

By: Senator(s) Carlton

To: Judiciary

SENATE BILL NO. 2998

1 AN ACT TO AMEND SECTIONS 75-9-701, 75-9-705 AND 75-9-710,  
 2 MISSISSIPPI CODE OF 1972, TO CONFORM THE TRANSITION DATES FOR THE  
 3 CONVERSION FROM UNIFORM COMMERCIAL CODE FORMER ARTICLE 9 TO  
 4 REVISED ARTICLE 9 TO THE JANUARY 1, 2002, EFFECTIVE DATE; TO  
 5 FURTHER AMEND SECTION 75-9-705, MISSISSIPPI CODE OF 1972, TO  
 6 CLARIFY THE TERMINATION OF A FINANCING STATEMENT COVERING A  
 7 MANUFACTURED HOME NOT CONSTITUTING INVENTORY; TO FURTHER AMEND  
 8 SECTION 75-9-710, MISSISSIPPI CODE OF 1972, TO CLARIFY LOCAL  
 9 FILING OF A TERMINATION STATEMENT; TO AMEND SECTION 75-9-102,  
 10 MISSISSIPPI CODE OF 1972, TO CLARIFY DEFINITIONS; TO AMEND SECTION  
 11 75-9-109, MISSISSIPPI CODE OF 1972, TO CLARIFY THE SCOPE OF  
 12 ARTICLE 9 CONCERNING GOVERNMENTAL UNITS; TO AMEND SECTION  
 13 75-9-304, MISSISSIPPI CODE OF 1972, TO CLARIFY THE PERFECTION OF  
 14 SECURITY INTERESTS IN DEPOSIT ACCOUNTS; TO AMEND SECTION 75-9-309,  
 15 MISSISSIPPI CODE OF 1972, TO PROVIDE FOR PERFECTION UPON  
 16 ATTACHMENT FOR LOTTERY WINNINGS; AND FOR RELATED PURPOSES.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

18 **SECTION 1.** Section 75-9-701, Mississippi Code of 1972, is  
 19 amended as follows:

20 75-9-701. (1) References in Part 7 to "this act" refer to  
 21 the legislative enactment by which this part is added to Article 9  
 22 of the Uniform Commercial Code.

23 (2) References in this part to "former Article 9" are to  
 24 Article 9 found in Chapter 9 of Title 75 as in effect on December  
 25 31, 2001.

26 **SECTION 2.** Section 75-9-705, Mississippi Code of 1972, is  
 27 amended as follows:

28 [From January 1, 2002, until passage of Senate Bill No. 2998,  
 29 2002 Regular Session, this section shall read as follows:]

30 75-9-705. (a) If action, other than the filing of a  
 31 financing statement, is taken before this act takes effect and the  
 32 action would have resulted in priority of a security interest over  
 33 the rights of a person that becomes a lien creditor had the  
 34 security interest become enforceable before this act takes effect,



35 the action is effective to perfect a security interest that  
36 attaches under this act within one (1) year after this act takes  
37 effect. An attached security interest becomes unperfected one (1)  
38 year after this act takes effect unless the security interest  
39 becomes a perfected security interest under this act before the  
40 expiration of that period.

41 (b) The filing of a financing statement before this act  
42 takes effect is effective to perfect a security interest to the  
43 extent the filing would satisfy the applicable requirements for  
44 perfection under this act.

45 (c) This act does not render ineffective an effective  
46 financing statement that, before this act takes effect, is filed  
47 and satisfies the applicable requirements for perfection under the  
48 law of the jurisdiction governing perfection as provided in former  
49 Section 75-9-103. However, except as otherwise provided in  
50 subsections (d) and (e) and Section 75-9-706, the financing  
51 statement ceases to be effective at the earlier of:

52 (1) The time the financing statement would have ceased  
53 to be effective under the law of the jurisdiction in which it is  
54 filed; or

55 (2) December 31, 2006.

56 (d) The filing of a continuation statement after this act  
57 takes effect does not continue the effectiveness of the financing  
58 statement filed before this act takes effect. However, upon the  
59 timely filing of a continuation statement after this act takes  
60 effect and in accordance with the law of the jurisdiction  
61 governing perfection as provided in Part 3, the effectiveness of a  
62 financing statement filed in the same office in that jurisdiction  
63 before this act takes effect continues for the period provided by  
64 the law of that jurisdiction.

65 (e) Subsection (c)(2) applies to a financing statement that,  
66 before this act takes effect, is filed against a transmitting  
67 utility and satisfies the applicable requirements for perfection



68 under the law of the jurisdiction governing perfection as provided  
69 in former Section 75-9-103 only to the extent that Part 3 provides  
70 that the law of a jurisdiction other than the jurisdiction in  
71 which the financing statement is filed governs perfection of a  
72 security interest in collateral covered by the financing  
73 statement.

