

SÁNCHEZ Y ASOCIADOS

ABOGADOS CORPORATIVOS

Oficina:

BLVD. AGUA CALIENTE 10611-507
TIJUANA, B. C., 22420 MÉXICO

TEL. +52 (664) 686-4137, FAX +52 (664) 686-4138
www.scaabogados.com

Mailing address in the U. S.:

1144 13th STREET #102-490
IMPERIAL BEACH, CA 91932 U. S. A.

SECURED TRANSACTIONS. RECORDING OF PLEDGES AND OTHER FORMS OF LIENS ON CHATTELS IS REGULATED UNDER NEW PROVISIONS OF THE MEXICAN COMMERCE CODE.

1. On August 27, 2009 the Mexican Commerce Code was amended in order to create the Exclusive Registry of Liens on Chattels (RUG per its initials in Spanish). The rules for the RUG were finally published last September 23 and will take effect on October 7, 2010.
2. The RUG is a dedicated electronic registry that will form part of the Public Registry of Commerce and is to be available for consultation 365 days a year.
3. However, the registration of a lien in the RUG is not mandatory. It is by default a right of the creditor, unless an express covenant against the registration or other form of prohibition is agreed by the parties.
4. The RUG is to be kept by the Ministry of Economy (SE) and the law only allows that registrations be made through authorized public notaries and brokers, judges, offices of the SE and other individuals so authorized by the SE.
5. We believe this is an improvement to the Mexican law on secured transactions. It will allow maintaining a record of chattels affected by liens and will provide further information on the financial situation of debtors. Most importantly, it will facilitate the enforcement of secured transactions for the protection of all creditors, not only those that are privy to the secured transaction, but also those not connected to it. To some extent it will have similar effects as a UCC 1 Filing in the U. S.

Whether you are already a party to a loan or financing agreement, or other type of transaction that is secured by a lien on movable property in Mexico or are contemplating entering into such an agreement, consider the benefits of the registration discussed above and by all means, feel free to contact our office if you require our assistance.