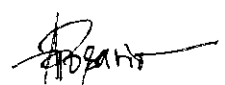


Office of the Speaker  
ANTONIO R. UNPINGCO  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

JUN 30 1999

The Honorable Antonio R. Unpingco  
Speaker  
I Mina'Bente Singko na Liheslaturan Guåhan  
Twenty-Fifth Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Hagåtña, Guam 96910


  
7-1-99  
10:49 am

Dear Speaker Unpingco:

Enclosed please find Bill No. 238 (COR), "AN ACT TO REPEAL AND REENACT CHAPTER 8 OF DIVISION 2 OF TITLE 15 OF THE GUAM CODE ANNOTATED, AS ADDED BY P.L. NO. 25-32, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT", which I have signed into law today as **Public Law No. 25-60**.

This legislation corrects a typographical error in the previous law, Public Law No. 25-32.

Very truly yours,

  
Madeleine Z. Bordallo  
I Maga'lahaen Guåhan, Akto  
Acting Governor of Guam

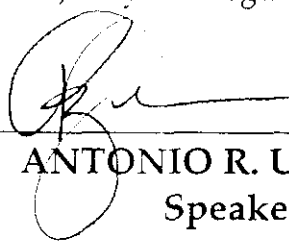
Attachment: copy attached for signed bill or overridden bill  
original attached for vetoed bill

cc: The Honorable Joanne M. S. Brown  
Legislative Secretary

MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
1999 (FIRST) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Bill No. 238 (COR), "AN ACT TO REPEAL AND REENACT CHAPTER 8 OF DIVISION 2 OF TITLE 15 OF THE GUAM CODE ANNOTATED, AS ADDED BY P.L. NO. 25-32, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT," was on the 17<sup>th</sup> day of June, 1999, duly and regularly passed.



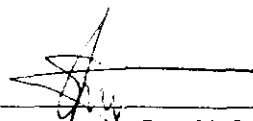
ANTONIO R. UNPINGCO  
Speaker

Attested.



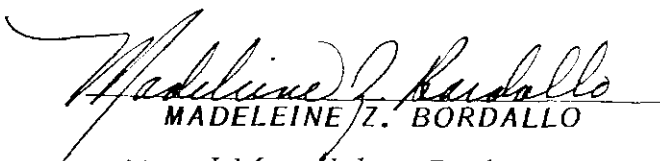
JOANNE M.S. BROWN  
Senator and Legislative Secretary

This Act was received by *I Maga'lahen Guahan* this 18<sup>th</sup> day of June, 1999,  
at 5:50 o'clock P.M.



Assistant Staff Officer  
*Maga'lahi's Office*

APPROVED:



MADELEINE Z. BORDALLO  
*Akto I Maga'lahen Guahan*  
*Acting Governor of Guam*

Date: 6/30/99

Public Law No. 25-60

MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN  
1999 (FIRST) Regular Session

Bill No. 238 (COR)

As amended.

Introduced by:

A. R. Unpingco

J. C. Salas

E. C. Bermudes

A. C. Blaz

J. M.S. Brown

E. B. Calvo

M. G. Camacho

Mark Forbes

L. F. Kasperbauer

A. C. Lamorena, V

C. A. Leon Guerrero

K. S. Moylan

V. C. Pangelinan

S. A. Sanchez, II

F. B. Aguon, Jr.

AN ACT TO REPEAL AND REENACT CHAPTER 8  
OF DIVISION 2 OF TITLE 15 OF THE GUAM  
CODE ANNOTATED, AS ADDED BY P.L. NO. 25-  
32, RELATIVE TO ADOPTING THE UNIFORM  
TRANSFER ON DEATH SECURITY  
REGISTRATION ACT.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*  
3 finds that there was a typographical error in P.L. No. 25-32. *I Liheslaturan*  
4 *Guåhan* therefore corrects this error in order to make the language fully  
5 effective.

1           Section 2. Chapter 8 of Division 2 of Title 15 of the Guam Code  
2 Annotated, as added by P.L. No. 25-32, is hereby *repealed and reenacted* to read  
3 as follows:

4                               “CHAPTER 8.

5           UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.

6           Section 801.       Short Title:       Rules of Construction.

7                     (a) This Chapter may be cited as the ‘*Uniform Transfer on*  
8                     *Death Security Registration Act.*’

9                     (b) This Chapter shall be liberally construed and applied  
10 to promote its underlying purposes and policy and to make  
11 uniform the laws with respect to the subject of this part within  
12 Guam.

13           Section 802.       Definitions.     For the purposes of this  
14 Chapter:

15                     (1) ‘*Beneficiary form*’ means a registration of a security that  
16 indicates the present owner of the security and the intention of the  
17 owner regarding the person who will become the owner of the  
18 security on the death of the owner.

19                     (2) ‘*Devisee*’ means a person designated in a will to receive  
20 a disposition of property.

21                     (3) ‘*Heirs*’ means those persons, including the surviving  
22 spouse, who are entitled to the property of a decedent.

23                     (4) ‘*Person*’ means an individual, corporation,  
24 organization and any other legal entity.

1                   (5) 'POD' means 'pay on death.'

2                   (6) 'Register,' including its derivatives, means to issue a  
3 certificate showing the ownership of a certified security or, in the  
4 case of an uncertified security, to initiate or transfer an account  
5 showing ownership of securities.

6                   (7) 'Registering entity' means a person who originates or  
7 transfers a security title by registration, and includes a broker  
8 maintaining security accounts for customers and a transfer agent  
9 or other person acting for or as an issuer of securities.

10                  (8) 'Security' means a share, participation or other interest  
11 in property, in a business, or in an obligation of an enterprise or  
12 other issuer and includes a certificated security, an uncertificated  
13 security and a security account.

14                  (9) 'Security account' means:

15                   (a) a reinvestment account associated with a  
16 security, a securities account with a broker, a cash balance in  
17 a brokerage account, cash interest, earnings, or dividends  
18 earned or declared on a security in an account, a  
19 reinvestment account, or a brokerage account, whether or  
20 not credited to the account before the owner's death; *or*

21                   (b) a cash balance or other property held for or due  
22 to the owner of a security as a replacement for or product of  
23 an account security, whether or not credited to the account  
24 before the owner's death.

1           (10) '*State,*' when referring to a part of the United States,  
2 includes any state, district, commonwealth, territory and insular  
3 possession of the United States, and any area subject to the  
4 legislative authority of the United States of America.

5           **Section 803. Registration in Beneficiary Form; Sole or Joint**  
6 **Tenancy Ownership.** Only individuals whose registration of a security  
7 shows sole ownership by one (1) individual or multiple ownership by  
8 two (2) or more with right of survivorship, rather than as tenants in  
9 common, may obtain registration in beneficiary form. Multiple owners  
10 of a security registered in beneficiary form hold as joint tenants with  
11 right of survivorship, as tenants by the entirety, or as owners of  
12 community property held in survivorship form, and *not* as tenants in  
13 common.

14           **Section 804. Registration in Beneficiary Form; Applicable**  
15 **Law.** A security may be registered in beneficiary form *if* the form  
16 is authorized by this or a similar statute of the state of organization of  
17 the issuer or registering entity, the location of the registering entity's  
18 principal office, the office of its transfer agent or its office making the  
19 registration, or by this or a similar statute of the law of the state listed as  
20 the owner's address at the time of registration. A registration governed  
21 by the law of a jurisdiction in which this or similar legislation is *not* in  
22 force or was *not* in force when a registration in beneficiary form was  
23 made is nevertheless presumed to be valid and authorized as a matter of  
24 contract law.

1           **Section 805.      Origination of Registration in Beneficiary**  
2 **Form.**

3           A security, whether evidenced by certificate or account, is registered in  
4 beneficiary form when the registration includes a designation of a  
5 beneficiary to take the ownership at the death of the owner or the deaths  
6 of all multiple owners.

7           **Section 806.      Form of Registration in Beneficiary Form.**

8           Registration in beneficiary form may be shown by the words '*transfer on*  
9 *death*' or the abbreviation '*TOD,*' or by the words '*pay on death,*' or the  
10 abbreviation '*POD,*' after the name of the registered owner and before  
11 the name of a beneficiary.

12           **Section 807.      Effect of Registration in Beneficiary Form.**

13           The designation of a TOD beneficiary on a registration in beneficiary  
14 form has no effect on ownership until the owner's death. A registration  
15 of a security in beneficiary form may be cancelled or changed at any  
16 time by the sole owner or all then surviving owners without the consent  
17 of the beneficiary.

18           **Section 808.      Ownership on Death of Owner.** On the death

19 of a sole owner, or the last to die of all multiple owners, ownership of  
20 securities registered in beneficiary form passes to the beneficiary, or  
21 beneficiaries, who survive all owners. On proof of death of all owners  
22 and compliance with any applicable requirements of the registering  
23 entity, a security registered in beneficiary form may be reregistered in  
24 the name of the beneficiary or beneficiaries who survived the death of

1 all owners. Until division of the security after the death of all owners,  
2 multiple beneficiaries surviving the death of all owners hold their  
3 interests as tenants in common. If no beneficiary survives the death of  
4 all owners, the security belongs to the estate of the deceased sole owner  
5 or the estate of the last to die of all multiple owners.

6 **Section 809. Protection of Registering Entity.** (a) A  
7 registering entity is *not* required to offer or to accept a request for  
8 security registration in beneficiary form. *If* a registration in  
9 beneficiary form is offered by a registering entity, the owner  
10 requesting registration, in beneficiary form assents to the  
11 protections given to the registering entity by this Chapter.

12 (b) By accepting a request for registration of a security in  
13 beneficiary form, the registering entity agrees that the registration  
14 will be implemented on death of the deceased owner as provided  
15 in this Chapter.

16 (c) A registering entity is discharged from all claims to a  
17 security by the estate, creditors, heirs or devisees of a deceased  
18 owner *if* it registers a transfer of the security in accordance with  
19 §808, and does so in good faith reliance on the registration, on this  
20 part, and on information provided to it by affidavit of the personal  
21 representative of the deceased owner, or by the surviving  
22 beneficiary or by the surviving beneficiary's representatives, or  
23 other information available to the registering entity.



1           (d) The protections of this Chapter do *not* extend to a re-  
2 registration or payment made *after* a registering entity has  
3 received written notice from any claimant to any interest in the  
4 security objecting implementation of a registration in beneficiary  
5 form. No other notice or other information available to the  
6 registering entity affects its right to protection under this Chapter.  
7 The protection provided by this Chapter to the registering entity  
8 of a security does *not* affect the rights of beneficiaries in disputes  
9 between themselves and other claimants to ownership of the  
10 security transferred or its value or proceeds.

11       **Section 810. Nontestamentary Transfer on Death.** (a) A  
12 transfer on death resulting from a registration in beneficiary form  
13 is effective by reason of the contract regarding the registration  
14 between the owner and the registering entity and this Chapter,  
15 and is *not* testamentary.