74 (f) A financing statement that includes a financing  
75 statement filed before this act takes effect and a continuation  
76 statement filed after this act takes effect is effective only to  
77 the extent that it satisfies the requirements of Part 5 for an  
78 initial financing statement.

79 **[From and after passage of Senate Bill No. 2998, 2002 Regular**  
80 **Session, this section shall read as follows:]**

81 75-9-705. (a) If action, other than the filing of a  
82 financing statement, is taken before January 1, 2002 and the  
83 action would have resulted in priority of a security interest over  
84 the rights of a person that becomes a lien creditor had the  
85 security interest become enforceable before January 1, 2002, the  
86 action is effective to perfect a security interest that attaches  
87 under this act within one (1) year after January 1, 2002. An  
88 attached security interest becomes unperfected one (1) year after  
89 January 1, 2002 unless the security interest becomes a perfected  
90 security interest under this act before the expiration of that  
91 period.

92 (b) The filing of a financing statement before this act  
93 takes effect is effective to perfect a security interest to the  
94 extent the filing would satisfy the applicable requirements for  
95 perfection under this act.

96 (c) This act does not render ineffective an effective  
97 financing statement that, before January 1, 2002, is filed and  
98 satisfies the applicable requirements for perfection under the law  
99 of the jurisdiction governing perfection as provided in former  
100 Section 75-9-103. However, except as otherwise provided in



101 subsections (d) and (e) and Section 75-9-706, the financing  
102 statement ceases to be effective at the earlier of:

103 (1) The time the financing statement would have ceased  
104 to be effective under the law of the jurisdiction in which it is  
105 filed; or

106 (2) December 31, 2006.

107 Provided, however, a financing statement filed before January  
108 1, 2002, covering a manufactured home, other than a manufactured  
109 home constituting inventory, remains effective, if it so states,  
110 until a termination statement is filed.

111 (d) The filing of a continuation statement after January 1,  
112 2002 does not continue the effectiveness of the financing  
113 statement filed before January 1, 2002. However, upon the timely  
114 filing of a continuation statement after January 1, 2002 and in  
115 accordance with the law of the jurisdiction governing perfection  
116 as provided in Part 3, the effectiveness of a financing statement  
117 filed in the same office in that jurisdiction before January 1,  
118 2002 continues for the period provided by the law of that  
119 jurisdiction.

120 (e) Subsection (c)(2) applies to a financing statement that,  
121 before January 1, 2002, is filed against a transmitting utility  
122 and satisfies the applicable requirements for perfection under the  
123 law of the jurisdiction governing perfection as provided in former  
124 Section 75-9-103 only to the extent that Part 3 provides that the  
125 law of a jurisdiction other than the jurisdiction in which the  
126 financing statement is filed governs perfection of a security  
127 interest in collateral covered by the financing statement.

128 (f) A financing statement that includes a financing  
129 statement filed before January 1, 2002 and a continuation  
130 statement filed after January 1, 2002 is effective only to the  
131 extent that it satisfies the requirements of Part 5 for an initial  
132 financing statement.



133           **SECTION 3.** Section 75-9-710, Mississippi Code of 1972, is  
134 amended as follows:

135           [From January 1, 2002, until passage of Senate Bill No. 2998,  
136 2002 Regular Session, this section shall read as follows:]

137           75-9-710. (a) In this section:

138                   (1) "Local-filing office" means a filing office, other  
139 than the statewide central filing office identified in Section  
140 75-9-401(1) of former Chapter 9, that is designated as the proper  
141 place to file a financing statement under Section 75-9-401(1) of  
142 former Chapter 9. The term applies only with respect to a record  
143 that covers a type of collateral as to which the filing office is  
144 designated in that section as the proper place to file.

145                   (2) "Former-Chapter-9 records" means:

146                           (A) Financing statements and other records that  
147 have been filed in a local-filing office before January 1, 2002,  
148 and that are, or upon processing and indexing will be, reflected  
149 in the index maintained, as of December 31, 2001, by the  
150 local-filing office for financing statements and other records  
151 filed in the local-filing office before January 1, 2002, and

152                           (B) The index as of December 31, 2001.

153           The term does not include records presented to a local-filing  
154 office for filing after December 31, 2001, whether or not the  
155 records relate to financing statements filed in the local-filing  
156 office before January 1, 2002.

157                   (3) "Mortgage," "as-extracted collateral," "fixture  
158 filing," "goods" and "fixtures" have the meanings set forth in  
159 Revised Article 9 for those terms.

160                   (b) Except as expressly provided in Part 5 of Chapter 9 as  
161 effective on and after January 1, 2002, a local-filing office must  
162 not accept for filing a record presented after December 31, 2001,  
163 whether or not the record relates to a financing statement filed  
164 in the local-filing office before January 1, 2002.



