HB1562 FULLPCS1 Collin Duel-AO 2/27/2025 2:55:03 pm

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

	SPEAK	ER:					
	CHAIR	:					
I mov	re to	amend	НВ1562				
Page			Section		Lines	Of th	ne printed Bill
						Of the	Engrossed Bill
			content of the owing language:		e, and	by insert	ting in lieu
AMEND	TITLE	TO CONF	ORM TO AMENDMENTS				
Adopte	ed:			Amendi —	ment sul	bmitted by:	Collin Duel

Reading Clerk

1 STATE OF OKLAHOMA 2 1st Session of the 60th Legislature (2025) 3 PROPOSED OVERSIGHT COMMITTEE SUBSTITUTE 4 FOR HOUSE BILL NO. 1562 By: Duel 5 6 7 PROPOSED OVERSIGHT COMMITTEE SUBSTITUTE 8 9 An Act relating to courts; amending 20 O.S. 2021, Section 91.7, which relates to business court 10 O.S. 2021, Section 92.1A, which relates to 11 12 1.3 14 15

division; modifying language to create a business court division in certain municipalities; amending 20 compensation for judicial officers; providing salary for business court judges; amending 20 O.S. 2021, Section 95.1, which relates to places of holding district court; excluding business courts from requirement of holding court in every county; amending 20 O.S. 2021, Section 125, as amended by Section 2, Chapter 271, O.S.L. 2022 (20 O.S. Supp. 2024, Section 125), which relates to the office of secretary-bailiff; providing business court judges with secretary-bailiff and law clerk; providing for appointment of business court judges; providing requirements to be a business court judge; providing term limits; providing business court jurisdiction to hear certain cases; prohibiting business courts from hearing certain cases; providing for establishing proper venue; providing for transfer and removal; providing for time limit on nonjury trials; providing where business courts shall be quartered; providing filing fee; providing electronic filing; providing for codification; and providing an effective date.

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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1 SECTION 1. AMENDATORY 20 O.S. 2021, Section 91.7, is 2

amended to read as follows:

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Section 91.7. A. The Oklahoma Legislature finds that, due to the complex nature of litigation involving highly technical commercial issues, there is a need for a court in Oklahoma's most populated counties with specific jurisdiction over actions involving such commercial issues.

- The Supreme Court is authorized to create There is hereby created a business court division within the district court of any judicial district containing a municipality with a population in excess of three five hundred thousand (300,000) (500,000), according to the latest Federal Decennial Census.
- C. The Supreme Court shall promulgate rules for the establishment and jurisdiction of the business court divisions Each business court division created shall hereinafter be categorized and named numerically. Business Court Division I shall be located in Oklahoma County. Business Court Division II shall be located in Tulsa County.
- 19 AMENDATORY 20 O.S. 2021, Section 92.1A, is 20 amended to read as follows:
 - Section 92.1A. For fiscal year 2021 and each fiscal year thereafter, except as otherwise provided by the Board on Judicial Compensation after the effective date of this act, the following

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   judicial officers shall receive compensation for their services,
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- payable monthly as follows:
- 1. A judge of the district court shall receive an annual salary 3
- 4 of One Hundred Forty-five Thousand Five Hundred Sixty-seven Dollars
- 5 (\$145,567.00);
- 6 2. An associate district judge shall receive an annual salary
- 7 of One Hundred Thirty-four Thousand Two Hundred Sixty-one Dollars
- (\$134,261.00); and 8
- 9 3. A special judge shall receive an annual salary of One
- Hundred Twenty-two Thousand Nine Hundred Fifty-four Dollars 10
- 11 (\$122,954.00); and
- 12 4. A business court judge shall receive an annual salary equal
- 13 to that of an Oklahoma district court judge.
- 14 SECTION 3. 20 O.S. 2021, Section 95.1, is AMENDATORY
- 15 amended to read as follows:
- 16 Section 95.1. A. Unless and until the Supreme Court or the
- 17 Presiding Judge of the judicial administrative district provides
- 18 otherwise, and excluding any business courts established pursuant to
- 19 Section 91.7 of this title, the District Court shall hold court in
- 20 the county seat of every county in the district, in any city where a
- 21 Superior Court held sessions and at such other places within the
- 22 district as the district and associate district judges shall
- 23 prescribe.

