

1977 Assembly Bill 1223

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CHAPTER 247, Laws of 1977

AN ACT to amend 409.404 (1) (b), (2) and (3) (c); and to repeal and recreate 409.404 (1) (c) of the statutes, relating to filing of termination statements with the secretary of state's office.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 409.404 (1) (b) of the statutes, as created by chapter 29, laws of 1977, is amended to read:

409.404 (1) (b) *Requirement for filing termination statement with the office of secretary of state.* If Except as provided in par. (c), if a financing statement is filed with the office of the secretary of state, then within one month or within 10 days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with the office of the secretary of state a termination statement to the effect that the secured party no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record complying with s. 409.405 (2), including payment of the required fee.

SECTION 2. 409.404 (1) (c) of the statutes, as created by chapter 29, laws of 1977, is repealed and recreated to read:

409.404 (1) (c) *Exceptions to requirement for filing termination statement with the office of the secretary of state.* No termination statement needs to be filed with the office of the secretary of state pursuant to par. (b) if:

1. The effectiveness of the financing statement or continuation statement has lapsed prior to the time when a termination statement is required to be filed under par. (b).
2. The financing statement states that a continuing business relationship exists between the debtor and the secured party.
3. The financing statement was filed prior to January 1, 1978.

SECTION 3. 409.404 (2) of the statutes, as affected by chapter 29, laws of 1977, is amended to read:

409.404 (2) On presentation to the filing officer of a termination statement the officer must note it in the index. If the officer has received the termination statement in duplicate ~~or in triplicate in the case of a filing under sub. (1) (e)~~, the officer shall return

one copy of the termination statement to the secured party stamped to show the time of receipt. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, the officer may remove the originals from the files at any time after receipt of the termination statement, or if the officer has no such record, the officer may remove them from the files at any time after one year after receipt of the termination statement.

SECTION 4. 409.404 (3) (c) of the statutes, as created by chapter 29, laws of 1977, is amended to read:

409.404 (3) (c) *Transition provision requiring fees for filing certain termination statements with the office of the secretary of state.* If fees are not paid under s. 409.403 (5) (b) 1, then the fees are the same as the fees for filing a termination statement with the office of the register of deeds under par. (a). ~~Twice the amount of these fees may be required under sub. (1) (e).~~

SECTION 5. **Applicability.** This act applies beginning January 1, 1978.
