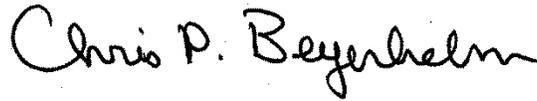


For: State and County Offices

Amendments to UCC

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A Background

UCC Article 9:

- governs the process to secure transactions involving personal property
- was substantially revised in 1998 and adopted in all States.

The 2010 Amendments:

- modifies the existing statute to respond to filing issues and address other matters that have arisen in practices following a decade of experience with the 1998 version of UCC Article 9
- provide new standards for the names of individual debtors to be used on financing statements.

The revised Article 9 has been enacted in many States, and legislative proposals to adopt the 2010 revisions have been initiated in other States.

Generally speaking, the effective date of the new law is July 1, 2013. In States that have not yet adopted the 2010 amendments, the effective date will be the date specified by State statute in its adoption of the 2010 amendments.

<p>Disposal Date</p> <p>December 1, 2013</p>	<p>Distribution</p> <p>State Offices; State Offices relay to County Offices</p>
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Notice FLP-646

1 Overview (Continued)

B Purpose

This notice provides

- information about key changes made by the revised Article 9
- guidance about actions necessary to implement the 2010 Amendments.

C Contact

If there are questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact the Direct Loan Making Branch at 202-720-3889.

2 2010 Amendments

A Key Changes

The revised Article 9 will impact the manner in which a creditor perfects a security interest in chattels. The amendments provide new standards for the name used by individual debtors on financing statements. See U.C.C. §9-503(a)(Approved Amendments 2010). There are 2 alternatives a State can choose to adopt for the proper naming of an individual debtor, which can include the use of debtor's driver's license or State-issued identification card for documentation.

New forms, UCC-1, UCC-1Ad, UCC-3 and UCC 3-Ad, have been designed to implement the 2010 Amendments. Contact the Secretary of State or Regional OGC to determine which forms should be used under State law.

Some other key changes include the following:

- lien perfection issues arising on after-acquired property when a debtor moves to a new jurisdiction under U.C.C. §9-316(h) (Approved Amendments 2010)
- "Correction Statement" has changed to "Information Statement" under U.C.C. §9-518 (Approved Amendments 2010)
- additional technical amendments.

Example: Some extraneous information currently provided on financing statements will no longer be required.

Notice FLP-646

2 2010 Amendments (Continued)

B Additional Information

Information about Article 9 revisions, including the transition process, is available on the Uniform Law Commissioners web site at

[http://uniformlaws.org/Act.aspx?title=UCC%20Article%209%20Amendments%20\(2010\)](http://uniformlaws.org/Act.aspx?title=UCC%20Article%209%20Amendments%20(2010))

Note: This web site contains general UCC information that may or may not be applicable in all States. Consult the Regional Attorney before relying upon information from this web site. Additional information may also be obtained at the local Secretary of State's web site.

3 Action

A State Office Action

State Offices shall:

- contact the Regional Attorney to:
 - determine whether the Article 9 revisions have been adopted in their State
 - obtain guidance on filing new forms with their filing offices
 - confirm the effective date for any changes

Note: Adopted revisions may require a different name to be used by the debtor on UCC. OGC can provide guidance when this occurs.

- modify or issue State supplements to handbooks as necessary.

Note: National Office approval of State supplements is required according to 1-AS, paragraph 220.

B Service Center Action

Service Centers in States that have adopted the Article 9 revisions shall:

- ensure that liens are filed according to any revised State supplements beginning July 1, 2013, unless otherwise guided
- not use any new forms until the 2010 UCC Article 9 amendments take effect in their filing jurisdiction.