16           (b) This Chapter does *not* limit the rights of creditors of  
17 security owners against beneficiaries and other transferees under  
18 other laws of Guam.

19       **Section 811. Rights of Creditor on Registration.** (a) A  
20 security registered in beneficiary form is *not* effective against an  
21 estate of a deceased party to transfer to a survivor sums that are  
22 otherwise needed to pay debts, taxes and expenses of  
23 administration, including statutory allowances to the surviving

1 spouse and minor children, *if* other assets of the estate are  
2 insufficient.

3 (b) A party, POD or TOD payee, or beneficiary who  
4 receives a payment from or transfer of a security registered in  
5 beneficiary form after the death of a deceased party is liable to  
6 account to the deceased party's personal representative for  
7 amounts the decedent owned beneficially immediately before the  
8 decedent's death to the extent necessary to discharge the claims  
9 and charges described by Subsection (a) of this Section remaining  
10 unpaid after application of the decedent's estate, but is *not* liable in  
11 an amount greater than the amount that the party, POD or TOD  
12 payee, or beneficiary received from the security.

13 (c) A proceeding to assert the liability provided by  
14 Subsection (b) of this Section may *not* be commenced, *unless* the  
15 personal representative has received a written demand by a  
16 surviving spouse, a creditor, or one acting for a minor child of the  
17 decedent, and a proceeding may *not* be commenced later than two  
18 (2) years after the date of the death of the decedent. Sums  
19 recovered by the personal representative under this Section shall  
20 be administered as part of the decedent's estate.

21 (d) This Section does *not* affect the right of a financial  
22 institution, a securities issuer, or a securities broker to make a  
23 payment from or transfer of a security registered in beneficiary  
24 form according to the terms of the security, or impose liability on  
25 the institution, issuer or broker to the estate of a deceased party,

1           *unless* before the payment or transfer the institution, issuer or  
2 broker received written notice from the personal representative  
3 stating the sums needed to pay debts, taxes and expenses of  
4 administration.

5           **Section 812.       Terms, Conditions and Forms for Registration.**

6           (a)   A registering entity offering to accept registrations in  
7 beneficiary form may establish the terms and conditions under  
8 which it will receive requests: (i) for registration in beneficiary  
9 form, and (ii) for implementation of registrations in beneficiary  
10 form, including requests for cancellation of previously registered  
11 TOD beneficiary designations and requests for re-registration to  
12 effect a change of beneficiary. The terms and conditions so  
13 established may provide for proving death, avoiding or resolving  
14 any problems concerning fractional shares, designating primary  
15 and contingent beneficiaries, and substituting a named  
16 beneficiary's descendants to take in the place of the named  
17 beneficiary in the event of the beneficiary's death. Substitution  
18 may be indicated by appending to the name of the prime  
19 beneficiary the letters 'LDPS' ('lineal descendants per stripes').  
20 This designation substitutes a deceased beneficiary's descendants  
21 who survive the owner for a beneficiary who fails to survive the  
22 owner, the descendants to be identified and to share in accordance  
23 with the law of the beneficiary's domicile at the owner's death  
24 governing inheritance by descendants of an intestate. Other forms  
25 of identifying beneficiaries who are to take on one (1) or more

1 contingencies, and rules for providing proofs and assurances  
2 needed to satisfy reasonable concerns by registering entities  
3 regarding conditions and identities relevant to accurate  
4 implementation of registrations in beneficiary form, may be  
5 contained in a registering entity's terms and conditions.

6 (b) The following are illustrations of registrations in  
7 beneficiary form that a registering entity may authorize:

8 (i) sole owner-sole beneficiary: John S Brown TOD  
9 or (POD) John S Brown Jr.;

10 (ii) multiple owner-sole beneficiary: John S Brown  
11 Mary B Brown JT TEN TOD John S Brown Jr.; *or*

12 (iii) multiple owners-primary and secondary  
13 (substituted) beneficiaries: John S Brown Mary B Brown JT  
14 TEN TOD John S Brown Jr. SUB BENE Peter Q Brown; *or*  
15 John S Brown Mary B Brown JT TEN TOD John S Brown Jr.  
16 LDPS.

17 **Section 813. Notice of Effect of Registration.** A registering  
18 entity shall provide to an owner requesting registration of a security in  
19 beneficiary form a written statement describing the legal effects of the  
20 registration *not* later than the date on which the owner registers the  
21 security. The statement shall be printed in all capital twelve (12) point  
22 boldfaced type, and shall be signed by the registering owner at the time  
23 of registration. The following statement will suffice *if* signed by the  
24 registering owner:

1   **'IMPORTANT NOTICE REGARDING YOUR RIGHTS**

2   'ON PROOF OF DEATH, YOUR SECURITY IN  
3   BENEFICIARY FORM WILL BE TRANSFERRED TO YOUR  
4   NAMED BENEFICIARY, OR BENEFICIARIES, WITHOUT  
5   BEING PART OF YOUR ESTATE UNDER YOUR WILL OR  
6   BY INTESTACY. YOU SHOULD MAKE SURE BEFORE  
7   YOU REGISTER YOUR SECURITY IN BENEFICIARY  
8   FORM THAT THE REGISTRATION DOES NOT  
9   CONFLICT WITH ANY OTHER PROVISION IN A  
10    DOCUMENT THAT YOU HAVE AUTHORIZED AND  
11    SIGNED, INCLUDING A WILL OR TRUST AGREEMENT.  
12    IF YOU HAVE ANY DOUBT ABOUT WHETHER A  
13    CONFLICT EXISTS, YOU SHOULD ALSO NOTE THAT  
14    REGISTERING YOUR SECURITY IN BENEFICIARY FORM  
15    MAY NOT AFFECT A CREDITOR'S CLAIM AGAINST  
16    YOUR ESTATE OR AFFECT THE ESTATE OR  
17    INHERITANCE TAX LIABILITY OF YOUR ESTATE OR OF  
18    YOUR BENEFICIARY OF BENEFICIARIES.'

19    'I HAVE READ THE ABOVE NOTICE AND UNDERSTAND ITS  
20    CONTENTS.


21    (*signature of registering owner*)'''



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
TWENTY-FIFTH GUAM LEGISLATURE  
155 Hesler Street, Hagåtña, Guam 96910

copy

June 18, 1999

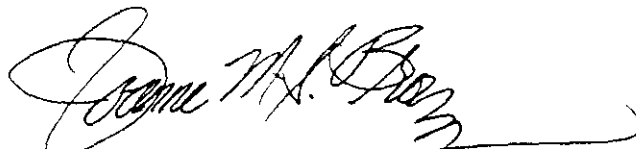
 6/18/99

The Honorable Carl T.C. Gutierrez  
*I Maga'lahaen Guåhan*  
*Ufisinan I Maga'lahi*  
*Hagåtña, Guam 96910*

Dear *Maga'lahi* Gutierrez:

Transmitted herewith are Bill Nos. 129(COR), 210(LS) and 238(COR) and Substitute Bill Nos. 186(COR), 191(COR) and 225(COR) which were passed by *I Mina'Bente Singko Na Liheslaturan Guåhan* on June 17, 1999.

Sincerely,



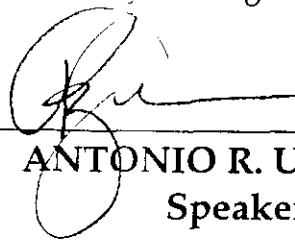
JOANNE M.S. BROWN  
Senator and Legislative Secretary

Enclosure (6)

MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
1999 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Bill No. 238 (COR), "AN ACT TO REPEAL AND REENACT CHAPTER 8 OF DIVISION 2 OF TITLE 15 OF THE GUAM CODE ANNOTATED, AS ADDED BY P.L. NO. 25-32, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT," was on the 17<sup>th</sup> day of June, 1999, duly and regularly passed.




ANTONIO R. UNPINGCO  
Speaker

Attested:



JOANNE M.S. BROWN  
Senator and Legislative Secretary

-----  
This Act was received by *I Maga'lahaen Guahan* this 17<sup>th</sup> day of June, 1999,  
at 5:50 o'clock PM M.

  
Assistant Staff Officer  
*Maga'lahi's Office*

APPROVED:

\_\_\_\_\_  
CARL T. C. GUTIERREZ  
*I Maga'lahaen Guahan*

Date: \_\_\_\_\_

Public Law No. \_\_\_\_\_

MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN  
1999 (FIRST) Regular Session

**Bill No. 238 (COR)**

As amended.

Introduced by:

A. R. Unpingco  
J. C. Salas  
E. C. Bermudes  
A. C. Blaz  
J. M.S. Brown  
E. B. Calvo  
M. G. Camacho  
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AN ACT TO REPEAL AND REENACT CHAPTER 8  
OF DIVISION 2 OF TITLE 15 OF THE GUAM  
CODE ANNOTATED, AS ADDED BY P.L. NO. 25-  
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3 finds that there was a typographical error in P.L. No. 25-32. *I Liheslaturan*  
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2 Annotated, as added by P.L. No. 25-32, is hereby *repealed and reenacted* to read  
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24 the name of the beneficiary or beneficiaries who survived the death of

1 all owners. Until division of the security after the death of all owners,  
2 multiple beneficiaries surviving the death of all owners hold their  
3 interests as tenants in common. If no beneficiary survives the death of  
4 all owners, the security belongs to the estate of the deceased sole owner  
5 or the estate of the last to die of all multiple owners.

6 **Section 809. Protection of Registering Entity.** (a) A  
7 registering entity is *not* required to offer or to accept a request for  
8 security registration in beneficiary form. *If* a registration in  
9 beneficiary form is offered by a registering entity, the owner  
10 requesting registration, in beneficiary form assents to the  
11 protections given to the registering entity by this Chapter.

12 (b) By accepting a request for registration of a security in  
13 beneficiary form, the registering entity agrees that the registration  
14 will be implemented on death of the deceased owner as provided  
15 in this Chapter.

16 (c) A registering entity is discharged from all claims to a  
17 security by the estate, creditors, heirs or devisees of a deceased  
18 owner *if* it registers a transfer of the security in accordance with  
19 §808, and does so in good faith reliance on the registration, on this  
20 part, and on information provided to it by affidavit of the personal  
21 representative of the deceased owner, or by the surviving  
22 beneficiary or by the surviving beneficiary's representatives, or  
23 other information available to the registering entity.

1 (d) The protections of this Chapter do *not* extend to a re-  
2 registration or payment made *after* a registering entity has  
3 received written notice from any claimant to any interest in the  
4 security objecting implementation of a registration in beneficiary  
5 form. No other notice or other information available to the  
6 registering entity affects its right to protection under this Chapter.  
7 The protection provided by this Chapter to the registering entity  
8 of a security does *not* affect the rights of beneficiaries in disputes  
9 between themselves and other claimants to ownership of the  
10 security transferred or its value or proceeds.