165 (c) Until January 1, 2009, each local-filing office must  
166 maintain all former-Chapter-9 records in accordance with former  
167 Chapter 9. A former-Chapter-9 record that is not reflected on the  
168 index maintained at December 31, 2001, by the local-filing office  
169 must be processed and indexed, and reflected on the index as of  
170 December 31, 2001, as soon as practicable but in any event no  
171 later than January 31, 2002.

172 (d) Until at least December 31, 2008, each local-filing  
173 office must respond to requests for information with respect to  
174 former-Chapter-9 records relating to a debtor and issue  
175 certificates in accordance with former Chapter 9.

176 (1) Upon request in writing of any person, the filing  
177 officer shall issue his certificate showing whether there is on  
178 file, on the date and hour stated therein, any presently effective  
179 financing statements naming a particular debtor thereof, and if  
180 there is, giving the date and hour of filing and file number of  
181 each such financing statement and the name and address of each  
182 secured party or his assignee therein. Each such request shall be  
183 accompanied by a search fee of Five Dollars (\$5.00) if the request  
184 is made on the standard form prescribed by the Secretary of State,  
185 and otherwise it shall be Ten Dollars (\$10.00). An additional fee  
186 of Two Dollars (\$2.00) shall be paid by the requesting party for  
187 each financing statement listed on the filing officer's  
188 certificate, the aggregate of which shall be billed to the  
189 requesting party at the time the filing officer's certificate is  
190 issued. Failure to pay the additional fee by any requesting party  
191 when due may result in denial of further service to the requesting  
192 party until the amount due has been paid.

193 (2) Upon request, the filing officer shall furnish a  
194 copy of any presently effective financing statements on file for a  
195 uniform fee of Two Dollars (\$2.00) per page naming a particular  
196 debtor when the request is made on the form and in the manner  
197 hereinbefore provided for listing the same.



198 (e) After December 31, 2008, each local-filing office may  
199 remove and destroy, in accordance with any then applicable record  
200 retention law of this state, all former-Chapter-9 records,  
201 including the related index.

202 (f) This section does not apply, with respect to financing  
203 statements and other records, to a filing office in which  
204 mortgages or records of mortgages on real property are required to  
205 be filed or recorded, if:

206 (1) The collateral is timber to be cut or as-extracted  
207 collateral, or

208 (2) The record is or relates to a financing statement  
209 filed as a fixture filing and the collateral is goods that are or  
210 are to become fixtures.

211 **[From and after passage of Senate Bill No. 2998, 2002 Regular**  
212 **Session, this section shall read as follows:]**

213 75-9-710. (a) In this section:

214 (1) "Local-filing office" means a filing office, other  
215 than the statewide central filing office identified in Section  
216 75-9-401(1) of former Chapter 9, that is designated as the proper  
217 place to file a financing statement under Section 75-9-401(1) of  
218 former Chapter 9. The term applies only with respect to a record  
219 that covers a type of collateral as to which the filing office is  
220 designated in that section as the proper place to file.

221 (2) "Former-Chapter-9 records" means:

222 (A) Financing statements and other records that  
223 have been filed in a local-filing office before January 1, 2002,  
224 and that are, or upon processing and indexing will be, reflected  
225 in the index maintained, as of December 31, 2001, by the  
226 local-filing office for financing statements and other records  
227 filed in the local-filing office before January 1, 2002, and

228 (B) The index as of December 31, 2001.

229 The term does not include records presented to a local-filing  
230 office for filing after December 31, 2001, whether or not the



231 records relate to financing statements filed in the local-filing  
232 office before January 1, 2002.

233 (3) "Mortgage," "as-extracted collateral," "fixture  
234 filing," "goods" and "fixtures" have the meanings set forth in  
235 Revised Article 9 for those terms.

236 (b) Except as expressly provided in Part 5 of Chapter 9 as  
237 effective on and after January 1, 2002, a local-filing office must  
238 not accept for filing a record presented after December 31, 2001,  
239 whether or not the record relates to a financing statement filed  
240 in the local-filing office before January 1, 2002, other than a  
241 termination statement filed in accordance with Section 75-9-707.

242 (c) Until January 1, 2009, each local-filing office must  
243 maintain all former-Chapter-9 records in accordance with former  
244 Chapter 9. A former-Chapter-9 record that is not reflected on the  
245 index maintained at December 31, 2001, by the local-filing office  
246 must be processed and indexed, and reflected on the index as of  
247 December 31, 2001, as soon as practicable but in any event no  
248 later than January 31, 2002.

249 (d) Until at least December 31, 2008, each local-filing  
250 office must respond to requests for information with respect to  
251 former-Chapter-9 records relating to a debtor and issue  
252 certificates in accordance with former Chapter 9.

