

Uniform Commercial Code, Article 9

Model Administrative Rules

2015 Edition

Revised

As promulgated by

International Association of Commercial Administrators
Secured Transaction Section

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Section 1. General Provisions

100 Definitions. Terms used in these filing-office rules that are defined in the UCC and not otherwise defined in this Section shall have the respective meanings accorded such terms in the UCC.

100.1 Address. “Address” means information provided as an address on a UCC record as long as it includes at least a city and a state or foreign country.

[**Alternative Language:** “Address” means either (i) a street address, route number (may include box) or PO Box number plus the city, state and zip code, or (ii) an address that purports to be a mailing address outside the United States of America.]

Comment: Many filing offices will accept an address that does not strictly comply with USPS requirements. The rule provides flexibility for the filing office in such cases. However, a number of filing offices have interpreted UCC Section 9-516’s requirement for a “mailing address” to mean an address that on its face appears to meet postal regulations for a deliverable address. The alternative language reflects this requirement.

100.2 Amendment. “Amendment” means any UCC record filed that relates to the initial financing statement. Amendments include party or collateral changes, assignments, continuations and terminations.

100.3 Assignment. “Assignment” is an amendment that assigns all or a part of a secured party’s power to authorize an amendment to a financing statement.

100.4 Information statement. “Information statement” means a UCC record that indicates a financing statement is inaccurate or wrongfully filed.

100.5 Filing office. “Filing office” means *[identify the entity adopting the rules]*.

Comment: UCC Section 9-526 in its uniform version leaves open the question of whether each filing office (including county offices) is to adopt its own rules or the state-level filing office is to adopt rules binding on all filing offices in the state. These Model Administrative Rules do not address fully all the relevant local filing office issues.

100.6 Filing office statement. “Filing office statement” means a statement entered into the filing office’s UCC information management system to explain an action by the filing office to correct an error made by the filing office.

- 100.7 Initial financing statement. “Initial financing statement” means a UCC record that causes the filing office to establish the initial record of filing of a financing statement.
- 100.8 Remitter. “Remitter” means a person who tenders a UCC record to the filing office for filing, whether the person is a filer or an agent of a filer responsible for tendering the record for filing. “Remitter” does not include a person responsible merely for the delivery of the record to the filing office, such as the postal service or a courier service but does include a service provider who acts as a filer’s representative in the filing process.
- 100.9 Searchable indexes. “Searchable indexes” means the searchable index of individual debtor names and the searchable index of organization debtor names the filing office must maintain in the UCC information management system.
- 100.10 Secured party of record. “Secured party of record” means every party designated as a secured party in a financing statement, including those for whom an amendment has been filed purporting to delete them as a secured party or purporting to indicate they have assigned their secured interest, except as provided in Rule 306.1.
- 100.11 UCC. “UCC” means the Uniform Commercial Code as adopted in the State of *[insert state here]*.
- 100.12 UCC information management system. “UCC information management system” means the information management system used by the filing office to store, index, and retrieve information relating to financing statements as described in Section 3 of these filing-office rules.
- 100.13 UCC record. “UCC record” means an initial financing statement, an amendment of party or collateral information, an assignment, a continuation statement, a termination statement, a filing office statement or an information statement, and includes a record thereof maintained by the filing office. The term shall not be deemed to refer exclusively to paper or paper- based writings.
- 100.14 Unlapsed record. “Unlapsed record” means a UCC record that has been stored and indexed in the UCC information management system, which has a lapse date that has not yet occurred.
- 101 Means to deliver UCC records; time of filing. UCC records may be tendered for filing at the filing office as follows.
- 101.1 Personal delivery by Remitter, at the filing office’s street address. Subject to Rule 101.2, the file time for a UCC record delivered by this method is when delivery of the UCC record is taken by

the filing office (even though the UCC record may not yet have been accepted for filing and subsequently may be rejected). This rule applies only to a Remitter who tenders a UCC record to the filing office and awaits an immediate determination of whether or not the UCC record will be taken or not.

- 101.2 Courier delivery by a person other than a Remitter, at the filing office's street address. The file time for a UCC record delivered by this method is, notwithstanding the time of delivery, at the earlier of the time the UCC record is first examined by a filing office for processing (even though the UCC record may not yet have been accepted for filing and may be subsequently rejected), or the next close of business following the time of delivery. This rule does not apply to a courier who is acting as an agent of the Remitter and who tenders a UCC record to the filing office and awaits an immediate determination of whether or not the UCC record will be taken or not under Rule 101.1.

[**Alternative Language:** , notwithstanding the time of delivery, the next close of business following the time of delivery (even though the UCC record may not yet have been accepted for filing and may be subsequently rejected)]

A UCC record delivered after regular business hours or on a day the filing office is not open for business [, if not examined for processing sooner,] will have a filing time of the close of business on the next day the filing office is open for business.

- 101.3 Postal service delivery, to the filing office's mailing address. The file time for a UCC record delivered by this method is the next close of business following the time of delivery (even though the UCC record may not yet have been accepted for filing and may be subsequently rejected). A UCC record delivered after regular business hours or on a day the filing office is not open for business will have a filing time of the close of business on the next day the filing office is open for business.

