

STATE OF COLORADO
Department of State
1700 Broadway
Suite 250
Denver, CO 80290



Donetta Davidson
Secretary of State
William A. Hobbs
Deputy Secretary of State

Memorandum

To: Interested Persons

From: Colorado Secretary of State

Subject: Annual Report of the Secretary of State to the Governor and Legislature on the Operation of the Filing Office pursuant to section 4-9-527, Colorado Revised Statutes

Date: June 30, 2005

Attached is the above-captioned Annual Report for the year ending June 30 2005.

In accordance with section 4-9-527, Colorado Revised Statutes, one (1) copy of this report is being delivered to the Governor of the State of Colorado.

Further, in accordance with section 24-1-136 (9), Colorado Revised Statutes, this report is being filed and distributed as follows:

1. one (1) copy in each house of the general assembly [one (1) copy to the Chief Clerk of the House and one (1) copy to the Secretary of the Senate];
2. Six (6) copies in the joint legislative library;
3. Four (4) copies with the state librarian for the state publications depository and distribution center; and
4. additional copies to those legislators requesting such.

For further information, contact Keith Whitelaw, Director, Business Division, Colorado Secretary of State's Office, at 303 860 6905 or keith.whitelaw@sos.state.co.us.

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Report to the Governor and General Assembly of the State of Colorado
From the Colorado Secretary of State
Pursuant to Section 4-9-527, Colorado Revised Statutes

To the Governor and Legislature of the State of Colorado, Greetings:

Pursuant to section 4-9-527, Colorado Revised Statutes, I, Donetta Davidson, Colorado Secretary of State, make the following report to the Governor and General Assembly of the State of Colorado on the operation of the office of the Colorado Secretary of State as a "filing office" under Colorado's Uniform Commercial Code, Article 9, Secured Transactions, as of June 30, 2005.

A. **Responsibility.** The filing office is operated within the Business Division of the Secretary of State's office. The duties, functions, policies, procedures, and practices of the Business Division relative to Colorado's Uniform Commercial Code, Article 9 are explained in numerous publications available on the Business Center link on the Secretary of State's website, <http://www.sos.state.co.us/>. Generally, these duties involve filing and indexing Uniform Commercial Code records presented to the Secretary of State for filing, managing and maintaining those records, making those records accessible and searchable, issuing search reports and providing certified copies and certificates.

B. **Status of Operations:** As of June 30, 2005, the status of operations was as follows:

Filing and indexing (or refusal) of records. All records presented for filing through June 27, 2005, have been examined, filed, and indexed (or acceptance has been refused, in accordance with section 4-9-520, C.R.S.).

Search Services. All requests for searches have been satisfied through June 27, 2005, with the exception of requests accompanying records to be filed, as to which such requests have been satisfied through June 24.

C. **Rules and Rulemaking.** Staff of the Business Division have monitored, via list serve participation and otherwise, rule-adoption process of filing offices in other jurisdictions, have participated in conferences attended by staff of such other jurisdictions, and in general are knowledgeable about the rules adopted by other jurisdictions. Except as noted below, the Filing Office Rules are substantially in harmony with the rules of filing offices in other jurisdictions that enact substantially this part 5. Any variations are necessary to accommodate the circumstance that, for the period of time from July 1, 1996 to January 1, 2000, Colorado law permitted de-centralized filing of Uniform Commercial Code financing statements and related records. Staff have become aware that issues have arisen among such various jurisdictions during the past year regarding the appropriateness and utility of certain of such rules, particularly with regard to standard search logic, and that many of such jurisdictions, independently and collectively through participation in the International Association of Commercial Administrators, are

considering amendments to such rules. Staff is closely monitoring these developments. Further, Staff is reviewing the Filing Office Rules in light of such issues and considering appropriate amendments.

Except as previously reported, the Filing Office Rules are substantially in harmony with the most recent version of the model rules promulgated by the International Association of Corporate Administrators (nka the International Association of *Commercial* Administrators, "IACA"), or any successor organization. Staff have become aware that issues have arisen during the past year regarding the appropriateness and utility of certain of such model rules, particularly with regard to standard search logic, and that the Secured Transactions Section of the International Association of Commercial Administrators is considering amendments to such model rules. Staff is closely monitoring these developments.

Sincerely,

A handwritten signature in cursive script that reads "Donetta Davidson".

Donetta Davidson

Colorado Secretary of State