253 (1) Upon request in writing of any person, the filing  
254 officer shall issue his certificate showing whether there is on  
255 file, on the date and hour stated therein, any presently effective  
256 financing statements naming a particular debtor thereof, and if  
257 there is, giving the date and hour of filing and file number of  
258 each such financing statement and the name and address of each  
259 secured party or his assignee therein. Each such request shall be  
260 accompanied by a search fee of Five Dollars (\$5.00) if the request  
261 is made on the standard form prescribed by the Secretary of State,  
262 and otherwise it shall be Ten Dollars (\$10.00). An additional fee  
263 of Two Dollars (\$2.00) shall be paid by the requesting party for





264 each financing statement listed on the filing officer's  
265 certificate, the aggregate of which shall be billed to the  
266 requesting party at the time the filing officer's certificate is  
267 issued. Failure to pay the additional fee by any requesting party  
268 when due may result in denial of further service to the requesting  
269 party until the amount due has been paid.

270 (2) Upon request, the filing officer shall furnish a  
271 copy of any presently effective financing statements on file for a  
272 uniform fee of Two Dollars (\$2.00) per page naming a particular  
273 debtor when the request is made on the form and in the manner  
274 hereinbefore provided for listing the same.

275 (e) After December 31, 2008, each local-filing office may  
276 remove and destroy, in accordance with any then applicable record  
277 retention law of this state, all former-Chapter-9 records,  
278 including the related index.

279 (f) This section does not apply, with respect to financing  
280 statements and other records, to a filing office in which  
281 mortgages or records of mortgages on real property are required to  
282 be filed or recorded, if:

283 (1) The collateral is timber to be cut or as-extracted  
284 collateral, or

285 (2) The record is or relates to a financing statement  
286 filed as a fixture filing and the collateral is goods that are or  
287 are to become fixtures.

288 **SECTION 4.** Section 75-9-102, Mississippi Code of 1972, is  
289 amended as follows:

290 75-9-102. (a) In this article:

291 (1) "Accession" means goods that are physically united  
292 with other goods in such a manner that the identity of the  
293 original goods is not lost.

294 (2) "Account," except as used in "account for," means a  
295 right to payment of a monetary obligation, whether or not earned  
296 by performance, (i) for property that has been or is to be sold,



297 leased, licensed, assigned, or otherwise disposed of, (ii) for  
298 services rendered or to be rendered, (iii) for a policy of  
299 insurance issued or to be issued, (iv) for a secondary obligation  
300 incurred or to be incurred, (v) for energy provided or to be  
301 provided, (vi) for the use or hire of a vessel under a charter or  
302 other contract, (vii) arising out of the use of a credit or charge  
303 card or information contained on or for use with the card, or  
304 (viii) as winnings in a lottery or other game of chance operated  
305 or sponsored by a state, governmental unit of a state, or person  
306 licensed or authorized to operate the game by a state or  
307 governmental unit of a state. The term includes  
308 health-care-insurance receivables. The term does not include (i)  
309 rights to payment evidenced by chattel paper or an instrument,  
310 (ii) commercial tort claims, (iii) deposit accounts, (iv)  
311 investment property, (v) letter-of-credit rights or letters of  
312 credit, or (vi) rights to payment for money or funds advanced or  
313 sold, other than rights arising out of the use of a credit or  
314 charge card or information contained on or for use with the card.

315 (3) "Account debtor" means a person obligated on an  
316 account, chattel paper, or general intangible. The term does not  
317 include persons obligated to pay a negotiable instrument, even if  
318 the instrument constitutes part of chattel paper.

319 (4) "Accounting," except as used in "accounting for,"  
320 means a record:

321 (A) Authenticated by a secured party;

322 (B) Indicating the aggregate unpaid secured  
323 obligations as of a date not more than thirty-five (35) days  
324 earlier or thirty-five (35) days later than the date of the  
325 record; and

326 (C) Identifying the components of the obligations  
327 in reasonable detail.

328 (5) "Agricultural lien" means an interest \* \* \* in farm  
329 products:



330 (A) Which secures payment or performance of an  
331 obligation for:

332 (i) Goods or services furnished in connection  
333 with a debtor's farming operation; or

334 (ii) Rent on real property leased by a debtor  
335 in connection with its farming operation;

336 (B) Which is created by statute in favor of a  
337 person that:

338 (i) In the ordinary course of its business  
339 furnished goods or services to a debtor in connection with a  
340 debtor's farming operation; or

341 (ii) Leased real property to a debtor in  
342 connection with the debtor's farming operation; and

343 (C) Whose effectiveness does not depend on the  
344 person's possession of the personal property.

345 (6) "As-extracted collateral" means:

346 (A) Oil, gas, or other minerals that are subject  
347 to a security interest that:

348 (i) Is created by a debtor having an interest  
349 in the minerals before extraction; and

350 (ii) Attaches to the minerals as extracted;  
351 or

352 (B) Accounts arising out of the sale at the  
353 wellhead or minehead of oil, gas, or other minerals in which the  
354 debtor had an interest before extraction.