11 **Section 810. Nontestamentary Transfer on Death.** (a) A  
12 transfer on death resulting from a registration in beneficiary form  
13 is effective by reason of the contract regarding the registration  
14 between the owner and the registering entity and this Chapter,  
15 and is *not* testamentary.

16 (b) This Chapter does *not* limit the rights of creditors of  
17 security owners against beneficiaries and other transferees under  
18 other laws of Guam.

19 **Section 811. Rights of Creditor on Registration.** (a) A  
20 security registered in beneficiary form is *not* effective against an  
21 estate of a deceased party to transfer to a survivor sums that are  
22 otherwise needed to pay debts, taxes and expenses of  
23 administration, including statutory allowances to the surviving

1 spouse and minor children, *if* other assets of the estate are  
2 insufficient.

3 (b) A party, POD or TOD payee, or beneficiary who  
4 receives a payment from or transfer of a security registered in  
5 beneficiary form after the death of a deceased party is liable to  
6 account to the deceased party's personal representative for  
7 amounts the decedent owned beneficially immediately before the  
8 decedent's death to the extent necessary to discharge the claims  
9 and charges described by Subsection (a) of this Section remaining  
10 unpaid after application of the decedent's estate, but is *not* liable in  
11 an amount greater than the amount that the party, POD or TOD  
12 payee, or beneficiary received from the security.

13 (c) A proceeding to assert the liability provided by  
14 Subsection (b) of this Section may *not* be commenced, *unless* the  
15 personal representative has received a written demand by a  
16 surviving spouse, a creditor, or one acting for a minor child of the  
17 decedent, and a proceeding may *not* be commenced later than two  
18 (2) years after the date of the death of the decedent. Sums  
19 recovered by the personal representative under this Section shall  
20 be administered as part of the decedent's estate.

21 (d) This Section does *not* affect the right of a financial  
22 institution, a securities issuer, or a securities broker to make a  
23 payment from or transfer of a security registered in beneficiary  
24 form according to the terms of the security, or impose liability on  
25 the institution, issuer or broker to the estate of a deceased party,

1           *unless* before the payment or transfer the institution, issuer or  
2 broker received written notice from the personal representative  
3 stating the sums needed to pay debts, taxes and expenses of  
4 administration.

5           **Section 812.       Terms, Conditions and Forms for Registration.**

6           (a)   A registering entity offering to accept registrations in  
7 beneficiary form may establish the terms and conditions under  
8 which it will receive requests: (i) for registration in beneficiary  
9 form, and (ii) for implementation of registrations in beneficiary  
10 form, including requests for cancellation of previously registered  
11 TOD beneficiary designations and requests for re-registration to  
12 effect a change of beneficiary. The terms and conditions so  
13 established may provide for proving death, avoiding or resolving  
14 any problems concerning fractional shares, designating primary  
15 and contingent beneficiaries, and substituting a named  
16 beneficiary's descendants to take in the place of the named  
17 beneficiary in the event of the beneficiary's death. Substitution  
18 may be indicated by appending to the name of the prime  
19 beneficiary the letters 'LDPS' ('lineal descendants per stripes').  
20 This designation substitutes a deceased beneficiary's descendants  
21 who survive the owner for a beneficiary who fails to survive the  
22 owner, the descendants to be identified and to share in accordance  
23 with the law of the beneficiary's domicile at the owner's death  
24 governing inheritance by descendants of an intestate. Other forms  
25 of identifying beneficiaries who are to take on one (1) or more



1 contingencies, and rules for providing proofs and assurances  
2 needed to satisfy reasonable concerns by registering entities  
3 regarding conditions and identities relevant to accurate  
4 implementation of registrations in beneficiary form, may be  
5 contained in a registering entity's terms and conditions.

6 (b) The following are illustrations of registrations in  
7 beneficiary form that a registering entity may authorize:

8 (i) sole owner-sole beneficiary: John S Brown TOD  
9 or (POD) John S Brown Jr.;

10 (ii) multiple owner-sole beneficiary: John S Brown  
11 Mary B Brown JT TEN TOD John S Brown Jr.; *or*

12 (iii) multiple owners-primary and secondary  
13 (substituted) beneficiaries: John S Brown Mary B Brown JT  
14 TEN TOD John S Brown Jr. SUB BENE Peter Q Brown; *or*  
15 John S Brown Mary B Brown JT TEN TOD John S Brown Jr.  
16 LDPS.

17 **Section 813. Notice of Effect of Registration.** A registering  
18 entity shall provide to an owner requesting registration of a security in  
19 beneficiary form a written statement describing the legal effects of the  
20 registration *not* later than the date on which the owner registers the  
21 security. The statement shall be printed in all capital twelve (12) point  
22 boldfaced type, and shall be signed by the registering owner at the time  
23 of registration. The following statement will suffice *if* signed by the  
24 registering owner:

1                            **'IMPORTANT NOTICE REGARDING YOUR RIGHTS**

2                            'ON PROOF OF DEATH, YOUR SECURITY IN  
3                            BENEFICIARY FORM WILL BE TRANSFERRED TO YOUR  
4                            NAMED BENEFICIARY, OR BENEFICIARIES, WITHOUT  
5                            BEING PART OF YOUR ESTATE UNDER YOUR WILL OR  
6                            BY INTESTACY. YOU SHOULD MAKE SURE BEFORE  
7                            YOU REGISTER YOUR SECURITY IN BENEFICIARY  
8                            FORM THAT THE REGISTRATION DOES NOT  
9                            CONFLICT WITH ANY OTHER PROVISION IN A  
10                           DOCUMENT THAT YOU HAVE AUTHORIZED AND  
11                           SIGNED, INCLUDING A WILL OR TRUST AGREEMENT.  
12                           IF YOU HAVE ANY DOUBT ABOUT WHETHER A  
13                           CONFLICT EXISTS, YOU SHOULD ALSO NOTE THAT  
14                           REGISTERING YOUR SECURITY IN BENEFICIARY FORM  
15                           MAY NOT AFFECT A CREDITOR'S CLAIM AGAINST  
16                           YOUR ESTATE OR AFFECT THE ESTATE OR  
17                           INHERITANCE TAX LIABILITY OF YOUR ESTATE OR OF  
18                           YOUR BENEFICIARY OF BENEFICIARIES.'

19                           'I HAVE READ THE ABOVE NOTICE AND UNDERSTAND ITS  
20                           CONTENTS.

21                                        *(signature of registering owner)''*

6

# I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN

1999 (FIRST) Regular Session

Date: 6/17/99

## VOTING SHEET

Bill No. 238(COR)

Resolution No. \_\_\_\_\_

Question: \_\_\_\_\_

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT ROLL CALL
AGUON, Frank B., Jr.					✓
BERMUDES, Eulogio C.	✓				
BLAZ, Anthony C.	✓				
BROWN, Joanne M.S.	✓				
CALVO, Eduardo B.	✓				
CAMACHO, Marcel G.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LAMORENA, Alberto C., V	✓				
LEON GUERRERO, Carlotta A.	✓				
MOYLAN, Kaleo Scott	✓				
PANGELINAN, Vicente C.	✓				
SALAS, John C.	✓				
SANCHEZ, Simon A., II	✓				
UNPINGCO, Antonio R.	✓				

TOTAL

14    0    0    0    1

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**TWENTY-FIFTH GUAM LEGISLATURE**  
155 Hesler Street, Hagåtña, Guam 96910

June 16, 1999

( DATE )

**FILE**  
**COPY**

Memorandum

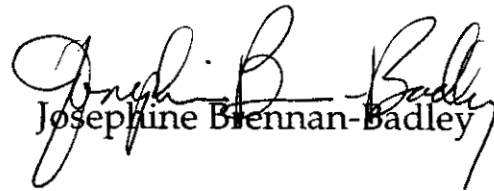
To: Senator ANTONIO R. UNPINGCO

From: Clerk of the Legislature

Subject: Report on Bill No. 238 (COR)

Pursuant to §7.04 of Rule VII of the 25<sup>th</sup> Standing Rules, transmitted herewith is a copy of the Committee Report on Bill No. 238 (COR), for which you are the prime sponsor.

Should you have any questions or need further information, please call the undersigned at 472-3464/5.

  
Josephine Brennan-Badley

Attachment

ACKNOWLEDGEMENT RECEIPT

Received by: [Signature]  
Date: 3:20 PM  
Date: 6-16-99



✓

COMMITTEE ON JUDICIARY, PUBLIC SAFETY,  
CONSUMER PROTECTION, AND HUMAN RESOURCES  
DEVELOPMENT

I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN

JOHN CAMACHO SALAS, CHAIRMAN

June 16, 1999

The Honorable Antonio R. Unpingco  
Speaker  
Mina' Bente Singko na LiHeslaturan Guahan  
155 Hesler Street  
Hagatna, Guam 96910

Dear Mr. Speaker:

The Committee on Judiciary, Public Safety, Consumer Protection & Human Resources Development to which was referred Bill No. 238, has had the same under consideration and now wishes to report back the same with the recommendation **TO DO PASS**.

The Committee votes are as follows:

To Do Pass

4

Not To Pass

—

Abstain

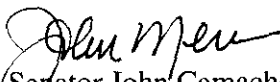
—

Other (Off-Island)

—

A copy of the Committee's report and other pertinent documents are attached for your reference and information.

Sincerely,

  
Senator John Camacho Salas  
Chairman



25th GUAM LEGISLATURE

# SENATOR JOHN CAMACHO SALAS

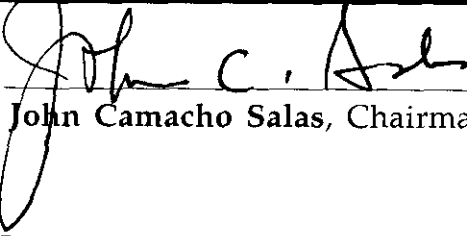

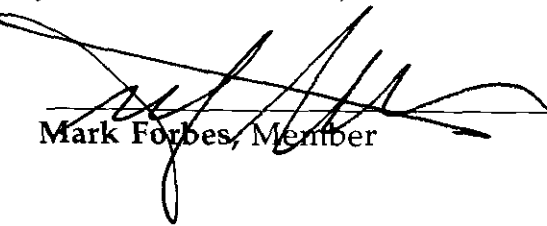

CHAIRMAN

COMMITTEE ON JUDICIARY, PUBLIC SAFETY, CONSUMER PROTECTION AND HUMAN RESOURCES DEVELOPMENT

## VOTING SHEET

BILL NUMBER 238

TITLE AN ACT TO AMEND, TO REPEAL AND REENACT P.L. 25-32, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.