[**Alternative Language:** , notwithstanding the time of delivery, at the earlier of the time the UCC record is first examined by a filing office for processing or]

- 101.4 Electronic mail and telefacsimile delivery, to the filing office's e-mail address or the filing office's fax filing telephone number. The file time for a UCC record delivered by this method is, notwithstanding the time of delivery, at the earlier of the time the UCC record is first examined by a filing office for processing (even though the UCC record may not yet have been accepted for filing and may be subsequently rejected), or the next close of business following the time of delivery.

[**Alternative language:** , notwithstanding the time of delivery, the close of business on the next day the filing office is open to the public following the time of delivery (even though the UCC record may not yet have been accepted for filing and may be subsequently rejected)].

A UCC record delivered after regular business hours or on a day the filing office is not open for business [, if not examined for processing sooner,] will have a filing time of the close of business on the next day the filing office is open for business.

101.4.1 *[Include any additional requirements, such as fee payment arrangements, for delivering UCC documents by electronic mail or telefacsimile here.]*

101.5 Electronic filing. UCC records, excluding [information statements and] filing officer statements, may be transmitted electronically using the XML Format approved by the International Association of Commercial Administrators. At the request of an authorized XML Remitter, the filing office shall identify which versions and releases of the XML Format are acceptable to the filing office. The filing office publishes an implementation guide that prescribes the use of the XML Format. The implementation guide shall be available to the public upon request. The file time for a UCC record delivered by this method is the time that the filing office's UCC information management system analyzes the relevant transmission and determines that all the required elements of the transmission have been received in a required format and are machine-readable.

Comment: This option allows states to accept information statements electronically if they choose.

101.6 Direct [on-line and] web page data entry. UCC records may be delivered by on-line data entry using the filing office's website on the internet. The file time for a UCC record delivered by this method is the time the entry of all required elements of the UCC record in the proper format is acknowledged by the on-line entry system.

101.7 Means of communication. Regardless of the method of delivery, information submitted to the UCC filing office must be communicated only in the form of characters that [appear on the American standard keyboard] or such information will be modified, upon entry into the UCC information management system, as provided in Rule 401. A financing statement or amendment form that does not designate separate fields for organization and individual names, and separate fields for the surname, first personal name, additional name(s)/initial(s) and suffixes for individual names is not an acceptable means of communication to the filing office.

Comment: The filing office should define its own set of acceptable characters that it can store and index

101.8 Transmitting utility, manufactured-home and public-finance transactions. The only means to indicate to the filing office that an initial financing statement is being filed in connection with a manufactured-home or public-finance transaction, or that a financing statement is being or has been filed against a debtor that is a transmitting utility is to check the appropriate box on, or to transmit the indication in the proper field in, the related initial financing statement.

102 Search request delivery. UCC search requests may be delivered to the filing office by any of the means by which UCC records may be delivered to the filing office.

103 Forms. The forms prescribed by UCC Section 9-521 are accepted by the filing office. Paper-based forms approved by the International Association of Commercial Administrators [**Alternate 1:** on or prior to _____, 20_] [**Alternate 2:** from time to time] [**Optional:**

and forms otherwise approved by the filing office from time to time] shall be accepted. A list of forms approved by the filing office will be made available on request.

Comment: The rule has been designed to permit flexibility in the adoption of new forms without requiring the rule itself to be amended. In some states, such flexibility may be limited by applicable administrative procedures law.

104 Fees.

[Alternate 1 for jurisdictions that set fees in statute

The fee for filing a UCC record is prescribed by UCC Section 9-525.]

[Alternate 2 for jurisdictions that set fees by rule

104.1 Filing fee. The fee for filing and indexing a UCC record of one or two pages communicated on paper or in a paper-based format (including faxes) is \$ [X]. If there are additional pages, the fee is \$ [2X]. The fee for filing and indexing a UCC record communicated by a medium authorized by these rules which is other than a record communicated in writing shall be \$ [X].

104.2 Additional fees. In addition to fees set forth in Rule 104.1, a fee of \$ [3X] shall be paid for an initial financing statement that indicates that it is filed in connection with a public-finance transaction, a fee of \$ [2X] shall be paid for an initial financing statement that indicates that it is filed in connection with a manufactured-home transaction, and a fee of \$ [X] shall be paid for each additional debtor name more than two that is required to be indexed if the relevant UCC record is communicated in writing.

104.3 UCC search fee. The fee for processing a UCC search request communicated on paper or in a paper-based format is \$ [X]. The fee for processing a UCC search request communicated by a medium authorized by these rules that is other than on paper or in a paper-based format shall be \$ [X].

104.4 UCC search - copies. The fee for UCC search copies is \$ [X] per page (or page equivalent for electronically transmitted search responses).]