355 (7) "Authenticate" means:

356 (A) To sign; or

357 (B) To execute or otherwise adopt a symbol, or  
358 encrypt or similarly process a record in whole or in part, with  
359 the present intent of the authenticating person to identify the  
360 person and adopt or accept a record.



361 (8) "Bank" means an organization that is engaged in the  
362 business of banking. The term includes savings banks, savings and  
363 loan associations, credit unions, and trust companies.

364 (9) "Cash proceeds" means proceeds that are money,  
365 checks, deposit accounts, or the like.

366 (10) "Certificate of title" means a certificate of  
367 title with respect to which a statute provides for the security  
368 interest in question to be indicated on the certificate as a  
369 condition or result of the security interest's obtaining priority  
370 over the rights of a lien creditor with respect to the collateral.

371 (11) "Chattel paper" means a record or records that  
372 evidence both a monetary obligation and a security interest in  
373 specific goods, a security interest in specific goods and software  
374 used in the goods, a security interest in specific goods and  
375 license of software used in the goods, a lease of specific goods,  
376 or a lease of specific goods and license of software used in the  
377 goods. In this paragraph, "monetary obligation" means a monetary  
378 obligation secured by the goods or owed under a lease of the goods  
379 and includes a monetary obligation with respect to software used  
380 in the goods. The term does not include (i) charters or other  
381 contracts involving the use or hire of a vessel or (ii) records  
382 that evidence a right to payment arising out of the use of a  
383 credit or charge card or information contained on or for use with  
384 the card. If a transaction is evidenced by records that include  
385 an instrument or series of instruments, the group of records taken  
386 together constitutes chattel p paper.

387 (12) "Collateral" means the property subject to a  
388 security interest or agricultural lien. The term includes:

389 (A) Proceeds to which a security interest  
390 attaches;

391 (B) Accounts, chattel paper, payment intangibles,  
392 and promissory notes that have been sold; and

393 (C) Goods that are the subject of a consignment.



394 (13) "Commercial tort claim" means a claim arising in  
395 tort with respect to which:

396 (A) The claimant is an organization; or

397 (B) The claimant is an individual and the claim:

398 (i) Arose in the course of the claimant's  
399 business or profession; and

400 (ii) Does not include damages arising out of  
401 personal injury to or the death of an individual.

402 (14) "Commodity account" means an account maintained by  
403 a commodity intermediary in which a commodity contract is carried  
404 for a commodity customer.

405 (15) "Commodity contract" means a commodity futures  
406 contract, an option on a commodity futures contract, a commodity  
407 option, or another contract if the contract or option is:

408 (A) Traded on or subject to the rules of a board  
409 of trade that has been designated as a contract market for such a  
410 contract pursuant to federal commodities laws; or

411 (B) Traded on a foreign commodity board of trade,  
412 exchange, or market, and is carried on the books of a commodity  
413 intermediary for a commodity customer.

414 (16) "Commodity customer" means a person for which a  
415 commodity intermediary carries a commodity contract on its books.

416 (17) "Commodity intermediary" means a person that:

417 (A) Is registered as a futures commission merchant  
418 under federal commodities law; or

419 (B) In the ordinary course of its business  
420 provides clearance or settlement services for a board of trade  
421 that has been designated as a contract market pursuant to federal  
422 commodities law.

423 (18) "Communicate" means:

424 (A) To send a written or other tangible record;

425 (B) To transmit a record by any means agreed upon  
426 by the persons sending and receiving the record; or



427 (C) In the case of transmission of a record to or  
428 by a filing office, to transmit a record by any means prescribed  
429 by filing-office rule.

430 (19) "Consignee" means a merchant to which goods are  
431 delivered in a consignment.

432 (20) "Consignment" means a transaction, regardless of  
433 its form, in which a person delivers goods to a merchant for the  
434 purpose of sale and:

435 (A) The merchant:

436 (i) Deals in goods of that kind under a name  
437 other than the name of the person making delivery;

438 (ii) Is not an auctioneer; and

439 (iii) Is not generally known by its creditors  
440 to be substantially engaged in selling the goods of others;

441 (B) With respect to each delivery, the aggregate  
442 value of the goods is One Thousand Dollars (\$1,000.00) or more at  
443 the time of delivery;

444 (C) The goods are not consumer goods immediately  
445 before delivery; and

446 (D) The transaction does not create a security  
447 interest that secures an obligation.

448 (21) "Consignor" means a person that delivers goods to  
449 a consignee in a consignment.

450 (22) "Consumer debtor" means a debtor in a consumer  
451 transaction.

452 (23) "Consumer goods" means goods that are used or  
453 bought for use primarily for personal, family, or household  
454 purposes.

455 (24) "Consumer-goods transaction" means a consumer  
456 transaction in which:

457 (A) An individual incurs an obligation primarily  
458 for personal, family, or household purposes; and



459 (B) A security interest in consumer goods secures  
460 the obligation.

