



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa1013/1
RJM:cjs:rs

**SENATE AMENDMENT 1,
TO 2001 SENATE BILL 203**

February 28, 2002 – Offered by COMMITTEE ON JUDICIARY, CONSUMER AFFAIRS, AND
CAMPAIGN FINANCE REFORM.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 7, line 10: delete “Chapter 405 of the statutes is” and substitute
3 “405.101 to 405.117 of the statutes are”.

4 **2.** Page 7, line 11: delete lines 11 to 13.

5 **3.** Page 22, line 19: after that line insert:

6 “**SECTION 4p.** 409.102 (1) (bcm), (btm), (mcm), (mkm), (odm) and (ptm) of the
7 statutes, as affected by 2001 Wisconsin Act 10, are repealed.

8 **SECTION 4r.** 409.102 (2) (a), (am), (fm), (km), (m) and (n) of the statutes are
9 created to read:

10 409.102 (2) (a) “Applicant” — s. 405.102.

11 (am) “Beneficiary” — s. 405.102.

12 (fm) “Issuer” (with respect to a letter of credit or letter-of-credit right) — s.
13 405.102.

1 (km) "Letter of credit" — s. 405.102.

2 (m) "Nominated person" — s. 405.102.

3 (n) "Proceeds of a letter of credit" — s. 405.114."

4 **4.** Page 22, line 20: delete the material beginning with that line and ending
5 with page 24, line 24, and substitute:

6 "SECTION 14d. 409.107 of the statutes, as affected by 2001 Wisconsin Act 10,
7 is amended to read:

8 **409.107 Control of letter-of-credit right.** A secured party has control of
9 a letter-of-credit right to the extent of any right to payment or performance by the
10 issuer or any nominated person if the issuer or nominated person has consented to
11 an assignment of proceeds of the letter of credit under ~~ch. 405 s. 405.114 (3)~~ or
12 otherwise applicable law or practice.

13 **SECTION 14f.** 409.109 (3) (d) of the statutes, as affected by 2001 Wisconsin Act
14 10, is amended to read:

15 409.109 (3) (d) The rights of a transferee beneficiary or nominated person
16 under a letter of credit are independent and superior under ~~ch.405 s. 405.114.~~

17 **SECTION 14h.** 409.306 (2) of the statutes, as affected by 2001 Wisconsin Act 10,
18 is amended to read:

19 409.306 (2) ISSUER'S OR NOMINATED PERSON'S JURISDICTION. For purposes of this
20 subchapter, an issuer's jurisdiction or nominated person's jurisdiction is the
21 jurisdiction whose law governs the liability of the issuer or nominated person with
22 respect to the letter-of-credit right as provided in ~~ch.405 s. 405.116.~~".

23 (END)