105 Expedited services.

105.1 Description of expedited service and fee.

105.1.1 Acceptance and refusal process. *[Describe levels of service, and the fee for each level of service.]*

105.1.2 Responding to UCC search request. *[Describe levels of service, and the fee for each level of service.]*

105.2 How to request expedited service.

105.2.1 Acceptance and refusal process. *[Describe the manner by which expedited service may be requested.]*

105.2.2 Responding to UCC search request. *[Describe the manner by which expedited service may be requested.]*

106 Methods of payment. Filing fees and fees for public records services may be paid by the following methods.

106.1 Cash. Payment in cash is accepted.

106.2 Checks. Personal checks, cashier's checks and money orders made payable to the filing office are accepted if the drawer (or the issuer in the case of a cashier's check or money order) is deemed creditworthy by the filing office in its discretion. [Checks may be made payable in an amount to be filled in by the filing office if the filing office is clearly authorized to fill in the amount.]

Comment: If "not to exceed" checks (where the payee is authorized to fill in the amount, usually subject to a limit printed on the check) are acceptable, the bracketed language should be adopted.

106.3 Electronic funds transfer. The filing office may accept payment via electronic funds transfer under National Automated Clearing House Association ("NACHA") rules from Remitters who have entered into appropriate NACHA-approved arrangements for such transfers and who authorize the relevant transfer pursuant to such arrangements and rules.

106.4 Prepaid account. A Remitter may open a prepaid account by submitting an application prescribed by the filing office and prepaying an amount not less than \$ [X]. The filing office shall issue an account number to be used by a Remitter who chooses to pay filing fees by this method. The filing office shall deduct filing fees from the Remitter's prepaid account as authorized to do so by the Remitter.

106.5 Debit [and/or credit] cards. The filing office shall accept payment by debit cards [and credit cards] of types approved by the filing office. Remitters shall provide the filing office with the card number, the expiration date of the card, the name of the card issuer, the name of the person or entity to whom the card was issued and the billing address for the card. Payment will not be deemed tendered until the issuer or its agent has confirmed payment.

106.6 Other payment methods. *[Describe other methods by which filing parties may pay filing fees.]*

107 Overpayment and underpayment policies.

107.1 Overpayment. The filing office shall refund the amount of an overpayment exceeding \$ [X] to the Remitter. The filing office shall refund an overpayment of \$ [X] or less only upon the written request of the Remitter.

107.2 Underpayment. The UCC record shall be returned to the Remitter as provided in Rule 203. Any fee received will be returned with the UCC record or under separate cover.

108 Public records services. Public records services are provided on a non-discriminatory basis to any member of the public. Copies of individual UCC records, bulk copies of records and data elements from the filing offices UCC information management system are made available in such forms, at such times and for such fees as the filing office may prescribe from time to time[; provided that the filing office shall make such information as is then- currently available at least weekly in every medium then available to the filing office.]

Comment: This rule follows uniform UCC Section 9-523(f) requires weekly sale of data in "every medium from time to time available to the filing office." However, if the uniform version of the statute was not adopted, the bracketed language should be conformed to local requirements.

109 Fees for public records services. Fees for public records services (other than those established under Rule 104) are established by the filing office from time to time and are available upon request.

Comment: The rule takes an open-ended approach because of the difficulty in amending adopted rules and the lack of a uniform approach to bulk pricing. Note that UCC Section 9-525 does not specify fees for individual copies or for bulk data sales, so no alternative language is suggested for fees established in the statute.

Section 2. Acceptance and Refusal of Records

200 Role of filing office. Unless otherwise expressly provided for by statute, the duties and responsibilities of the filing office with respect to the administration of the UCC are ministerial. In accepting for filing or refusing to file a UCC record pursuant to these rules, the filing office does not determine the legal sufficiency or insufficiency of the UCC record, determine that information in the record is correct or incorrect, in whole or in part, or create a presumption that information in the UCC record is correct or incorrect, in whole or in part.

201 Time for filing a continuation statement.

201.1 First day permitted. The first day on which a continuation statement may be filed is the date corresponding to the date upon which the related financing statement would lapse, six months preceding the month in which such financing statement would lapse. If there is no such corresponding date, the first day on which a continuation may be filed is the last day of the sixth month preceding the month in which the financing statement would lapse. The foregoing rule is subject to the ability of the filing office to take delivery of the continuation statement when tendered and to Rule 101.

201.2 Last day permitted. The last day on which a continuation statement may be filed is the date upon which the related financing statement lapses, subject to the ability of the filing office to take delivery of the continuation statement when tendered and to Rule 101. The time of filing of the continuation statement under Rule 101 must be on or prior to such last day.

202 Grounds for refusal. The filing office shall refuse a record for each applicable ground as

set forth in UCC Section 9-516 [or *insert any other code sections that authorize refusal*], and will not refuse a record for any other reason. A record that does not provide an address that meets the minimum requirements set forth in Rule 100.1 does not provide a mailing address as required by UCC Section 9-516.

- 203 Procedure upon refusal. If the filing office finds grounds to refuse a UCC record, the filing office shall refund any filing fee received by the filing office. Communication of the refusal, the reason(s) for the refusal and other related information will be made to the Remitter as soon as practicable and in any event within [two] business days after the refused UCC record was received by the filing office, by the same means as the means by which such UCC record was delivered to the filing office, or by mail or such more expeditious means as the filing office shall determine. Records of refusal, including a copy of the refused UCC record and the ground(s) for refusal, shall be maintained until the first anniversary of the lapse date that applies or would have applied to the related financing statement, assuming that the refused record had been accepted and filed.