461 (25) "Consumer obligor" means an obligor who is an  
462 individual and who incurred the obligation as part of a  
463 transaction entered into primarily for personal, family, or  
464 household purposes.

465 (26) "Consumer transaction" means a transaction in  
466 which (i) an individual incurs an obligation primarily for  
467 personal, family, or household purposes, (ii) a security interest  
468 secures the obligation, and (iii) the collateral is held or  
469 acquired primarily for personal, family, or household purposes.  
470 The term includes consumer-goods transactions.

471 (27) "Continuation statement" means an amendment of a  
472 financing statement which:

473 (A) Identifies, by its file number, the initial  
474 financing statement to which it relates; and

475 (B) Indicates that it is a continuation statement  
476 for, or that it is filed to continue the effectiveness of, the  
477 identified financing statement.

478 (28) "Debtor" means:

479 (A) A person having an interest, other than a  
480 security interest or other lien, in the collateral, whether or not  
481 the person is an obligor;

482 (B) A seller of accounts, chattel paper, payment  
483 intangibles, or promissory notes; or

484 (C) A consignee.

485 (29) "Deposit account" means a demand, time, savings,  
486 passbook, or similar account maintained with a bank. The term  
487 does not include investment property or accounts evidenced by an  
488 instrument.

489 (30) "Document" means a document of title or a receipt  
490 of the type described in Section 75-7-201(2).



491           (31) "Electronic chattel paper" means chattel paper  
492 evidenced by a record or records consisting of information stored  
493 in an electronic medium.

494           (32) "Encumbrance" means a right, other than an  
495 ownership interest, in real property. The term includes mortgages  
496 and other liens on real property.

497           (33) "Equipment" means goods other than inventory, farm  
498 products, or consumer goods.

499           (34) "Farm products" means goods, other than standing  
500 timber, with respect to which the debtor is engaged in a farming  
501 operation and which are:

502                   (A) Crops grown, growing, or to be grown,  
503 including:

504                           (i) Crops produced on trees, vines, and  
505 bushes; and

506                           (ii) Aquatic goods produced in aquacultural  
507 operations;

508                   (B) Livestock, born or unborn, including aquatic  
509 goods produced in aquacultural operations;

510                   (C) Supplies used or produced in a farming  
511 operation; or

512                   (D) Products of crops or livestock in their  
513 unmanufactured states.

514           (35) "Farming operation" means raising, cultivating,  
515 propagating, fattening, grazing, or any other farming, livestock  
516 or aquacultural operation.

517           (36) "File number" means the number assigned to an  
518 initial financing statement pursuant to Section 9-519(a).

519           (37) "Filing office" means an office designated in  
520 Section 75-9-501 as the place to file a financing statement.

521           (38) "Filing-office rule" means a rule adopted pursuant  
522 to Section 75-9-526.





523           (39) "Financing statement" means a record or records  
524 composed of an initial financing statement and any filed record  
525 relating to the initial financing statement.

526           (40) "Fixture filing" means the filing of a financing  
527 statement covering goods that are or are to become fixtures and  
528 satisfying Section 75-9-502(a) and (b). The term includes the  
529 filing of a financing statement covering goods of a transmitting  
530 utility which are or are to become fixtures.

531           (41) "Fixtures" means goods that have become so related  
532 to particular real property that an interest in them arises under  
533 real property law.

534           (42) "General intangible" means any personal property,  
535 including things in action, other than accounts, chattel paper,  
536 commercial tort claims, deposit accounts, documents, goods,  
537 instruments, investment property, letter-of-credit rights, letters  
538 of credit, money, and oil, gas, or other minerals before  
539 extraction. The term includes payment intangibles and software.

540           (43) "Good faith" means honesty in fact and the  
541 observance of reasonable commercial standards of fair dealing.

542           (44) "Goods" means all things that are movable when a  
543 security interest attaches. The term includes (i) fixtures, (ii)  
544 standing timber that is to be cut and removed under a conveyance  
545 or contract for sale, (iii) the unborn young of animals, (iv)  
546 crops grown, growing, or to be grown, even if the crops are  
547 produced on trees, vines, or bushes, (v) farm-raised fish produced  
548 in fresh water according to the usual and customary techniques of  
549 commercial agriculture, (vi) manufactured homes and (vii) marine  
550 vessels (herein defined as every type of watercraft used, or  
551 capable of being used, as a means of transportation on water)  
552 including both marine vessels under construction, including  
553 engines and all items of equipment installed or to be installed  
554 therein, whether such vessels are being constructed by the  
555 shipbuilder for his own use or for sale (said vessels under