B. If a governing board of the Court Fund receives a request from a municipality that court be held within that municipality and the board determines that sufficient reasons exist for establishing a court and that sufficient funds and space for a court are made available by the municipality, the board may establish a court, presided over by a special judge, in that municipality. The request to hold court in a municipality shall be included in the budget submitted by the governing board of the Court Fund to the Chief Justice of the Supreme Court and approved by the Chief Justice.

SECTION 4. AMENDATORY 20 O.S. 2021, Section 125, as

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SECTION 4. AMENDATORY 20 O.S. 2021, Section 125, as amended by Section 2, Chapter 271, O.S.L. 2022 (20 O.S. Supp. 2024, Section 125), is amended to read as follows:

Section 125. A. In all counties of the state there is created the office of secretary-bailiff for district judges and associate district judges, and a secretary-bailiff for business court judges, with each such secretary-bailiff to be appointed by order of the district judge ex, associate district judge, or business court judge to serve at the will of the appointing judge as an unclassified employee of the state exempt from the provisions of the Oklahoma Merit System of Personnel Administration. The Chief Justice shall approve by administrative directive the number and assignments of secretary-bailiffs in all counties of the state. Each secretary-bailiff shall be paid a salary pursuant to the salary schedule established by the annual appropriation for the district courts and

in accordance with the job description for the position to which appointed. For fiscal year 2023 and each fiscal year thereafter, each secretary-bailiff shall receive an annual salary of Forty-two Thousand Dollars (\$42,000.00). In each county for which a business court sits, the presiding business court judge shall appoint a law clerk to serve at the will of the appointing business court judge as an unclassified employee exempt from the provisions of the Oklahoma Merit System of Personnel Administration. In every county of the state each district judge and each associate district judge, including business court judges, may by order appoint additional necessary court personnel subject to the approval of the Chief Justice. A part-time bailiff shall be paid out of the court fund of the county where appointed at the rate set by administrative directive for each hour that such person actually attends the court and performs services, or a pro rata fraction thereof for less than an hour of service. Notwithstanding any other provision of law, each district judge and, associate district judge, and business court judge may contract with the sheriff of the county to allow a deputy sheriff to provide bailiff service to the court.

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- B. With the approval of the presiding judge, a special judge may appoint a secretary-bailiff or other personnel in accordance with the administrative order of the Chief Justice.
- C. No judge shall engage more than one full-time secretarybailiff at any given time except only during the progress of a jury

trial, when a part-time bailiff may be engaged subject to the approval of the Chief Justice. In the latter event, no more than one additional bailiff shall be engaged to take charge of the jury. The costs of meals and lodging of bailiffs ordered to keep a jury together during the process of a trial or after the jury retires for deliberation shall be lawfully paid from the court fund.

- D. A district judge who sits regularly in more than one county may employ only one full-time secretary-bailiff in the judicial district of the judge, and in any other county of the district the judge may engage a bailiff only on a part-time basis when such judge sits in the county as a judge pursuant to the procedures set forth by the Chief Justice in the administrative directive. The cost of the operation of the office of a district judge of a multi-county judicial district, including the purchase of equipment and supplies, may be apportioned among the counties of that judicial district, or appropriate division of that district, based upon the percentage of revenue collected by the courts of the district.
- E. The Administrative Director of the Courts shall develop and promulgate job descriptions, salary schedules and time-keeping forms for part-time bailiff personnel. The Chief Justice of the Oklahoma Supreme Court, through the Office of the Administrative Director of the Courts, shall promulgate rules for the compensation for overtime for all secretary-bailiff and part-time bailiff personnel employed.

- F. Persons employed by a county that does not meet the requirements of Section 951 of Title 19 of the Oklahoma Statutes, and who serve as full-time secretary-bailiffs or full-time bailiffs shall be eligible to participate in the state retirement system and state insurance programs and any other benefits as are provided to state employees in the unclassified service. All part-time bailiff personnel shall be compensated by the local court fund.
- G. On October 1, 1989, the position of full-time bailiff shall be redesignated as the position of secretary-bailiff in accordance with the job descriptions, salary schedules, and procedures approved by the Chief Justice. Additional secretary-bailiff positions shall be created as funding and employee positions are available.