Comment: The uniform version of Article 9 requires that refusals be communicated within two business days. The number of days is bracketed because this provision was not uniformly enacted.

- 204 Refusal errors. If a secured party or a Remitter believes that a UCC record that the filing office refused to file should not have been refused under Rule 202, the person may contact the filing office to request a review of the refusal decision. The person requesting review shall provide the filing office with a copy of the reasons for refusal, a copy of the refused record and a statement of the basis for the person's belief that the filing office wrongfully refused to file the record. Upon receipt of a request for review, [the filing office] shall investigate the claim. If the investigator confirms that the record should have been refused, the filing office shall provide a written explanation of the grounds for refusal. But if it is determined that the filing office refused to accept the record in error, the filing office shall file the UCC record with the filing date and time the UCC record was originally tendered for filing. A filing office statement record relating to the relevant initial financing statement shall be placed in the UCC information management system on the date that the corrective action was taken. The filing office statement must provide the date of the correction and explain the nature of the corrective action taken. The record shall be preserved for so long as the record of the initial financing statement is preserved in the UCC information management system.
- 205 Notification of defects. Nothing in these rules prevents a filing office from communicating to a filer or a Remitter that the filing office noticed apparent potential defects in a UCC record, whether or not it was filed or refused for filing. However, the filing office is under no obligation to do so and may not, in fact, have the resources to do so or to identify such defects. The responsibility for the legal effectiveness of filing rests with filers and Remitters and the filing office bears no responsibility for such effectiveness.

Section 3. UCC Information Management System

- 300 General. The filing office uses the UCC information management system to store, index, and retrieve information relating to financing statements. The UCC information management system includes the searchable indexes. The rules in this section describe the

UCC information management system.

301 Primary data elements. The primary data elements used in the UCC information management system are the following.

301.1 Identification numbers.

301.1.1 Each initial financing statement is identified by its file number. Identification of the initial financing statement is stamped on written UCC records or otherwise permanently associated with the record maintained for UCC records in the UCC information management system. A record is created in the UCC information management system for each initial financing statement and all information comprising such record is maintained in the system.

301.1.2 A UCC record other than an initial financing statement is identified by a unique file number assigned by the filing office. In the UCC information management system, records of all UCC records other than initial financing statements are linked to the record of their related initial financing statement.

301.2 Type of record. The type of UCC record from which data is transferred is identified in the UCC information management system from information supplied by the Remitter. [Types of records include initial financing statement, amendment, assignment, continuation, termination, and collateral amendment.]

Comment: Filing offices may not use uniform terminology to describe record types. Each filing office should substitute the corresponding terms for each record classification used in the UCC information management system.

301.3 Filing date and filing time. The filing date and filing time of UCC records are stored in the UCC information management system. Calculation of the lapse date of an initial financing statement is based upon the filing date.

301.4 Identification of parties. The names [and addresses] of debtors and secured parties are transferred from UCC records to the UCC information management system.

301.5 Page count. The total number of pages in a UCC record is maintained in the UCC information management system.

301.6 Lapse indicator. An indicator is maintained by which the UCC information management system identifies whether or not a financing statement will lapse and, if it does, when it will lapse. The lapse date is determined as provided in Rules 306.3 and 308.

301.7 Indexes of names. The filing office maintains in the UCC information management system a searchable index of organization debtor names, and a searchable index of individual debtor names. The filing office may also maintain a searchable index of names of secured parties of record. Such an index need not be a separate database but

may be comprised of records in the UCC information management system identified to be included in such searchable index.

302 Individual debtor names. For purposes of this rule, an “individual debtor name” is any name provided as a debtor name in a UCC record in a format that identifies the name as that of a debtor who is an individual, without regard to the nature or character of the name or to the nature or character of the actual debtor.

302.1 Individual name fields. Individual debtor names are stored in data fields that include only the individual debtor names, and not organization debtor names. Separate data entry fields are established for surnames (last or family names), first personal names (given), and additional name(s)/initial(s) of individuals. The name of a debtor with a single name (e.g., “Cher”) is treated as a surname and shall be entered in the individual surname field. The filing office assumes no responsibility for the accurate designation of the components of a name but shall accurately enter the data in accordance with the filer’s designations.

302.2 Titles, prefixes and suffixes. Titles, prefixes (e.g. “Ms.”) and suffixes or indications of status (e.g. “M.D.”) are not typically part of an individual debtor’s name. Suffixes used to distinguish between family members with identical names (e.g., “JR.”) should be provided in the Suffix field. However, if the suffix appears on a [driver’s license] used as the source of an individual name, then the filer should consider also providing the name as a separate individual debtor with the suffix included in the Surname field. Regardless of how provided, when entering a “name” into the UCC information management system, the filing office shall enter the data exactly as they appear.

Comment: The name indicated on a debtor’s driver’s license is sufficient as the name of the debtor for purposes of the financing statement under the 2010 Amendments to UCC Article 9. However, it is unclear whether suffixes must be provided in the Surname field or in the Suffix field on the financing statement. This rule suggests that filers should provide the name both ways as separate debtors. The term “driver’s license” is listed in brackets because states may have chosen to include the state-issued ID card as an acceptable source of the individual name for non-drivers. The bracketed text should substitute the term used in the state’s version of UCC Section 9-503(a)(4) to be consistent with the statute.