556 construction being classified as inventory within the meaning of  
557 Section 75-9-102(48)), and marine vessels after completion of  
558 construction so long as such vessels have not become "vessels of  
559 the United States" within the meaning of the Ship Mortgage Act of  
560 1920, 46 USCS, Section 911(4), as same is now written or may  
561 hereafter be amended (said completed vessels being classified as  
562 equipment within the meaning of Section 75-9-102(33)). The term  
563 also includes a computer program embedded in goods and any  
564 supporting information provided in connection with a transaction  
565 relating to the program if (i) the program is associated with the  
566 goods in such a manner that it customarily is considered part of  
567 the goods, or (ii) by becoming the owner of the goods, a person  
568 acquires a right to use the program in connection with the goods.  
569 The term does not include a computer program embedded in goods  
570 that consist solely of the medium in which the program is  
571 embedded. The term also does not include accounts, chattel paper,  
572 commercial tort claims, deposit accounts, documents, general  
573 intangibles, instruments, investment property, letter-of-credit  
574 rights, letters of credit, money, or oil, gas, or other minerals  
575 before extraction.

576 (45) "Governmental unit" means a subdivision, agency,  
577 department, county, parish, municipality or other unit of the  
578 government of the United States, a state, or a foreign country.  
579 The term includes an organization having a separate corporate  
580 existence if the organization is eligible to issue debt on which  
581 interest is exempt from income taxation under the laws of the  
582 United States.

583 (46) "Health-care-insurance receivable" means an  
584 interest in or claim under a policy of insurance which is a right  
585 to payment of a monetary obligation for health-care goods or  
586 services provided or to be provided.

587 (47) "Instrument" means a negotiable instrument or any  
588 other writing that evidences a right to the payment of a monetary



589 obligation, is not itself a security agreement or lease, and is of  
590 a type that in ordinary course of business is transferred by  
591 delivery with any necessary endorsement or assignment. The term  
592 does not include (i) investment property, (ii) letters of credit,  
593 or (iii) writings that evidence a right to payment arising out of  
594 the use of a credit or charge card or information contained on or  
595 for use with the card.

596 (48) "Inventory" means goods, other than farm products,  
597 which:

598 (A) Are leased by a person as lessor;

599 (B) Are held by a person for sale or lease or to  
600 be furnished under a contract of service;

601 (C) Are furnished by a person under a contract of  
602 service; or

603 (D) Consist of raw materials, work in process or  
604 materials used or consumed in a business.

605 (49) "Investment property" means a security, whether  
606 certificated or uncertificated, security entitlement, securities  
607 account, commodity contract or commodity account.

608 (50) "Jurisdiction of organization," with respect to a  
609 registered organization, means the jurisdiction under whose law  
610 the organization is organized.

611 (51) "Letter-of-credit right" means a right to payment  
612 or performance under a letter of credit, whether or not the  
613 beneficiary has demanded or is at the time entitled to demand  
614 payment or performance. The term does not include the right of a  
615 beneficiary to demand payment or performance under a letter of  
616 credit.

617 (52) "Lien creditor" means:

618 (A) A creditor that has acquired a lien on the  
619 property involved by attachment, levy, or the like;

620 (B) An assignee for benefit of creditors from the  
621 time of assignment;



622 (C) A trustee in bankruptcy from the date of the  
623 filing of the petition; or

624 (D) A receiver in equity from the time of  
625 appointment.

626 (53) "Manufactured home" means a structure,  
627 transportable in one or more sections, which, in the traveling  
628 mode, is eight (8) body feet or more in width or forty (40) body  
629 feet or more in length, or, when erected on site, is three hundred  
630 twenty (320) or more square feet, and which is built on a  
631 permanent chassis and designed to be used as a dwelling with or  
632 without a permanent foundation when connected to the required  
633 utilities, and includes the plumbing, heating, air-conditioning,  
634 and electrical systems contained therein. The term includes any  
635 structure that meets all of the requirements of this paragraph  
636 except the size requirements and with respect to which the  
637 manufacturer voluntarily files a certification required by the  
638 United States Secretary of Housing and Urban Development and  
639 complies with the standards established under Title 42 of the  
640 United States Code.

641 (54) "Manufactured-home transaction" means a secured  
642 transaction:

643 (A) That creates a purchase-money security  
644 interest in a manufactured home, other than a manufactured home  
645 held as inventory; or

646 (B) In which a manufactured home, other than a  
647 manufactured home held as inventory, is the primary collateral.

648 (55) "Mortgage" means a consensual interest in real  
649 property, including fixtures, which secures payment or performance  
650 of an obligation. "Mortgage" shall mean and include a deed of  
651 trust.

652 (56) "New debtor" means a person that becomes bound as  
653 debtor under Section 75-9-203(d) by a security agreement  
654 previously entered into by another person.



655           (57) "New value" means (i) money, (ii) money's worth in  
656 property, services, or new credit, or (iii) release by a  
657 transferee of an interest in property previously transferred to  
658 the transferee. The term does not include an obligation  
659 substituted for another obligation.