	TO DO PASS	NOT TO PASS	ABSTAIN	INACTIVE FILE
 John Camacho Salas, Chairman	<input checked="" type="checkbox"/>			
Kaleo S. Moylan, Vice-Chairman				
Frank B. Aguon, Jr., Member				
 Joanne M.S. Brown, Member	<input checked="" type="checkbox"/>			
 Mark Forbes, Member	<input checked="" type="checkbox"/>			
Alberto C. Lamorena V, Member				
Carlotta A. Leon Guerrero, Member				
 Antonio R. Unpingco, Ex-Officio	<input checked="" type="checkbox"/>			

# **Committee on Judiciary, Public Safety, Consumer Protection, and Human Resources Development**

## **Committee Report on Bill 238**

*Bill 238: An act to amend, to repeal and reenact PL 25-32, relative to adopting the Uniform Transfer on Death Security Registration Act.*

### **V. COMMITTEE FINDINGS & RECOMMENDATION**

Bill 238 corrects a typographical error in PL 25-32, which became law on June 4, 1999. The typographical error is on line 17, page 6. The Committee has waived the public hearing pursuant to 2 GCA §2103. This Act will allow the language to be fully effective. Therefore, the Committee recommends **TO DO PASS Bill 238**.

RECEIVED  
MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN  
1999 (FIRST) Regular Session JUN 16 AM 11 40

Bill No. 238 (COR)

Introduced by:

6

A. R. Unpingco  
J. C. Salas  
E. C. Bermudes  
A. C. Blaz  
J. M.S. Brown  
E. B. Calvo  
M. G. Camacho  
Mark Forbes  
L. F. Kasperbauer  
A. C. Lamorena, V  
C. A. Leon Guerrero  
K. S. Moylan  
V. C. Pangelinan  
S. A. Sanchez, II  
F. B. Aguon, Jr.

AN ACT TO AMEND, TO REPEAL AND  
REENACT PL 25-32, RELATIVE TO ADOPTING  
THE UNIFORM TRANSFER ON DEATH  
SECURITY REGISTRATION ACT.

1        **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that there was a typographical error in PL <sup>25</sup>~~24~~-32. *I Liheslaturan Guåhan*  
4 therefore corrects this error in order to make the language fully effective.

5        **Section 2. 15 GCA is amended to read as follows:**



1 "CHAPTER 8.

2 UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.

3 Section 801. Short Title: Rules of Construction.

4 (a) This Chapter may be cited as the '*Uniform Transfer on*  
5 *Death Security Registration Act.*'

6 (b) This Chapter shall be liberally construed and applied  
7 to promote its underlying purposes and policy and to make  
8 uniform the laws with respect to the subject of this part within  
9 Guam.

10 Section 802. Definitions. For the purposes of this

11 Chapter:

12 (1) '*Beneficiary form*' means a registration of a security that  
13 indicates the present owner of the security and the intention of the  
14 owner regarding the person who will become the owner of the  
15 security on the death of the owner.

16 (2) '*Devisee*' means a person designated in a will to receive  
17 a disposition of property.

18 (3) '*Heirs*' means those persons, including the surviving  
19 spouse, who are entitled to the property of a decedent.

20 (4) '*Person*' means an individual, corporation,  
21 organization and any other legal entity.

22 (5) '*POD*' means 'pay on death.'

23 (6) '*Register,*' including its derivatives, means to issue a  
24 certificate showing the ownership of a certified security or, in the

1 case of an uncertified security, to initiate or transfer an account  
2 showing ownership of securities.

3 (7) *'Registering entity'* means a person who originates or  
4 transfers a security title by registration, and includes a broker  
5 maintaining security accounts for customers and a transfer agent  
6 or other person acting for or as an issuer of securities.

7 (8) *'Security'* means a share, participation or other interest  
8 in property, in a business, or in an obligation of an enterprise or  
9 other issuer and includes a certificated security, an uncertificated  
10 security and a security account.

11 (9) *'Security account'* means:

12 (a) a reinvestment account associated with a  
13 security, a securities account with a broker, a cash balance in  
14 a brokerage account, cash interest, earnings, or dividends  
15 earned or declared on a security in an account, a  
16 reinvestment account, or a brokerage account, whether or  
17 not credited to the account before the owner's death; *or*

18 (b) a cash balance or other property held for or due  
19 to the owner of a security as a replacement for or product of  
20 an account security, whether or not credited to the account  
21 before the owner's death.

22 (10) *'State,'* when referring to a part of the United States,  
23 includes any state, district, commonwealth, territory and insular

1 possession of the United States, and any area subject to the  
2 legislative authority of the United States of America.

3 **Section 803. Registration in Beneficiary Form; Sole or Joint**  
4 **Tenancy Ownership.** Only individuals whose registration of a security  
5 shows sole ownership by one (1) individual or multiple ownership by  
6 two (2) or more with right of survivorship, rather than as tenants in  
7 common, may obtain registration in beneficiary form. Multiple owners  
8 of a security registered in beneficiary form hold as joint tenants with  
9 right of survivorship, as tenants by the entirety, or as owners of  
10 community property held in survivorship form, and *not* as tenants in  
11 common.

12 **Section 804. Registration in Beneficiary Form; Applicable**  
13 **Law.** A security may be registered in beneficiary form *if* the form  
14 is authorized by this or a similar statute of the state of organization of  
15 the issuer or registering entity, the location of the registering entity's  
16 principal office, the office of its transfer agent or its office making the  
17 registration, or by this or a similar statute of the law of the state listed as  
18 the owner's address at the time of registration. A registration governed  
19 by the law of a jurisdiction in which this or similar legislation is *not* in  
20 force or was *not* in force when a registration in beneficiary form was  
21 made is nevertheless presumed to be valid and authorized as a matter  
22 of contract law.

23 **Section 805. Origination of Registration in Beneficiary**  
24 **Form.**

1 A security, whether evidenced by certificate or account, is registered in  
2 beneficiary form when the registration includes a designation of a  
3 beneficiary to take the ownership at the death of the owner or the  
4 deaths of all multiple owners.

5 **Section 806. Form of Registration in Beneficiary Form.**

6 Registration in beneficiary form may be shown by the words '*transfer on*  
7 *death*' or the abbreviation '*TOD,*' or by the words '*pay on death,*' or the  
8 abbreviation '*POD,*' after the name of the registered owner and before  
9 the name of a beneficiary.

10 **Section 807. Effect of Registration in Beneficiary Form.**

11 The designation of a TOD beneficiary on a registration in beneficiary  
12 form has no effect on ownership until the owner's death. A registration  
13 of a security in beneficiary form may be cancelled or changed at any  
14 time by the sole owner or all then surviving owners without the consent  
15 of the beneficiary.

16 **Section 808. Ownership on Death of Owner.** On the death

17 of a sole owner, or the last to die of all multiple owners, ownership of  
18 securities registered in beneficiary form passes to the beneficiary, or  
19 beneficiaries, who survive all owners. On proof of death of all owners  
20 and compliance with any applicable requirements of the registering  
21 entity, a security registered in beneficiary form may be reregistered in  
22 the name of the beneficiary or beneficiaries who survived the death of  
23 all owners. Until division of the security after the death of all owners,  
24 multiple beneficiaries surviving the death of all owners hold their

1 interests as tenants in common. If no beneficiary survives the death of  
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4 **Section 809. Protection of Registering Entity.** (a) A  
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8 requesting registration, in beneficiary form assents to the  
9 protections given to the registering entity by this Chapter.

10 (b) By accepting a request for registration of a security in  
11 beneficiary form, the registering entity agrees that the registration  
12 will be implemented on death of the deceased owner as provided  
13 in this Chapter.

14 (c) A registering entity is discharged from all claims to a  
15 security by the estate, creditors, heirs or devisees of a deceased  
16 owner *if* it registers a transfer of the security in accordance with  
17 [§8] §808 , and does so in good faith reliance on the registration,  
18 on this part, and on information provided to it by affidavit of the  
19 personal representative of the deceased owner, or by the  
20 surviving beneficiary or by the surviving beneficiary's  
21 representatives, or other information available to the registering  
22 entity.

23 (d) The protections of this Chapter do *not* extend to a re-  
24 registration or payment made *after* a registering entity has

1 received written notice from any claimant to any interest in the  
2 security objecting implementation of a registration in beneficiary  
3 form. No other notice or other information available to the  
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5 The protection provided by this Chapter to the registering entity  
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23 insufficient.

1           (b) A party, POD or TOD payee, or beneficiary who  
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4 account to the deceased party's personal representative for  
5 amounts the decedent owned beneficially immediately before the  
6 decedent's death to the extent necessary to discharge the claims  
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11           (c) A proceeding to assert the liability provided by  
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19           (d) This Section does *not* affect the right of a financial  
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1 broker received written notice from the personal representative  
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4 **Section 812. Terms, Conditions and Forms for Registration.**

5 (a) A registering entity offering to accept registrations in  
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16 beneficiary in the event of the beneficiary's death. Substitution  
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19 This designation substitutes a deceased beneficiary's descendants  
20 who survive the owner for a beneficiary who fails to survive the  
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22 accordance with the law of the beneficiary's domicile at the  
23 owner's death governing inheritance by descendants of an  
24 intestate. Other forms of identifying beneficiaries who are to take



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11 Mary B Brown JT TEN TOD John S Brown Jr.; *or*

12 (iii) multiple owners-primary and secondary  
13 (substituted) beneficiaries: John S Brown Mary B Brown JT  
14 TEN TOD John S Brown Jr. SUB BENE Peter Q Brown; *or*  
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16 LDPS.

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1                   **'IMPORTANT NOTICE REGARDING YOUR RIGHTS**

2                   'ON PROOF OF DEATH, YOUR SECURITY IN  
3                   BENEFICIARY FORM WILL BE TRANSFERRED TO YOUR  
4                   NAMED BENEFICIARY, OR BENEFICIARIES, WITHOUT  
5                   BEING PART OF YOUR ESTATE UNDER YOUR WILL OR  
6                   BY INTESTACY. YOU SHOULD MAKE SURE BEFORE  
7                   YOU REGISTER YOUR SECURITY IN BENEFICIARY  
8                   FORM THAT THE REGISTRATION DOES NOT  
9                   CONFLICT WITH ANY OTHER PROVISION IN A  
10                  DOCUMENT THAT YOU HAVE AUTHORIZED AND  
11                  SIGNED, INCLUDING A WILL OR TRUST AGREEMENT.  
12                  IF YOU HAVE ANY DOUBT ABOUT WHETHER A  
13                  CONFLICT EXISTS, YOU SHOULD ALSO NOTE THAT  
14                  REGISTERING YOUR SECURITY IN BENEFICIARY  
15                  FORM MAY NOT AFFECT A CREDITOR'S CLAIM  
16                  AGAINST YOUR ESTATE OR AFFECT THE ESTATE OR  
17                  INHERITANCE TAX LIABILITY OF YOUR ESTATE OR  
18                  OF YOUR BENEFICIARY OF BENEFICIARIES.'