302.3 Extended debtor name field. The filing office shall not refuse to accept an initial financing statement that lacks debtor information in item 1 and/or item 2 if the record includes an addendum that provides debtor information in item 10.

302.4 Truncation - individual names. Personal name fields in the UCC information management system are fixed in length. Although filers should continue to provide full names on their UCC records, a name that exceeds the fixed length is entered as presented to the filing office, up to the maximum length of the data entry field. The lengths of data entry name fields are as follows.

302.4.1 Surname: characters.

- 302.4.2 First personal name: characters.
- 302.4.3 Additional name(s)/initial(s): characters.
- 302.4.4 Suffix: characters

Comment: The rule has been designed to permit flexibility in designating character field length. IACA recommends that filing offices consider no less than 16 characters for the first name, 10 characters for the middle names and 24 characters for the last name field. Optimally, IACA recommends 20 characters for the first name, 16 characters for the middle name and 32 characters for last name field.

303 Organization debtor names. For purposes of these rules, an “organization debtor name” is any name provided as a debtor name in a UCC record in a format that identifies the name as that of a debtor who is an organization, without regard to the nature or character of the name or to the nature or character of the actual debtor.

303.1 Single field. Organization debtor names are stored in files that include only organization debtor names and not individual debtor names. A single field is used to store an organization debtor name.

303.2 Truncation -organization names. The organization debtor name field in the UCC information management system is fixed in length. The maximum length is characters. Although filers should continue to provide full names on their UCC records, a name that exceeds the fixed length is entered as presented to the filing office, up to the maximum length of the organization debtor name field.

Comment: The rule has been designed to permit flexibility in designating character field length. IACA recommends that filing offices consider no less than 120 characters for the organizational name field. Optimally, IACA recommends 300 characters for the organizational name field.

304 Collateral being administered by a Decedent’s Personal Representative. The debtor name to be provided on a financing statement when the collateral is being administered by a decedent’s personal representative is the name of the relevant decedent. In order for the UCC information management system to function in accordance with the usual expectations of filers and searchers, the filer should provide the debtor name as an individual debtor name. However, the filing office shall enter data submitted by a filer in the fields designated by the filer exactly as it appears in such fields.

305 Collateral held in a Trust. The debtor name to be provided when the collateral is held in a trust that is not a registered organization is the name of the trust as set forth in its organic record(s), if the trust has such a name or, if the trust is not so named, the name of the trust’s settlor or testator. In order for the UCC information management system to function in accordance with the usual expectations of filers and searchers, the name of a trust or the name of a settlor or testator that is an organization should be provided as an organization debtor name, and the name of a settlor or testator who is an individual should be provided

as an individual debtor name, in each case without regard to the nature or character of the debtor. Notwithstanding the foregoing, the filing office shall enter data submitted by a filer in the fields designated by the filer exactly as it appears in such fields.

306 Initial financing statement. Upon the filing of an initial financing statement the status of the parties and the status of the financing statement shall be as follows.

306.1 Status of secured party. Each secured party named on an initial financing statement shall be a secured party of record, except that if the UCC record names an assignee, the secured party/assignor shall not be a secured party of record and the secured party/assignee shall be a secured party of record.

306.2 Status of debtor. Each debtor name provided by the initial financing statement shall be indexed in the UCC information management system and shall remain on the record in accordance with UCC Section 9-519(g).

306.3 Status of financing statement. A lapse date shall be calculated, five years from the file date, unless (i) the initial financing statement indicates as provided in rule 101.8 that it is filed with respect to a public-financing transaction or a manufactured-home transaction, in which case the lapse date shall be thirty years from the file date, or (ii) the initial financing statement indicates as provided in rule 101.8 that it is filed against a transmitting utility, in which case there shall be no lapse date. The lapse date for a financing statement filed on February 29 shall be the March 1 in the fifth year following the year of the filing date.

307 Amendments generally. Upon the filing of an amendment the status of the parties shall be unchanged, except that in the case of an amendment that adds a debtor or a secured party, the new debtor or secured party shall be added to appropriate index and associated with the record of the financing statement in the UCC information management system, and an amendment that designates an assignee shall cause the assignee to be added as a secured party of record with respect to the affected financing statement in the UCC information management system. Notwithstanding the filing of an amendment that deletes a debtor or a secured party from a financing statement, no debtor or secured party of record is deleted from the UCC information management system. A deleted secured party will still be treated by the filing office as a secured party of record as the filing office cannot verify the effectiveness of an amendment. Except in the case of a continuation statement, the filing of an amendment does not affect the status of the financing statement.

308 Continuation statement.

308.1 Continuation of lapse date. Upon the timely filing of one or more continuation statements by any secured party(ies) of record, the lapse date of the financing statement shall be postponed for five years. The lapse date is postponed once notwithstanding the fact that more than one continuation statement is filed within a given 6-month period prior to a lapse date. Notwithstanding the immediate postponement of the lapse date with respect to one or more secured parties of record who file timely a continuation statement within a given 6-month period prior to a lapse date, such lapse date remains effective solely for purposes of determining whether or not a subsequent continuation statement filed in the same 6-month period

is timely.