 Counties shall be allowed to provide additional support personnel to the judges sitting in such counties to the extent that funding is available.
- H. Any secretary-bailiff, who is CLEET-certified as a basic peace officer, shall have and exercise all the powers and authority of a peace officer. The Office of the Administrative Director of the Courts shall promulgate rules which prescribe the duties for all CLEET-certified secretary-bailiffs. The provisions of this subsection will not entitle a CLEET-certified secretary-bailiff to participate in the Oklahoma Police Pension and Retirement System.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7b of Title 20, unless there is created a duplication in numbering, reads as follows:

- A. There is hereby created the Joint Committee on Judicial Vacancy Appointments. The Committee shall be responsible for providing the Governor with a list of five nominees for judicial appointment to each business court. The Governor shall appoint one of the five nominees to the business court to preside as the business court judge. The Committee shall consist of ten (10) members, to be appointed as follows:
- 1. Five members of the Senate to be appointed by the President Pro Tempore of the Oklahoma State Senate. Four of the members shall be from the majority party and one member shall be from the minority party; and
- 2. Five members of the Oklahoma House of Representatives to be appointed by the Speaker of the House of Representatives. Four of the members shall be from the majority party and one member shall be from the minority party;
- B. The chairman and vice-chairman of the Committee shall be designated from the membership of the Committee by the Speaker of the House of Representatives and the President Pro Tempore of the Senate as provided for in this subsection. The President Pro Tempore of the Senate shall designate the initial chairman who shall serve until the convening of the First Regular Session of the 61st

- Oklahoma Legislature. The Speaker of the House of Representatives
 shall designate the initial vice-chairman who shall serve until the
 convening of the First Regular Session of the 61st Oklahoma

 Legislature. Thereafter, the chairmanship shall alternate every two
 (2) years between the House of Representatives and the Senate,
 beginning with the convening of the First Regular Session of the
 Legislature.
 - C. All members of the Committee shall serve at the pleasure of the appointing authority.

- D. All actions of the Committee shall require a quorum which shall be defined as a majority of the members appointed.
- E. Staff for the Committee shall be provided by the House of Representatives and Senate from their existing staff.
- F. A business court judge shall serve a term of eight (8) years, beginning September 1 of every even-numbered year and may be reappointed except as otherwise provided by this subsection. The first business court judge appointed to Business Court Division II shall serve a term of four (4) years beginning September 1 of every even-numbered year and may be reappointed. A business court judge shall take the constitutional oath of office required of appointed officers of this state and file the oath with the Secretary of State. If a vacancy occurs in an office of a business court judge, in the same manner as the original appointment, another person shall be appointed to serve for the remainder of the unexpired term. In

- the event that the docket of a business court judge exceeds
 reasonable capacity, a district court judge may sit in designation
 temporarily as a business court judge to assist in caseload
 management. The designated district court judge shall have the same
 authority as the business court judge in relation to the cases
 assigned to them during such designation.
 - G. Each business court judge must meet the following requirements:
 - 1. Be at least thirty-five (35) years of age;
 - 2. Be a United States citizen; and

- 3. Be a licensed attorney in good standing in this state who has ten (10) or more years of experience in practicing complex civil business litigation, practicing business transaction law, serving as a judge of a court in this state with civil jurisdiction, or a combination of experience described by this paragraph.
- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7c of Title 20, unless there is created a duplication in numbering, reads as follows:
- A. Except as provided for by subsection F of this section, and notwithstanding the amount in controversy, each business court shall have the authority to exercise jurisdiction and the powers of a court of equity, where equitable relief is requested in claims:
- 1. Pursuant to the Oklahoma Uniform Arbitration Act, Section 1851 et seq. of Title 12 of the Oklahoma Statutes;

- 2. Pursuant to the Oklahoma Uniform Trade Secrets Act, Section 2 85 et seg. of Title 78 of the Oklahoma Statutes;
 - 3. Pursuant to the Oklahoma Uniform Securities Act of 2004, Section 1-101 et seq. of Title 71 of the Oklahoma Statutes;

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- 5 4. Pursuant to the Oklahoma Uniform Commercial Code, Section 1-6 101 et seq. of Title 12A of the Oklahoma Statutes;
- 7 5. Pursuant to the Oklahoma General Corporation Act, Section 8 1001 et seq. of Title 18 of the Oklahoma Statutes;
 - 6. Pursuant to the Oklahoma Revised Uniform Partnership Act, Section 1-100 et seq. of Title 54 of the Oklahoma Statutes;
 - 7. Pursuant to the Oklahoma Uniform Limited Partnership Act of 2010, Section 500-101A, et seq. of Title 54 of the Oklahoma Statutes;
 - 8. Pursuant to the Oklahoma Limited Liability Company Act, Section 2000 et seq. of Title 18 of the Oklahoma Statutes;
 - 9. Shareholder and unitholder derivative actions:
 - 10. That relate to the internal affairs of businesses, including, but not limited to, rights or obligations between or among business participants regarding the liability or indemnity of business participants, officers, directors, managers, trustees, controlling shareholders or members, or partners;
- 22 11. Arising under federal law over which courts of this state 23 have concurrent jurisdiction;