19               'I HAVE READ THE ABOVE NOTICE AND UNDERSTAND ITS  
20               CONTENTS.

21   *(signature of registering owner)''*



COMMITTEE ON JUDICIARY, PUBLIC SAFETY,  
CONSUMER PROTECTION, AND HUMAN RESOURCES  
DEVELOPMENT

I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN

JOHN CAMACHO SALAS, CHAIRMAN

April 20, 1998 *JS*

The Honorable Antonio R. Unpingco  
Speaker  
Mina' Bente Kuattro na Liheslaturan Guahan  
155 Hesler Street  
Hagatna, Guam 96910

Dear Mr. Speaker:

The Committee on Judiciary, Public Safety, Consumer Protection & Human Resources Development to which was referred Bill No. 47, has had the same under consideration and now wishes to report back the same with the recommendation **TO DO PASS**.

The Committee votes are as follows:

To Do Pass	<u>5</u>
Not To Pass	<u>0</u>
Abstain	<u>0</u>
Other (Off-Island)	<u>0</u>

A copy of the Committee's report and other pertinent documents are attached for your reference and information.

Sincerely,

*John C. Salas*  
Senator John Camacho Salas  
Chairman



# SENATOR JOHN CAMACHO SALAS CHAIRMAN

## COMMITTEE ON JUDICIARY, PUBLIC SAFETY, CONSUMER PROTECTION AND HUMAN RESOURCES DEVELOPMENT

### VOTING SHEET

BILL NUMBER 47

TITLE AN ACT TO ADD CHAPTER 1 TO DIVISION 2 OF TITLE 15 GCA, RELATIVE TO  
ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION  
ACT.

	TO DO PASS	NOT TO PASS	ABSTAIN	INACTIVE FILE
 John Camacho Salas, Chairman	<input checked="" type="checkbox"/>			
 Kaleo S. Moylan, Vice-Chairman	<input checked="" type="checkbox"/>			
 Frank B. Aguon, Jr., Member	<input checked="" type="checkbox"/>			
 Joanne M.S. Brown, Member	<input checked="" type="checkbox"/>			
 Mark Forbes, Member	<input checked="" type="checkbox"/>			
Alberto C. Lamorena V, Member				
Carlotta A. Leon Guerrero, Member				
Antonio R. Unpingco, Ex-Officio				

Committee on Judiciary, Public Safety, Consumer Protection, and  
Human Resources Development  
Committee Report on Bill 47  
Publicly Heard Friday, February 26, 1999

*Bill 47: An act to add Chapter 1 to Division 2 of Title 15 of the Guam Code Annotated, relative to adopting the Uniform Transfer on Death Security Registration Act.*

**I. ATTENDANCE**

- Senator John C. Salas, Chairman
- Senator Frank B. Aguon, Jr., Committee Member
- Senator Vincente C. Pangelinan
- Senator Kaleo S. Moylan, Co-Chairman

**II. MAIN SPONSORS**

Senator Antonio R. Unpingco

**III. SYNOPSIS**

This act allows an individual to identify beneficiaries for stocks, bonds, and mutual funds that are not part of retirement accounts. The key advantage of the Transfer on Death agreement is that it allows for the ownership of assets to transfer directly to certain beneficiaries without going through the probate process. This arrangement is increasingly common in most states.

**IV. TESTIMONY**

**Chairman Salas** provided an overview of the bill.

**Mr. Paul Tobiason, Resident of Chalan Pago**, provided testimony supporting the bill. He felt the Transfer on Death agreement will benefit all island residents who experience the difficulty of probate. He further inquired whether bank savings and checking accounts, Certificates of Deposit, and other similar instruments are eligible for Transfer on Death agreements.

**Senator Pangelinan** indicated that cash instruments as Mr. Tobiason described are covered by the act.

**Acting Attorney General Michael Stern** stated that this act is not necessarily related to the Attorney General's office, but he sees the value in its simplification of the probate process.

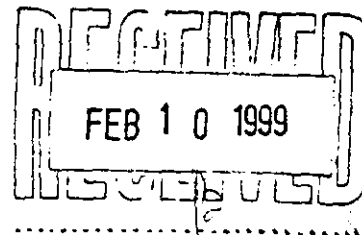
**V. COMMITTEE FINDINGS & RECOMMENDATION**

The Committee finds that there are no comparable provisions of existing Guam law. The Uniform Transfer on Death Security Registration Act is a relatively new proposal endorsed by the National Conference of Commissioners on Uniform State Law and has been recently enacted in a number of states, including Alaska, Iowa, New Hampshire, Ohio, Texas and Washington, and is under consideration by several others. This Act will allow the timely transfer of these securities without the long probate process. Therefore, the Committee recommends **TO DO PASS Bill 47**.



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
Kumitean Areklamento, Refotman Gubetnamento Siha, Inetnon di Nuebu, yan Asunton Fidirat  
*Senator Mark Forbes, Chairman*

FEB 10 1999



**MEMORANDUM**

TO: Chairman  
Committee on Judiciary, Public Safety, Consumer Protection  
and Human Resources Development

FROM: Chairman *[Signature]*  
Committee on Rules, Government Reform, Reorganization  
and Federal Affairs

SUBJECT: Principal Referral - Bill No. 47

The above bill is referred to your Committee as the Principal Committee. In accordance with Section 6.04.05. of the Standing Rules, your Committee "shall be the Committee to perform the public hearing and have the authority to amend or substitute the bill, as well as report the bill out to the Body." It is recommended that you schedule a public hearing at your earliest convenience.

Thank you for your attention to this matter.

**MARK FORBES**

Attachment

Approved  
31 1999

MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN  
1999 (FIRST) REGULAR SESSION

Bill No. 47(COP)

Introduced by:

A.R. Unpingco *le*

AN ACT TO ADD CHAPTER 1 TO DIVISION 2 OF TITLE 15 OF THE  
GUAM CODE ANNOTATED, RELATIVE TO ADOPTING THE  
UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT."

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guahan* finds that  
3 the best way for heirs to avoid probate is to identify beneficiaries who will inherit  
4 specific assets when you pass away. The Uniform Transfer on Death Securities  
5 Registration Act allows an individual to identify beneficiaries for stocks, bonds, and  
6 mutual funds that are not part of retirement accounts. The key advantage of the  
7 Transfer on Death agreement is that it allows for the ownership of assets to transfer  
8 directly to certain beneficiaries and bypass probate. Another finding is that Transfer  
9 on Death agreements enables the owner to maintain control of all his assets while  
10 he is alive. Further, the owner can change the Transfer on Death agreement to  
11 delete or add on beneficiaries for certain assets.

12 Section 2. A New Chapter 1 is hereby added to Division 2 of Title 15 of the  
13 Guam Code Annotated to read as follows:

14 "CHAPTER 1  
15 DIVISION 2

1           **UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT"**

2           **Section 101. Short Title: Rules of Construction.** (a) This chapter may be cited  
3 as the Uniform Transfer on Death Security Registration Act.

4 (b) This chapter shall be liberally construed and applied to promote its underlying  
5 purposes and policy and to make uniform the laws with respect to the subject of this  
6 part among the Territory of Guam.

7           **Section 102. Definitions.** For the purposes of this Chapter.

8 (1) "Beneficiary form" means a registration of a security that indicates the present  
9 owner of the security and the intention of the owner regarding the person who will  
10 become the owner of the security on the death of the owner.

11 (2) "Devisee" means a person designated in a will to receive a disposition of  
12 property.

13 (3) "Heirs" means those persons, including the surviving spouse, who are entitled  
14 to the property of a decedent.

15 (4) "Person" means an individual, corporation, organization, and any other legal  
16 entity.

17 (5) "POD" means "pay on death."

18 (6) "Register," including its derivatives, means to issue a certificate showing the  
19 ownership of a certified security or, in the case of an uncertified security, to initiate or  
20 transfer an account showing ownership of securities.

21 (7) "Registering entity" means a person who originates or transfers a security title by  
22 registration, and includes a broker maintaining security accounts for customers and  
23 a transfer agent or other person acting for or as an issuer of securities.



1 (8) "Security" means a share, participation, or other interest in property, in a  
2 business, or in an obligation of an enterprise or other issuer and includes a  
3 certificated security, an uncertificated security, and a security account.

4 (9) "Security account" means:

5 (a) A reinvestment account associated with a security, a securities account with a  
6 broker, a cash balance in a brokerage account, cash interest, earnings, or dividends  
7 earned or declared on a security in an account, a reinvestment account, or a  
8 brokerage account, whether or not credited to the account before the owner's death;  
9 or

10 (b) A cash balance or other property held for or due to the owner of a security as a  
11 replacement for or product of an account security, whether or not credited to the  
12 account before the owner's death.

13 (10) "State," when referring to a part of the United States, includes any state, district,  
14 commonwealth, territory, and insular possession of the United States and any area  
15 subject to the legislative authority of the United States of America.

16 **Section 103. Registration in Beneficiary Form; Sole or Joint Tenancy**  
17 **Ownership.** Only individuals whose registration of a security shows sole ownership  
18 by one individual or multiple ownership by two or more with right of  
19 survivorship, rather than as tenants in common, may obtain registration in  
20 beneficiary form. Multiple owners of a security registered in beneficiary form hold  
21 as joint tenants with right of survivorship, as tenants by the entirety, or as owners  
22 of community property held in survivorship form, and not as tenants in common.

1           **Section 104. Registration in Beneficiary Form; Applicable Law.** A security  
2 may be registered in beneficiary form if the form is authorized by this or a similar  
3 statute of the state of organization of the issuer or registering entity, the location of  
4 the registering entity's principal office, the office of its transfer agent or its office  
5 making the registration, or by this or a similar statute of the law of the state listed as  
6 the owner's address at the time of registration. A registration governed by the law of  
7 a jurisdiction in which this or similar legislation is not in force or was not in force  
8 when a registration in beneficiary form was made is nevertheless presumed to be  
9 valid and authorized as a matter of contract law.

10           **Section 105. Origination of Registration in Beneficiary Form.** A security,  
11 whether evidenced by certificate or account, is registered in beneficiary form when  
12 the registration includes a designation of a beneficiary to take the ownership at the  
13 death of the owner or the deaths of all multiple owners.

14           **Section 106. Form of Registration in Beneficiary Form.** Registration in  
15 beneficiary form may be shown by the words "transfer on death" or the abbreviation  
16 "TOD", or by the words "pay on death" or the abbreviation "POD," after the name of  
17 the registered owner and before the name of a beneficiary.