- 308.2 Status. The filing of a continuation statement shall have no effect upon the status of any party to the financing statement or upon the status of the financing statement.
- 309 Termination. The filing of a termination statement shall have no effect upon the status of any party to the financing statement or upon the status of the financing statement.
- 310 Information statement. The filing of an information statement shall have no effect upon the status of any party to the financing statement, the status of the financing statement or the information maintained in the UCC information management system.
- 311 Filing office statement. A filing office statement affects the status of parties and of the relevant financing statement as provided in the corrective action described as having been taken in the filing office statement.
- 312 Procedure upon lapse. If there is no timely filing of a continuation with respect to a financing statement, the financing statement lapses on its lapse date but no action is then taken by the filing office.
- 313 Removal of record. A financing statement must remain in the searchable index within the UCC information management system until at least one year after it lapses. On or after the first anniversary of such lapse, the financing statement and all related UCC records may be removed from the Searchable Indexes or from the UCC information management system.
- 313.1 Transmitting Utilities. A financing statement that indicates a debtor is a transmitting utility must remain in the searchable index within the UCC information management system until at least one year after it is terminated with respect to all secured parties of record. On or after the first anniversary of the termination date of the last remaining secured party of record, the financing statement may be removed its searchable index or from the UCC information management system.

Comment: In practice, filing offices can never know with certainty whether the filing of a termination statement is effective to terminate the record with respect to the purported secured party. It is the searcher's responsibility to correctly determine the effectiveness of filed records. It is therefore necessary that searchers have access to all potentially-effective records that have not lapsed. Consequently, the best practice is for the filing office to maintain transmitting utility financing statements in the searchable index until a party provides adequate evidence that the record was effectively terminated by all secured parties of record and requests that the filing office remove the record.

- 314 Archives - general.

[Insert rules regarding the maintenance of archived financing statements and the ability of those archived records to be searched. It is recommended that archived records be maintained for at least five years after the financing statement has lapsed and that those records be searchable through customary UCC search procedures (albeit only upon

special request). **Note that under UCC Section 9-522**, a financing statement remains active and searchable (by routine searches) for one year after it lapses.]

314.1 Paper UCC documents.

314.1.1 Storage. *[Describe the manner of paper storage.]*

314.1.2 Retention. *[Describe the duration of retention.]*

314.2 Reductions.

314.2.1 Storage. *[Describe the methods of reducing paper documents to other media, such as microfilm, microfiche, optical storage, CD ROM.]*

314.2.2 Retention. *[Describe the duration of retention.]*

314.3 Databases. *[Describe the methods of backing up electronic data with tape or other permanent retrievable records.]*

314.3.1 Archives – data retention. *[Insert appropriate option below]*

Alternative A: Data in the searchable indexes shall be removed from the UCC information management system on or after the one year anniversary of the financing statement lapse date. The data will no longer be maintained by the filing office in the UCC information management system.

Alternative B: Data in the searchable indexes shall be removed from the searchable indexes on or after the one year anniversary of the financing statement lapse date and maintained in a separate location within the UCC information system.

Alternative C: Data in the searchable indexes shall be moved within the UCC information management system on or after the one year anniversary of the financing statement lapse date to a separate, searchable index that will not appear in search results described in Rule 500.

Alternative D: Data in the searchable indexes shall be uniquely categorized in the UCC information management system on or after the one year anniversary of the financing statement lapse date and will not appear in search results described in Rule 500.

Comment: This rule now accommodates removal at any permissible time, as well as “flagging” instead of removal. It is assumed that other general administrative rules governing record retention would apply to the filing office. Article 9 does not specify if or for how long archives should be maintained nor does it require archives to be indexed in any particular manner. If none of the provided alternatives sufficiently describe the data retention procedure of the filing office, the filing office should set forth here a description of the data retention procedure.

Section 4. Filing and Data Entry Procedures

400 Errors of the filing office. The filing office may correct data entry and indexing errors of

filing office personnel in the UCC information management system at any time. If a correction is made to a record of a financing statement the filing office shall associate with the record of the financing statement in the UCC information management system a filing office statement on the date that the corrective action was taken providing the date and an explanation of the correction.

- 401 Data entry. Data are entered into the UCC information management system exactly as provided in a UCC record, without regard to apparent errors, except that [characters that do not appear on the American standard keyboard] will be replaced with [an asterisk/the closest reasonable equivalent found on the American standard keyboard. If no reasonably equivalent character appears on such keyboard, then the character will be replaced with an asterisk]. Data provided in electronic form is transferred to the UCC information management system exactly as submitted by the Remitter.

Comment: This rule can be modified to reflect the character set accepted by the office and how the office replaces unaccepted characters. If the filing office rejects a filing with special characters, that should be indicated in this rule.

- 402 Verification of data entry. The filing office shall verify accuracy of the data from UCC records entered in accordance with Rule 401 into the UCC information management system [, except that debtor name data are verified by double-blind keying]. Data entry performed by Remitters with respect to electronically filed UCC records is the responsibility of the Remitter and is not verified by the filing office.

