Congress, Sess. II: CH. 249, 1868; the Expatriation Act.**
- d. **The 13<sup>th</sup> and 14<sup>th</sup> Amendments; on Servitude and Insurrection.**
- e. **HJR-192; which allowed for the transfer of Republic Credits to the Foreign BANKRUPT UCC CONTRACTORS using Foreign Commercial BONDAGE Contract TRUSTS.**