18           **Section 107. Effect of Registration in Beneficiary Form.** The designation of a  
19 TOD beneficiary on a registration in beneficiary ofrm has nof effect on ownership  
20 until the owner's death. A registration of a security in beneficiary form may be  
21 cancelled or changed at any time by the sole owner or all then surviving owners  
22 without the consent of the beneficiary.

1 (b) A party, POD or TOD payee, or beneficiary who receives a payment from or  
2 transfer of a security registered in beneficiary form after the death of a deceased party  
3 is liable to account to the deceased party's personal representative for amounts the  
4 decedent owned beneficially immediately before the decedent's death to the extent  
5 necessary to discharge the claims and charges described by Subsection (a) of this  
6 section remaining unpaid after application of the decedent's estate, but is not liable  
7 in an amount greater than the amount that the party, POD or TOD payee, or  
8 beneficiary received from the security.

9 (c) A proceeding to assert the liability provided by Subsection (b) of this section may  
10 not be commenced unless the personal representative has received a written  
11 demand by a surviving spouse, a creditor, or one acting for a minor child of the  
12 decedent, and a proceeding may not be commenced later than two years after the  
13 date of the death of the decedent. Sums recovered by the personal representative  
14 under this section shall be administered as part of the decedent's estate.

15 (d) This section does not affect the right of a financial institution, a securities issuer,  
16 or a securities broker to make a payment from or transfer of a security registered in  
17 beneficiary form according to the terms of the security or impose liability on the  
18 institution, issuer, or broker to the estate of a deceased party unless before the  
19 payment or transfer the institution, issuer or broker received written notice from  
20 the personal representative stating the sums needed to pay debts, taxes, and expenses  
21 of administration.

22 Section 112. Terms, Conditions, and Forms for Registration. (a) A registering  
23 entity offering to accept registrations in beneficiary form may establish the terms and

1 personal representative of the deceased owner, or by the surviving beneficiary or by  
2 the surviving beneficiary's representatives, or other information available to the  
3 registering entity.

4 (d) The protections of this chapter do not extend to a reregistration or payment  
5 made after a registering entity has received written notice from any claimant to any  
6 interest in the security objecting implementation of a registration in beneficiary  
7 form. No other notice or other information available to the registering entity affects  
8 its right to protection under this chapter. The protection provided by this chapter to  
9 the registering entity of a security does not affect the rights of beneficiaries in  
10 disputes between themselves and other claimants to ownership of the security  
11 transferred or its value or proceeds.

12 **Section 110. Nontestamentary Transfer on Death.** (a) A transfer on death  
13 resulting from a registration in beneficiary form is effective by reason of the contract  
14 regarding the registration between the owner and the registering entity and this  
15 chapter and is not testamentary.

16 (b) This chapter does not limit the rights of creditors of security owners against  
17 beneficiaries and other transferees under other laws of this territory.

18 **Section 111. Rights of Creditor on Registration.** (a) A security registered in  
19 beneficiary form is not effective against an estate of a deceased party to transfer to a  
20 survivor sums that are otherwise needed to pay debts, taxes, and expenses of  
21 administration, including statutory allowances to the surviving spouse and minor  
22 children, if other assets of the estate are insufficient.

1           Section 108. Ownership on Death of Owner. On a death of a sole owner or  
2 the last to die of all multiple owners, ownership of securities registered in  
3 beneficiary form passes to the beneficiary or beneficiaries who survive all owners.  
4 On proof of death of all owners and compliance with any applicable requirements of  
5 the registering entity, a security registered in beneficiary form may be reregistered in  
6 the name of the beneficiary or beneficiaries who survived the death of all owners.  
7 Until division of the security after the death of all owners, multiple beneficiaries  
8 surviving the death of all owners hold their interests as tenants in common. If no  
9 beneficiary survives the death of all owners, the security belongs to the estate of the  
10 deceased sole owner or the estate of the last to die of all multiple owners.

11           Section 109. Protection of Registering entity. (a) A registering entity is not  
12 required to offer or to accept a request for security registration in beneficiary form. If  
13 a registration in beneficiary form is offered by a registering entity, the owner  
14 requesting registration in beneficiary form assents to the protections given to the  
15 registering entity by this chapter.

16

17 (b) By accepting a request for registration of a security in beneficiary form, the  
18 registering entity agrees that the registration will be implemented on death of the  
19 deceased owner as provided in this chapter.

20 (c) A registering entity is discharged from all claims to a security by the estate,  
21 creditors, heirs, or devisees of a deceased owner if it registers a transfer of the  
22 security in accordance with Section 8 and does so in good faith reliance on the  
23 registration, on this part, and on information provided to it by affidavit of the

1 conditions under which it will receive requests (i) for registration in beneficiary  
2 form, and (ii) for implementation of registrations in beneficiary form, including  
3 requests for cancellation of previously registered TOD beneficiary designations and  
4 requests for reregistration to effect a change of beneficiary. The terms and conditions  
5 so established may provide for proving death, avoiding or resolving any problems  
6 concerning fractional shares, designating primary and contingent beneficiaries, and  
7 substituting a named beneficiary's descendants to take in the place of the named  
8 beneficiary in the event of the beneficiary's death. Substitution may be indicated by  
9 appending to the name of the prime beneficiary the letters LDPS, standing for  
10 "lineal descendants per stripes." This designation substitutes a deceased  
11 beneficiary's descendants who survive the owner for a beneficiary who fails to  
12 survive the owner, the descendants to be identified and to share in accordance with  
13 the law of the beneficiary's domicile at the owner's death governing inheritance by  
14 descendants of an intestate. Other forms of identifying beneficiaries who are to take  
15 on one or more contingencies, and rules for providing proofs and assurances  
16 needed to satisfy reasonable concerns by registering entities regarding conditions and  
17 identities relevant to accurate implementation of registrations in beneficiary form,  
18 may be contained in a registering entity's terms and conditions.

19 (b) The following are illustrations of registrations in beneficiary form that a  
20 registering entity may authorize:

- 21 (i) Sole owner-sole beneficiary: John S Brown TOD or (POD) John S Brown Jr.  
22 (ii) Multiple owner-sole beneficiary: John S Brown Mary B Brown JT TEN TOD  
23 John S Brown Jr.

1 (iii) Multiple owners-primary and secondary (substituted) beneficiaries: John S  
2 Brown Mary B Brown JT TEN TOD John S Brown Jr SUB BENE Peter Q Brown; or  
3 John S Brown Mary B Brown JT TEN TOD John S Brown Jr LDPS.

4       **Section 113. Notice of Effect of Registration.** A registering entity shall  
5 provide to an owner requesting registration of a security in beneficiary form a  
6 written statement describing the legal effects of the registration not later than the  
7 date on which the owner registers the security. The statement shall be printed in all  
8 capital 12-point boldfaced type and shall be signed by the registering owner at the  
9 time of registration. The following statement will suffice if signed by the registering  
10 owner:

11

12 "IMPORTANT NOTICE REGARDING YOUR RIGHTS

13

14 "ON PROOF OF DEATH, YOUR SECURITY IN BENEFICIARY FORM WILL BE  
15 TRANSFERRED TO YOUR NAMED BENEFICIARY OR BENEFICIARIES  
16 WITHOUT BEING PART OF YOUR ESTATE UNDER YOUR WILL OR BY  
17 INTESTACY. YOU SHOULD MAKE SURE BEFORE YOU REGISTER YOUR  
18 SECURITY IN BENEFICIARY FORM THAT THE REGISTRATION DOES NOT  
19 CONFLICT WITH ANY OTHER PROVISION IN A DOCUMENT THAT YOU  
20 HAVE AUTHORIZED AND SIGNED, INCLUDING A WILL OR TRUST  
21 AGREEMENT. IF YOU HAVE ANY DOUBT ABOUT WHETHER A CONFLICT  
22 EXISTS, YOU SHOULD ALSO NOTE THAT REGISTERING YOUR SECURITY IN  
23 BENEFICIARY FORM MAY NOT AFFECT A CREDITOR'S CLAIM AGAINST

1 YOUR ESTATE OR AFFECT THE ESTATE OR INHERITANCE TAX LIABILITY OF  
2 YOUR ESTATE OR OF YOUR BENEFICIARY OF BENEFICIARIES.  
3 "I HAVE READ THE ABOVE NOTICE AND UNDERSTAND ITS  
4 CONTENTS. \_\_\_\_\_(signature of registering owner)"



1999 Feb Pacific Daily News

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Benef: One-way airfare from point of hire. Interested applicants please apply at Guam Employment Service with the One Stop Career Center, 125 Tun Jesus Crisostomo St. Suite 101 Tamuning, Guam 96911 (Sunny Plaza). (Ref. No: 990116)



### Notice of Public Hearing Senator John Camacho Salas Chairman of the Committee on Judiciary, Public Safety, Consumer Protection & Human Resources Development

- Bill 47: An act to add Chapter 1 to Division 2 of Title 15 GCA, relative to adopting the Uniform Transfer on Death Security Registration Act. Sponsored by Antonio R. Unpingco.
- Bill 51: An act to repeal and reenact §77133, and to add a new Chapter 78, all of Title 10 GCA, relative to establishing the Guam Community Police Review Board, to improve Police-Community relations and to better ensure police accountability. Sponsored by Vicente C. Pangalanan.
- Bill 52: An act to repeal P.L. 24-288, temporarily establish the Office of Public Prosecutor and permanently establish the Office of the Elected Attorney General. Sponsored by Mark Forbes.
- Bill 62: An act to add a new Chapter 16 to Title 7, Guam Code Annotated, relative to providing certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers. Sponsored by Vicente C. Pangalanan.
- Bill 78: An act to amend 22 GCA §49106, relative to inspection of pawnbroker's register by police officers. Sponsored by John C. Salas.
- Bill 82: An act to amend §8120 and §8120.1, Article 1, Chapter 8 of Title 4, of the Guam Code Annotated, relative to retirement of uniformed personnel. Sponsored by John C. Salas.