- 403 Notice of bankruptcy. The filing office shall take no action upon receipt of a notification, formal or informal, of a bankruptcy proceeding involving a debtor named in the UCC information management system.

- 404 Redaction of certain information. The filing office [is/may be] obligated to redact certain information from the information it provides to searchers and bulk data purchasers in accordance with applicable privacy and identity theft protection laws. Such information should not be included in UCC records and will be redacted in accordance with such laws.

- 405 Master amendments. *[If the filing office accepts master or global amendments of secured party names or addresses, or assignments, a regulation outlining the requirements and filing procedures should be adopted.]*

Section 5. Search Requests and Reports

- 500 General requirements. The filing office maintains records for public inspection in a searchable index within the UCC information management system for public inspection. Records will be retrievable by the name of the debtor or by the file number of the related initial financing statement, and each record related to an initial financing statement is retrieved with the initial financing statement using either retrieval method.

- 501 Search requests – required information. Search requests shall include the following:

501.1 Name searched. A search request must set forth the name of the debtor to be searched

using designated fields for organization name or individual surname, first personal name and additional name(s)/initial(s). A search request will be processed using the data and designated fields exactly as submitted, including the submission of no data in a given field, without regard to the nature or character of the debtor that is subject of the search.

- 501.2 Requesting party. The name and address of the person to whom the search results is to be sent.
 - 501.3 Fee. The appropriate fee shall be tendered by a method described in Rule 106.
 - 501.4 Search logic. The request shall specify whether a search methodology other than that described in Rule 503.1, if an alternative search logic is available, is to be applied in conducting the search. If no such methodology is specified, the one described in Rule 503.1 shall be applied.
- 502 Search requests - optional information. Search requests may include the following:
- 502.1 Copies. The request may limit the copies of UCC records that would normally be provided with a search report by requesting that no copies be provided or that copies be limited to those UCC records that:
 - 502.1.1 include a particular debtor address;
 - 502.1.2 include a particular city in the debtor address;
 - 502.1.3 were filed on a particular date or within a particular range of dates; or
 - 502.1.4 include a particular secured party name.
 - 502.2 Scope of search. A search request may ask for a search that reports all Records or all Unlapsed Records from the UCC information management system's searchable index.
 - 502.3 Mode of delivery. A search request may specify a mode of delivery for search results and that request will be honored if the requested mode is made available by the filing office, and all requisite fees are tendered.
- 503 Search methodology. Search results are produced by the application of search logic to the name presented to the filing office. Human judgment does not play a role in determining the results of the search.
- 503.1 Standard search logic. The following rules describe the filing office's standard search logic and apply to all searches except for those where the search request specifies that a non-standard search logic be used:
 - 503.1.1 There is no limit to the number of matches that may be returned in response to the search criteria.
 - 503.1.2 No distinction is made between upper and lower case letters.

503.1.3 The following rules apply only to organization names:

- (a) The character “&” (the ampersand) is deleted and replaced with the characters “and” each place it appears in the name.
- (b) Punctuation marks and accents are disregarded. For the purposes of this rule, punctuation and accents include all characters other than the numerals 0 through 9 and the letters A through Z (in upper and lower case) of the English alphabet.
- (c) The following words and abbreviations at the end of an organization name that indicate the existence or nature of the organization are “disregarded” to the extent practicable as determined by the filing office’s programming of its UCC information management system:

[Insert the filing office’s own “Ending Noise Words” list here.]

Alternative 1: [The search logic will disregard all words, phrases or abbreviations from the preceding list beginning at the end of the name and working back until an unlisted word, phrase or abbreviation appears.]

Alternative 2: [The search logic will disregard only the last word, phrase or abbreviation from the preceding list.]

- (d) The word “the” at the beginning of an organization debtor name is disregarded.
- (e) All spaces are disregarded.

503.1.4 The following search rules apply to individual debtor names:

- (a) Surname: The individual debtor surname on a filed record must exactly match the surname of the search request. The search logic does not provide equivalencies for the surname field, nor does the search logic disregard [spacing,] [punctuation,] titles, suffixes or ending noise words of any type if entered in the surname field.
- (b) First Personal Name. The following equivalencies apply:
 - (1) A first personal name is the logical equivalent of the first initial of the name.
 - (2) An initial (a single letter) is the logical equivalent of all first personal names that begin with that letter.
 - (3) No first personal name or initial is the logical equivalent of all first personal names and initials.
- (c) Additional Names/Initials. The following equivalencies apply:
 - (1) A name is the logical equivalent of the first initial of the

name.