12. Where the complaint includes a professional malpractice claim arising out of a business dispute;

- 13. Involving tort claims between or among two or more business entities or individuals as to their business or investment activities relating to contracts, transactions, or relationships between or among such entities or individuals;
- 14. For breach of contract, fraud, or misrepresentation between businesses arising out of business transactions or relationships;
- 15. Arising from e-commerce agreements; technology licensing agreements, including, but not limited to, software and biotechnology license agreements; or any other agreement involving the licensing of any intellectual property right, including, but not limited to, an agreement relating to patent rights;
 - 16. Involving commercial real property; and
- 17. Involving claims that present sufficiently complex commercial issues that would have significant implications for the larger business community, including but not limited to, cases with subject matter that technically would render the case "excluded" pursuant to subsection F of this section, as recommended by the business court judge and as determined within the discretion of the Chief Justice.
- B. Where any other relief is requested, the amount in controversy shall be at least Five Hundred Thousand Dollars (\$500,000.00) for claims under subsection A of this section and Five

- 1 | Hundred Thousand Dollars (\$500,000.00) for claims in complex cases.
- 2 As used in this section, a "complex case" means an action that
- 3 | requires exceptional judicial management to avoid placing
- 4 unnecessary burdens on the court or the litigants and to expedite
- 5 | the case, keep costs reasonable, and promote effective decision
- 6 making by the court, the parties, and counsel. In deciding whether
- 7 | an action is a complex case, the court must consider, among other
- 8 | things, whether the action is likely to involve:
- 9 1. Numerous hearings, pretrial and dispositive motions raising
- 10 difficult or novel legal issues that will be time-consuming to
- 11 resolve;
- 12 2. Management of a large number of witnesses or a substantial
- 13 | amount of documentary evidence;
- 3. Management of a large number of separately represented
- 15 | parties;
- 16 4. Multiple expert witnesses;
- 17 | 5. Coordination with related actions pending in one or more
- 18 | courts in other counties, states, or countries, or in a federal
- 19 | court;
- 20 6. Substantial post judgment judicial supervision; or
- 7. Legal or technical issues of complexity.
- 22 | C. An action is provisionally a complex case if it involves one
- 23 or more of the following types of claims:
- 24 | 1. Antitrust or trade regulation claims;

- 2. Intellectual property matters, such as trade secrets,
 copyrights, or patents;
 - 3. Construction defect claims involving many parties or structures;
 - 4. Securities claims or investment losses involving many parties;
 - 5. Environmental or toxic tort claims involving many parties;
 - 6. Product liability claims;

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- 7. Claims involving mass torts;
- 8. Claims involving class actions;
- 9. Ownership or control of business claims; or
- 12 10. Insurance coverage claims arising out of any complex case described in paragraphs 1 through 9 of this subsection.
 - D. Each business court shall have supplemental jurisdiction over all pending claims that are so related to the claims in cases provided for under subsection A of this section that such pending claims form part of the same case or controversy.
 - E. Each business court shall exercise such other powers, not contrary to the Constitution, as are or may be given to such a court by law.
- F. A business court shall not have authority to exercise jurisdiction over claims arising under federal or state law, as applicable, involving:
 - 1. Residential landlord and tenant disputes;

- 2. To the extent not a business dispute, cases arising under the Oklahoma Deceptive Trade Practices Act, Section 53 of Title 78 of the Oklahoma Statutes;
- 3. Cases arising under the Oklahoma Consumer Protection Act, Section 751 et seg. of Title 15 of the Oklahoma Statutes;
 - 4. Personal injury and wrongful death actions;
 - 5. Matters involving domestic relations;
- 6. Matters arising under Title 58 of the Oklahoma Statutes relating to probate;
- 7. Matters by or against any governmental entity, political subdivision, arising under Title 19 of the Oklahoma Statutes, or arising under The Oklahoma Governmental Tort Claims Act;
 - 8. Foreclosures;

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- 9. Individual consumer claims or transactions involving a retail customer of goods or services who uses or intends to use such goods or services primarily for personal, family, or household purposes; provided, however, that this paragraph shall not be construed to preclude the court from exercising jurisdiction over mass actions or class actions involving such individual consumer claims;
- 10. Collections in matters involving a corporation or other entity subject to the Oklahoma farming and ranching statutes or an individual farmer; or

1 11. Cases that would generally be considered consumer transactions or human relation matters.