Friday, February 26, 1999, 2:00 pm to 5:00 pm, Legislature Public Hearing Room  
address: 777 Sinajana Commercial Building, Route 4, Sinajana, Guam 96928  
telephone: 472-3431, fax: 472-3433 e-mail: jsalas@sensalas.guam.net  
website: KUENTOS-http://www.guam.net/sensalas TALAYA-http://www2.ite.net/senators/sensalas  
American Disabilities Association Coordinator: John Meno tel: 472-3431



## GUAM WATERWORKS AUTHORITY

Government Of Guam  
P.O. Box 3010, Hagatña, Guam  
Phone: (671) 647-7874 Fax: (649) 0369

Action of job... Safety regs. Interpret... Establishes or... Recommends measures to... of prod. & suggest... Dept. Analyzes &... work problems... promotions, transfers... Maintains time &... s. requisitions &... market to determine... es, inventory control... ste of materials, y... ghtly, hazardous &... l. codes. Ensures the... tibility & safety of... oning of installed... nts, relocation or... One-way airfare... One Stop Career, Ctr... GU 96911 (990203)

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Department of Labor is currently seeking for individuals w/2 yrs. exp. to fill the following positions:  
**Construction Equipment Mechanics** \$13.60/hr.  
 Analyzes malfunctions and repairs, rebuilds and construction equipment, such as cranes, power scrapers, paving machines, motor graders, trench machines, conveyors, bulldozers, dredges, pumps, and pneumatic tools. Operates and inspects equipment to diagnose defects. Dismantles and reassembles equipment using hoists and handtools. Examines damage or excessive wear using micrometers and replaces defective engines and subassemblies, such as pistons. Tests overhauled equipment to ensure efficiency. Welds broken parts and structural. May direct workers engaged in cleaning parts and with assembly and disassembly of equipment.  
 Interested applicants, please apply at Guam Employment Service with the One Stop Career Center, 125 Tim Jesus Crisostomo St., Suite 101 (Sunny Plaza), Tamuning, Guam. Tel: #990216

**NOTICE OF COMPLETION**  
 Bernard, Buena, Barmont, Bernadette and Brian Marasigan, 145 Dago Ct., Ligan Terrace, Dededo, Guam 96912, the "Owners", own in fee simple the following "property" Lot No. P15-45-IAB-3-2, Dededo, Guam. The contractor, Sun Woo Corporation on Jan. 5, 1999 has completed construction of a residential unit on said property.  
 Owners: /s/ Bernard Marasigan /s/ Buena Marasigan /s/ Barmont Marasigan /s/ Bernadette Marasigan /s/ Brian Marasigan

The Department of Labor is currently seeking individuals with four (4) years experience to fill the following position:  
**2 KOREAN SPECIALTY COOKS** \$10.03/Hr.  
 Duties: Plans menus for and cooks traditional Korean style dishes, lunches, dinners, desserts, and other foods according to recipes, seasons, and prepares foods in accordance with traditional Korean style and prescribed Korean methods. Trains, supervises, and coordinates activities of cooks in preparing, seasoning and cooking traditional Korean style food. Estimates food consumption and requisitions supplies accordingly. (Must possess a health certificate after hiring).  
 Interested applicants please apply at Guam Employment Service, at the One Stop Career Center, 125 Tim Jesus Crisostomo St., Ste. 101, Tamuning, Guam 96911 (Sunny Plaza) (Ref. No. 99-0208)

**PUBLIC HEARING REMINDER NOTICE**  
**COMMITTEE:** Committee on Judiciary, Public Safety, Consumer Protection, Human Resources Development  
**AGENDA:**  
 Bill 57 Uniform Transfer on Death Security Registration Act  
 Bill 51 Establishing the Guam Community Police Review Board  
 Bill 52 Establishing the Office of Lab-Elected Attorney General  
 Bill 52 Protections for Volunteers and Non-Profit Organizations  
 Bill 52 Amendments of Uniformed Personnel  
 Bill 76 Inspection of Public Workers by the Police  
**DATE, TIME & LOCATION:**  
 Friday, February 26, 1999, 2:00 PM, 3:00 PM  
 Legislature's Public Hearing Room  
 For additional information, contact the Office of Senator John Camacho Salas. Ph: 472-3431 Fax: 472-3433 email: jsalas@sensalas.guam.net http://www2.net/sensalas/ American Disabilities Coordinator: John Mene tel: 472-3431

**GUAM POWER AUTHORITY**  
 ATURIDATI LEKTRESADAT GUAHAN  
 P.O. BOX 2977, TAMPUNING, GUAM 96910-2977  
 Telephone Nos. (671) 846-2252/2301 Fax No. (671) 846-8163

**INVITATION TO BID**

OF	DUPLICATE	TIME	DESCRIPTION
72-99	03/14/99	2:00PM	Harmon 115 KV Substation Expansion Project (\$500.00 non-refundable fee)

Bid packages may be picked up at the GPA Procurement Office, GPA Central Office, 1st Floor, 1911 Route 16, Harmon. Non-refundable payment must be made at the GPA Procurement Services Department prior to issuance of documents. **ATTENDANCE IS MANDATORY AT ANY PROPOSED PRE-BID CONFERENCE.**  
 Carl T.C. Gutierrez, Governor of Guam; Madeleine Z. Bordallo, Lt. Governor of Guam; Ricardo S. Unpingco, General Manager

**GUAM POWER AUTHORITY**  
 ATURIDATI LEKTRESADAT GUAHAN  
 P.O. BOX 2977, TAMPUNING, GUAM 96910-2977  
 Telephone Nos. (671) 846-2252/2301 Fax No. (671) 846-8163

**INVITATION TO BID**

BID NO.	DUPLICATE	TIME	DESCRIPTION
RE-BID: GPA-7299	03/14/99	2:00PM	Replacement of Turbine Stage Diaphragm Assembly

Bid Packages may be picked up and must be submitted before scheduled time and date above to: Attn: Marcy Celis Cruz, Procurement Manager, Procurement Office located at the 1st Floor, GPA Central Office, 1911 Route 16, Harmon, Guam 96911.  
 Carl T.C. Gutierrez, Governor of Guam; Madeleine Z. Bordallo, Lt. Governor of Guam; Ricardo S. Unpingco, General Manager

**NA BENTE SINGKO NA LIHESLATURAN GUAHAN**  
**Committee on Natural Resources**  
**Senator Joanne M. S. Brown**  
**Chairperson**  
**Notice of Oversight Hearing on**



COMMITTEE ON JUDICIARY, PUBLIC SAFETY,  
CONSUMER PROTECTION, AND HUMAN RESOURCES  
DEVELOPMENT

I MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN

JOHN CAMACHO SALAS, CHAIRMAN

---

## AGENDA PUBLIC HEARING

**FRIDAY, FEBRUARY 26, 1999**  
**Legislature Public Hearing Room**  
**2:00 P.M. - 5:00 P.M.**

1. **Bill 47, "An act to add Chapter 1 to Division 2 of Title 15 GCA, relative to adopting the Uniform Death Security Registration Act," sponsored by Speaker Antonio R. Unpingco.**
2. **Bill 51, "An act to repeal and reenact §77133, and to add a new Chapter 78, all of Title 10 GCA, relative to establishing the Guam Community Police Review Board," sponsored by Senator Vicente C. Pangelinan.**
3. ~~**Bill 52, "An act to repeal P.L. No. 24-288, temporarily establish the office of the Public Prosecutor and permanently establish the office of the Elected Attorney General," sponsored by Senator Mark Forbes.**~~
4. **Bill 62, "An act to add a new Chapter 16 to Title 7 GCA, relative to providing certain protections to volunteers, nonprofit organizations, and governmental entities in lawsuits based on the activities of volunteers," sponsored by Senator Vicente C. Pangelinan.**
5. **Bill 76, "An act to amend 22 GCA §49106, relative to inspection of pawnbroker's register by police officers," sponsored by Senator John Camacho Salas.**
6. **Bill 82, "An act to amend §8120 and §8120.1, Article 1, Chapter 8 of Title 4 GCA, relative to retirement of uniformed personnel," sponsored by Senator John Camacho Salas.**



# SENATOR JOHN CAMACHO SALAS CHAIRMAN

COMMITTEE ON JUDICIARY, PUBLIC SAFETY, CONSUMER PROTECTION  
AND HUMAN RESOURCES DEVELOPMENT

## TESTIMONY SIGN IN SHEET

Friday, February 26, 1999

Bill Number 47

Title AN ACT TO ADD CHAPTER 1 TO DIVISION 2 OF TITLE 15 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.

NAME	ORGANIZATION	TESTIMONY
Paul Tobiasch	resident	<input checked="" type="checkbox"/> FOR <input checked="" type="checkbox"/> WRIT
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26.Feb.1999  
PO Box 47  
Agana, Guam, 96932

Ref: Bill # 47

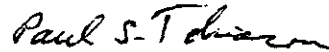
Senator Salas & Committee  
25<sup>th</sup> Guam Legislature  
155 Hessler St.  
Hagatna, Guam, 96932

Dear Senators:

Regarding bill # 47, to adopt the Uniform Transfer On Death Security Registration Act, I would express my opinion that this will be very valuable for many Guam residents. I think this would be a good thing and urge that you approve this to become law. Avoiding probate, avoiding unnecessary expense, and minimizing delay in the transfer of one's assets is desired by all residents, I would think.

I would also like to ask that in addition to stocks, bonds, and mutual funds, other assets such as bank savings and checking accounts, Certificates of Deposits, and other similar instruments be evaluated to be possibly be covered by this bill

Sincerely,



Paul S. Tobiason  
Resident, Chalan Pago  
tel: 477-7579  
e-mail: tobiasonp@kuentos.guam.net



COMMITTEE ON JUDICIARY, PUBLIC SAFETY,  
CONSUMER PROTECTION, AND HUMAN RESOURCES  
DEVELOPMENT

I MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN

JOHN CAMACHO SALAS, CHAIRMAN

February 17, 1999

Memorandum

To: Director, Bureau of Budget Management Research

From: Senator John Camacho Salas

Subject: Request for Fiscal Notes

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Please find attached Committee Bills 47, 51, 62, and 76, for which I respectfully request issuance of Fiscal Notes.

1. Bill 47, "AN ACT TO ADD CHAPTER 1 TO DIVISION 2 OF TITLE 15 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT."
2. Bill 51, "AN ACT TO REPEAL AND REENACT §77133, AND TO ADD A NEW CHAPTER 78, ALL OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE GUAM COMMUNITY POLICE REVIEW BOARD, TO IMPROVE POLICE-COMMUNITY RELATIONS AND TO BETTER ENSURE POLICE ACCOUNTABILITY."
3. Bill 62, "AN ACT TO ADD A NEW CHAPTER 16 TO TITLE 7, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING CERTAIN PROTECTIONS TO VOLUNTEERS, NONPROFIT ORGANIZATIONS, AND GOVERNMENTAL ENTITIES IN LAWSUITS BASED ON THE ACTIVITIES OF VOLUNTEERS."
4. Bill 76, "AN ACT TO AMEND 22 GCA §49106, RELATIVE TO INSPECTION OF PAWNBROKER'S REGISTER BY POLICE OFFICERS."

These bills are scheduled to be heard on February 26, 1999. Your issuance of these fiscal notes will be greatly appreciated.

Senator John Camacho Salas, Chairman

Attachments

**MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**1999 (FIRST) Regular Session**

Bill No. 238 (COR)

Introduced by:

A. R. Unpingco <sup>6</sup>  
J. C. Salas <sup>Salas</sup>  
E. C. Bermudes <sup>EB</sup>  
A. C. Blaz  
J. M.S. Brown  
E. B. Calvo  
M. G. Camacho  
Mark Forbes  
L. F. Kasperbauer  
A. C. Lamorena, V  
C. A. Leon Guerrero  
K. S. Moylan  
V. C. Pangelinan  
S. A. Sanchez, II  
F. B. Aguon, Jr.