- (2) An initial (a single letter) is the logical equivalent of all names that begin with that letter and no entry in the additional names/initials field.
 - (3) No entry in the additional names/initials field is the logical equivalent of all names and initials.
- (d) Search Results. Only records that exactly match the surname field under subsection (a); exactly match the first personal name after application of the equivalency rules in subsection (b); and that exactly match the additional names/initials field after application of the equivalency rules in subsection (c) will be reported.
- (e) Single Names. If the name being searched is the surname of an individual debtor name without any first personal name or additional name(s)/initial(s) provided, the search will retrieve from the UCC information management system all financing statements with individual debtor names that consist of only the surname.
- (f) Search Result Examples.
- (1) A search request for “John A. Smith” (first personal name and surname with an initial in the additional name(s)/initial(s) field) would cause the search to retrieve all filings against all individual debtors with (i) “John” or the initial “J” as to the first name, (ii) “Smith” as the surname, and (iii) no name or initial, the initial “A” or any name beginning with “A” in the additional name(s)/initials field.
 - (2) A search request for “J.A. Smith” (initial for first personal name, surname and an initial for the additional name(s)/initial(s) field), would retrieve all filings against individual debtors with (i) the initial “J” or any name beginning with “J” as the first name, (ii) “Smith” as the last name, and (iii) no name or initial, the initial “A” or any name beginning with “A” in the additional name(s)/initial(s) field.
 - (3) A search request for “John Smith” (first personal name and surname with no designation in the additional name(s)/initial(s) field), would retrieve all filing against individual debtors with (i) “John” or the initial “J” as the first name, (ii) “Smith” as the last name and (iii) any entry or no entry in the additional name(s)/initial(s) field.

503.1.5

After applying the preceding rules to the name being searched, the search will retrieve from the UCC information management system’s searchable index all Unlapsed Records, or, if requested by the searcher, all Records, that pertain to financing statements with debtor names that, after application of this Rule 503, exactly match the modified name being searched.

503.2 Non-standard search logic. The following non-standard search logic options may be requested on a search request and will be applied when requested:

503.2.1 *[insert description of non-standard search logic offered]*

503.2.2 *[insert description of non-standard search logic offered]*

Non-Standard Search Logic is provided for informational purposes only. The filing office makes no representations or warranties regarding the accuracy or completeness of data included in non-standard search results. Users rely on non-standard search results at their own risk.

Comment: The description(s) of non-standard logic might be generic or refer to a programming or implementation guide outside the rules because unlike the standard search logic, they are not applied to determine the legal sufficiency of a debtor name. If the filing office does not have non-standard search logic, this rule may be omitted.

504 Changes in standard search logic. If the filing office changes its standard search logic or the implementation of its standard search logic in a manner that could alter search results, the filing office shall provide prior public notice of such change.

505 Search responses. Responses to a search request shall include the following:

505.1 Copies. Copies of all UCC records retrieved by the search unless only limited copies are requested by the searcher. Copies will reflect any redaction of personal identifying information required by law.

505.2 Introductory information. A filing office shall include the following information with a UCC search response:

505.2.1 Filing office identification. Identification of the filing office providing the search response.

505.2.2 Unique search report identification number. Unique number which identifies the search report

505.2.3 Report date and time. The date and time the report was generated.

505.2.4 Through date and time. The date and time at or prior to which a UCC record must have been filed with the filing office in order for it to be reflected on the search.

505.2.5 Certification language. *[insert template language]*

505.2.6 Scope of search. [All/Unlapsed]

505.2.7 Search logic used. [IACA Recommended Standard Search Logic/Other].

- 505.2.8 Search logic disclaimer language. *[if any, insert template language]*
- 505.2.9 Name provided. Name as provided by searcher.
- 505.2.10 Search string. Name as searched after application of Rule 503.
- 505.2.11 Lien type searched. [UCC or other type of documents searched]
- 505.2.12 Copies. [Certified/Copies not Requested/Partial Copies/Limited Copies/Specified Copies_____/Date Range].

505.3 Report. The search report shall contain the following.

- 505.3.1 Identification. Identification of the filing office providing the search report.
- 505.3.2 Search report identification number. Unique number assigned under Rule 505.2.2.
- 505.3.3 Identification of financing statement. Identification of each initial financing statement, including a listing of all related amendments, information statements, or filing office notices, filed on or prior to the through date corresponding to the search criteria (including whether the searcher has requested all Records or only Unlapsed Records from the searchable index). Financing statement information shall include, but is not limited to the following:
 - 505.3.3.1 Initial financing statement file number. The initial financing statement file number.
 - 505.3.3.2 Initial financing statement filing date and time. The date and time it was filed.
 - 505.3.3.3 Lapse date. Provide lapse date.
 - 505.3.3.4 Debtor name. The debtor name(s) that appear(s) of record.
 - 505.3.3.5 Debtor address. The debtor address(es) that appear(s) of record.
 - 505.3.3.6 Secured party name. The secured party name(s) that appear(s) of record.
 - 505.3.3.7 Secured party address. The secured party address(es) that appear(s) of record.
 - 505.3.3.8 Amendment type. An indication of type of each amendment, if any.

- 505.3.3.9 Amendment filing date and time. The date and time each amendment, if any, was filed.
- 505.3.3.10 Amendment file number. The amendment file number of each amendment, if any.
- 505.3.3.11 Information statement filing date and time. The date and time an information statement, if any, was filed.
- 505.3.3.12 Filing office statement filing date and time. The date and time a filing office statement, if any, was filed.

Section 6. Other Notices of Liens

Comment: The filing office should use section 6 to address Non-UCC liens that are filed with the filing office. The rule should note, where applicable, that there is no difference between a search for other liens and a UCC search. If there are differences, they should be set forth here. Important information includes whether the filing office maintains a separate index for other liens and whether it offers alternative search logic.