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- SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7d of Title 20, unless there is created a duplication in numbering, reads as follows:
- A. Except as provided in subsection B of this section, actions shall be brought before the business court as follows:
 - 1. An action within the jurisdiction of the business court may be filed in the business court. The filing party shall plead facts sufficient to establish venue in a county in a division of the business court. Venue may be established as provided by law or, if a written contract specifies a county as venue for the action, as provided by the contract;
 - 2. If the business court determines it does not have jurisdiction over the action, the business court shall:
 - transfer the action to a district court in a county a. with jurisdiction over the action, or
 - b. dismiss the action without prejudice to the rights of the parties; and
 - 3. If the business court determines that the venue is improper as to the action, the business court shall transfer the action to the court of proper venue.
- 1. A district court in this state may transfer an action to В. the business court division of proper venue if the district court

judge determines the business court has subject matter jurisdiction over the action.

- 2. A party to an action filed in a district court that is within the jurisdiction of the business court may remove the action to the business court. If the business court does not have jurisdiction of the action, the business court shall remand the action to the court in which the action was originally filed.
- C. A party to an action filed in a district court of proper venue that is not within an operating division of the business court, or the judge of the court in which the action is filed, shall not remove or transfer the action to the business court.
- D. A party may file an agreed notice of removal to the business court at any time during the pendency of the action. If all parties to the action have not agreed to remove the action, the notice of removal shall be filed:
- 1. Not later than thirty (30) days after the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's jurisdiction over the action; or
- 2. If an application for temporary injunction is pending on the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's jurisdiction over the action, not later than thirty (30)

1 days after the date the application is granted, denied, or denied as 2 a matter of law.

- E. The notice of removal shall be filed with the business court and the district court in which the action was originally filed. On receipt of the notice, the clerk of the court in which the action was originally filed shall immediately transfer the action to the business court in accordance with the Oklahoma Pleading Code,

 Section 2001 et seq. of Title 12 of the Oklahoma Statutes, and the court clerk shall assign the action to the appropriate division of the business court.
- F. Unless otherwise provided in this section, all pleadings
 shall be governed by the Oklahoma Pleading Code.
- SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7e of Title 20, unless there is created a duplication in numbering, reads as follows:
 - Nonjury trials in a business court shall be resolved within twelve (12) months of the filing of the action. The twelve-month disposition schedule may be extended if both parties agree to a longer resolution period. Such an extension shall be agreed upon in writing by all parties and approved by the court.
- SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7f of Title 20, unless there is created a duplication in numbering, reads as follows:

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        Business Court Division I shall be quartered in Oklahoma City at
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    the Oklahoma Court of Civil Appeals. Business Court Division II
    shall be quartered in Tulsa at the Oklahoma Court of Civil Appeals.
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                                    A new section of law to be codified
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        SECTION 10.
                        NEW LAW
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    in the Oklahoma Statutes as Section 91.7g of Title 20, unless there
    is created a duplication in numbering, reads as follows:
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        A fee of Two Thousand Five Hundred Dollars ($2,500.00) shall be
    charged and collected by the court clerk at the time of filing any
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    lawsuit in a business court division established pursuant to Section
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    1 of this act. A fee of Fifty Dollars ($50.00) shall be charged and
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    collected at the time of filing by the court clerk for any motion
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    thereafter filed within the same lawsuit.
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        SECTION 11.
                        NEW LAW
                                A new section of law to be codified
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    in the Oklahoma Statutes as Section 91.7h of Title 20, unless there
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    is created a duplication in numbering, reads as follows:
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        The Supreme Court is authorized to provide for electronic filing
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    of documents in Oklahoma business courts. The Administrative Office
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    of the Courts shall promulgate rules for the filing of documents
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    transmitted by electronic device. Rules for electronic filing must
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    have the approval of the Supreme Court.
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        SECTION 12. This act shall become effective November 1, 2025.
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        60-1-12252
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                              02/26/25
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