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In July, 2010, proposed revisions to RA9 were passed by The National Conference of Commissioners on Uniform State Laws (NCCUSL); the goal is for these revisions to have them adopted by each state and take effect July, 2013, with a transition period from 2013 – 2018. Do not be alarmed as there are no drastic revisions. The changes are as follows:

- **ORGANIZATIONAL INFORMATION ON FINANCING STATEMENT**

Section 9-516 (b)(5)(c) currently requires the a filing office reject a record for certain reasons such as the type of organization, the jurisdiction of organization, or organizational id number is missing. The amendments will delete this section, thus removing the need for the filer to include this information on the financing statement. These fields will be removed from the national UCC forms as well.

- **CORRECTION STATEMENT**

The current Article 9 allows a debtor to file a UCC-5 Correction Statement. Under the new law, the statute will refer to the record as an “information sheet” instead of a “correction statement” and secured parties may file an information sheet as well as debtors.

- **NATIONAL UCC FORMS (UCC-1 AND UCC-3)**

New forms have been designed by the International Association of Commercial Administrators. The proposed forms can be viewed at

http://www.iaca.org/downloads/2010Conference/STS/4_Draft_UCC_Forms_041910.pdf

- **CHANGES TO DEBTOR NAME PROVISIONS**

In determining the correct legal name of an individual debtor, the committee has come up with two alternatives:

Alternative A, the “Only if” option: the financing statement sufficiently names the debtor by using the name indicated on a unexpired State issued driver’s license (or other identification issued by the same agency),

Alternative B, the “Safe Harbor” option: if the debtor is an individual, the financing statement sufficiently names the debtor by providing 1. The individual name of the debtor, 2. The surname and first personal name of the debtor, or 3. The name provided on an unexpired driver’s license (or other identification issued by the same agency).

- **CHANGES TO DEFINITIONS FOUND IN 9-102**

The current Article 9 provides that in reference to a registered organization, the correct debtor name to use when filing a financing statement is the name indicated on the “public record”. There has been much uncertainty to what is in fact considered a “public record”. The new amendments will refer to “public record” now as “public organic record”. A “public organic record” means a record that is available for public inspection and consists of the record initially filed with or issued by a State to form a company. The definition also includes subsequent filings which amend or restate the initial record.

The definition of a “registered organization” will be amended to mean an organization formed or organized under the law of a State by filing of a public organic record. The definition will include business trusts as well.

- **SECTION 9-316 – CONTINUED PERFECTION OF SECURITY INTEREST FOLLOWING CHANGE OF GOVERNING LAW**

This section currently protects security interests that are perfected prior to the change of location. The protection is limited to collateral in existence on the date of the debtor’s change in location and provides a four month grace period. Security interests in collateral acquired after the change of location are not perfected until a filing is made in the new location. Section 9-316 now provides that security interested in collateral acquired by the debtor after the change of location will be perfected for four months, and remain perfected if the Secured Party files a financing statement in the new location within the four month period.

To view full text of the proposed RA9 Amendments please go to http://www.nccusl.org/nccusl/Docs/UCC9/UCC9amended_Truncated.pdf
For questions, please contact a project manager at 914.949.9188.