**AN ACT TO AMEND, TO REPEAL AND REENACT PL 25-32, RELATIVE TO ADOPTING THE UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.**

1           **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2           **Section 1. Legislative Findings and Intent.** *1 Liheslaturan Guåhan*  
3 finds that there was a typographical error in PL <sup>25</sup>~~24~~32. *1 Liheslaturan Guåhan*  
4 therefore corrects this error in order to make the language fully effective.

5           **Section 2. 15 GCA is amended to read as follows:**

1 "CHAPTER 8.

2 UNIFORM TRANSFER ON DEATH SECURITY REGISTRATION ACT.

3 Section 801. Short Title: Rules of Construction.

4 (a) This Chapter may be cited as the '*Uniform Transfer on*  
5 *Death Security Registration Act.*'

6 (b) This Chapter shall be liberally construed and applied  
7 to promote its underlying purposes and policy and to make  
8 uniform the laws with respect to the subject of this part within  
9 Guam.

10 Section 802. Definitions. For the purposes of this

11 Chapter:

12 (1) '*Beneficiary form*' means a registration of a security that  
13 indicates the present owner of the security and the intention of the  
14 owner regarding the person who will become the owner of the  
15 security on the death of the owner.

16 (2) '*Devisee*' means a person designated in a will to receive  
17 a disposition of property.

18 (3) '*Heirs*' means those persons, including the surviving  
19 spouse, who are entitled to the property of a decedent.

20 (4) '*Person*' means an individual, corporation,  
21 organization and any other legal entity.

22 (5) '*POD*' means 'pay on death.'

23 (6) '*Register,*' including its derivatives, means to issue a  
24 certificate showing the ownership of a certified security or, in the



1 case of an uncertified security, to initiate or transfer an account  
2 showing ownership of securities.

3 (7) *'Registering entity'* means a person who originates or  
4 transfers a security title by registration, and includes a broker  
5 maintaining security accounts for customers and a transfer agent  
6 or other person acting for or as an issuer of securities.

7 (8) *'Security'* means a share, participation or other interest  
8 in property, in a business, or in an obligation of an enterprise or  
9 other issuer and includes a certificated security, an uncertificated  
10 security and a security account.

11 (9) *'Security account'* means:

12 (a) a reinvestment account associated with a  
13 security, a securities account with a broker, a cash balance in  
14 a brokerage account, cash interest, earnings, or dividends  
15 earned or declared on a security in an account, a  
16 reinvestment account, or a brokerage account, whether or  
17 not credited to the account before the owner's death; *or*

18 (b) a cash balance or other property held for or due  
19 to the owner of a security as a replacement for or product of  
20 an account security, whether or not credited to the account  
21 before the owner's death.

22 (10) *'State,'* when referring to a part of the United States,  
23 includes any state, district, commonwealth, territory and insular

1 possession of the United States, and any area subject to the  
2 legislative authority of the United States of America.

3 **Section 803. Registration in Beneficiary Form; Sole or Joint**  
4 **Tenancy Ownership.** Only individuals whose registration of a security  
5 shows sole ownership by one (1) individual or multiple ownership by  
6 two (2) or more with right of survivorship, rather than as tenants in  
7 common, may obtain registration in beneficiary form. Multiple owners  
8 of a security registered in beneficiary form hold as joint tenants with  
9 right of survivorship, as tenants by the entireties, or as owners of  
10 community property held in survivorship form, and *not* as tenants in  
11 common.

12 **Section 804. Registration in Beneficiary Form; Applicable**  
13 **Law.** A security may be registered in beneficiary form *if* the form  
14 is authorized by this or a similar statute of the state of organization of  
15 the issuer or registering entity, the location of the registering entity's  
16 principal office, the office of its transfer agent or its office making the  
17 registration, or by this or a similar statute of the law of the state listed as  
18 the owner's address at the time of registration. A registration governed  
19 by the law of a jurisdiction in which this or similar legislation is *not* in  
20 force or was *not* in force when a registration in beneficiary form was  
21 made is nevertheless presumed to be valid and authorized as a matter  
22 of contract law.

23 **Section 805. Origination of Registration in Beneficiary**  
24 **Form.**

1 A security, whether evidenced by certificate or account, is registered in  
2 beneficiary form when the registration includes a designation of a  
3 beneficiary to take the ownership at the death of the owner or the  
4 deaths of all multiple owners.

5 **Section 806. Form of Registration in Beneficiary Form.**

6 Registration in beneficiary form may be shown by the words '*transfer on*  
7 *death*' or the abbreviation '*TOD,*' or by the words '*pay on death,*' or the  
8 abbreviation '*POD,*' after the name of the registered owner and before  
9 the name of a beneficiary.

10 **Section 807. Effect of Registration in Beneficiary Form.**

11 The designation of a TOD beneficiary on a registration in beneficiary  
12 form has no effect on ownership until the owner's death. A registration  
13 of a security in beneficiary form may be cancelled or changed at any  
14 time by the sole owner or all then surviving owners without the consent  
15 of the beneficiary.

16 **Section 808. Ownership on Death of Owner.** On the death

17 of a sole owner, or the last to die of all multiple owners, ownership of  
18 securities registered in beneficiary form passes to the beneficiary, or  
19 beneficiaries, who survive all owners. On proof of death of all owners  
20 and compliance with any applicable requirements of the registering  
21 entity, a security registered in beneficiary form may be reregistered in  
22 the name of the beneficiary or beneficiaries who survived the death of  
23 all owners. Until division of the security after the death of all owners,  
24 multiple beneficiaries surviving the death of all owners hold their

1 interests as tenants in common. If no beneficiary survives the death of  
2 all owners, the security belongs to the estate of the deceased sole owner  
3 or the estate of the last to die of all multiple owners.

4 **Section 809. Protection of Registering Entity.** (a) A  
5 registering entity is *not* required to offer or to accept a request for  
6 security registration in beneficiary form. *If* a registration in  
7 beneficiary form is offered by a registering entity, the owner  
8 requesting registration, in beneficiary form assents to the  
9 protections given to the registering entity by this Chapter.

10 (b) By accepting a request for registration of a security in  
11 beneficiary form, the registering entity agrees that the registration  
12 will be implemented on death of the deceased owner as provided  
13 in this Chapter.

14 (c) A registering entity is discharged from all claims to a  
15 security by the estate, creditors, heirs or devisees of a deceased  
16 owner *if* it registers a transfer of the security in accordance with  
17 [§8] §808 , and does so in good faith reliance on the registration,  
18 on this part, and on information provided to it by affidavit of the  
19 personal representative of the deceased owner, or by the  
20 surviving beneficiary or by the surviving beneficiary's  
21 representatives, or other information available to the registering  
22 entity.

23 (d) The protections of this Chapter do *not* extend to a re-  
24 registration or payment made *after* a registering entity has

1 received written notice from any claimant to any interest in the  
2 security objecting implementation of a registration in beneficiary  
3 form. No other notice or other information available to the  
4 registering entity affects its right to protection under this Chapter.  
5 The protection provided by this Chapter to the registering entity  
6 of a security does *not* affect the rights of beneficiaries in disputes  
7 between themselves and other claimants to ownership of the  
8 security transferred or its value or proceeds.

9 **Section 810. Nontestamentary Transfer on Death.** (a) A  
10 transfer on death resulting from a registration in beneficiary form  
11 is effective by reason of the contract regarding the registration  
12 between the owner and the registering entity and this Chapter,  
13 and is *not* testamentary.

14 (b) This Chapter does *not* limit the rights of creditors of  
15 security owners against beneficiaries and other transferees under  
16 other laws of Guam.

17 **Section 811. Rights of Creditor on Registration.** (a) A  
18 security registered in beneficiary form is *not* effective against an  
19 estate of a deceased party to transfer to a survivor sums that are  
20 otherwise needed to pay debts, taxes and expenses of  
21 administration, including statutory allowances to the surviving  
22 spouse and minor children, *if* other assets of the estate are  
23 insufficient.

1           (b) A party, POD or TOD payee, or beneficiary who  
2 receives a payment from or transfer of a security registered in  
3 beneficiary form after the death of a deceased party is liable to  
4 account to the deceased party's personal representative for  
5 amounts the decedent owned beneficially immediately before the  
6 decedent's death to the extent necessary to discharge the claims  
7 and charges described by Subsection (a) of this Section remaining  
8 unpaid after application of the decedent's estate, but is *not* liable  
9 in an amount greater than the amount that the party, POD or TOD  
10 payee, or beneficiary received from the security.

11           (c) A proceeding to assert the liability provided by  
12 Subsection (b) of this Section may *not* be commenced, *unless* the  
13 personal representative has received a written demand by a  
14 surviving spouse, a creditor, or one acting for a minor child of the  
15 decedent, and a proceeding may *not* be commenced later than two  
16 (2) years after the date of the death of the decedent. Sums  
17 recovered by the personal representative under this Section shall  
18 be administered as part of the decedent's estate.

19           (d) This Section does *not* affect the right of a financial  
20 institution, a securities issuer, or a securities broker to make a  
21 payment from or transfer of a security registered in beneficiary  
22 form according to the terms of the security, or impose liability on  
23 the institution, issuer or broker to the estate of a deceased party,  
24 *unless* before the payment or transfer the institution, issuer or

1 broker received written notice from the personal representative  
2 stating the sums needed to pay debts, taxes and expenses of  
3 administration.

4 **Section 812. Terms, Conditions and Forms for Registration.**

5 (a) A registering entity offering to accept registrations in  
6 beneficiary form may establish the terms and conditions under  
7 which it will receive requests: (i) for registration in beneficiary  
8 form, and (ii) for implementation of registrations in beneficiary  
9 form, including requests for cancellation of previously registered  
10 TOD beneficiary designations and requests for re-registration to  
11 effect a change of beneficiary. The terms and conditions so  
12 established may provide for proving death, avoiding or resolving  
13 any problems concerning fractional shares, designating primary  
14 and contingent beneficiaries, and substituting a named  
15 beneficiary's descendants to take in the place of the named  
16 beneficiary in the event of the beneficiary's death. Substitution  
17 may be indicated by appending to the name of the prime  
18 beneficiary the letters 'LDPS' ('lineal descendants per stripes').  
19 This designation substitutes a deceased beneficiary's descendants  
20 who survive the owner for a beneficiary who fails to survive the  
21 owner, the descendants to be identified and to share in  
22 accordance with the law of the beneficiary's domicile at the  
23 owner's death governing inheritance by descendants of an  
24 intestate. Other forms of identifying beneficiaries who are to take