660           (58) "Noncash proceeds" means proceeds other than cash  
661 proceeds.

662           (59) "Obligor" means a person that, with respect to an  
663 obligation secured by a security interest in or an agricultural  
664 lien on the collateral, (i) owes payment or other performance of  
665 the obligation, (ii) has provided property other than the  
666 collateral to secure payment or other performance of the  
667 obligation, or (iii) is otherwise accountable in whole or in part  
668 for payment or other performance of the obligation. The term does  
669 not include issuers or nominated persons under a letter of credit.

670           (60) "Original debtor," except as used in Section  
671 75-9-310(c), means a person that, as debtor, entered into a  
672 security agreement to which a new debtor has become bound under  
673 Section 75-9-203(d).

674           (61) "Payment intangible" means a general intangible  
675 under which the account debtor's principal obligation is a  
676 monetary obligation.

677           (62) "Person related to," with respect to an  
678 individual, means:

679                   (A) The spouse of the individual;

680                   (B) A brother, brother-in-law, sister, or  
681 sister-in-law of the individual;

682                   (C) An ancestor or lineal descendant of the  
683 individual or the individual's spouse; or

684                   (D) Any other relative, by blood or marriage, of  
685 the individual or the individual's spouse who shares the same home  
686 with the individual.



687                   (63) "Person related to," with respect to an  
688 organization, means:

689                   (A) A person directly or indirectly controlling,  
690 controlled by, or under common control with the organization;

691                   (B) An officer or director of, or a person  
692 performing similar functions with respect to, the organization;

693                   (C) An officer or director of, or a person  
694 performing similar functions with respect to, a person described  
695 in subparagraph (A);

696                   (D) The spouse of an individual described in  
697 subparagraph (A), (B), or (C); or

698                   (E) An individual who is related by blood or  
699 marriage to an individual described in subparagraph (A), (B), (C),  
700 or (D) and shares the same home with the individual.

701                   (64) "Proceeds," except as used in Section 75-9-609(b),  
702 means the following property:

703                   (A) Whatever is acquired upon the sale, lease,  
704 license, exchange or other disposition of collateral;

705                   (B) Whatever is collected on, or distributed on  
706 account of, collateral;

707                   (C) Rights arising out of collateral;

708                   (D) To the extent of the value of collateral,  
709 claims arising out of the loss, nonconformity, or interference  
710 with the use of, defects or infringement of rights in, or damage  
711 to, the collateral; or

712                   (E) To the extent of the value of collateral and  
713 to the extent payable to the debtor or the secured party,  
714 insurance payable by reason of the loss or nonconformity of,  
715 defects or infringement of rights in, or damage to, the  
716 collateral.

717                   (64A) "Production-money crops" means crops that secure  
718 a production-money obligation incurred with respect to the  
719 production of those crops.



720           (64B) "Production-money obligation" means an obligation  
721 of an obligor incurred for new value given to enable the debtor to  
722 produce crops if the value is in fact used for the production of  
723 the crops.

724           (64C) "Production of crops" includes tilling and  
725 otherwise preparing land for growing, planting, cultivating,  
726 fertilizing, irrigating, harvesting and gathering crops, and  
727 protecting them from damage or disease.

728           (65) "Promissory note" means an instrument that  
729 evidences a promise to pay a monetary obligation, does not  
730 evidence an order to pay, and does not contain an acknowledgment  
731 by a bank that the bank has received for deposit a sum of money or  
732 funds.

733           (66) "Proposal" means a record authenticated by a  
734 secured party which includes the terms on which the secured party  
735 is willing to accept collateral in full or partial satisfaction of  
736 the obligation it secures pursuant to Sections 75-9-620, 75-9-621,  
737 and 75-9-622.

738           (67) "Public-finance transaction" means a secured  
739 transaction in connection with which:

740                   (A) Debt securities are issued;

741                   (B) All or a portion of the securities issued have  
742 an initial stated maturity of at least twenty (20) years; and

743                   (C) The debtor, obligor, secured party, account  
744 debtor or other person obligated on collateral, assignor or  
745 assignee of a secured obligation, or assignor or assignee of a  
746 security interest is a state or a governmental unit of a state.

747           (68) "Pursuant to commitment," with respect to an  
748 advance made or other value given by a secured party, means  
749 pursuant to the secured party's obligation, whether or not a  
750 subsequent event of default or other event not within the secured  
751 party's control has relieved or may relieve the secured party from  
752 its obligation.



753           (69) "Record," except as used in "for record," "of  
754 record," "record or legal title," and "record owner," means  
755 information that is inscribed on a tangible medium or which is  
756 stored in an electronic or other medium and is retrievable in  
757 perceivable form.

758           (70) "Registered organization" means an organization  
759 organized solely under the law of a single state or the United  
760 States and as to which the state or the United States must  
761 maintain a public record showing the organization to have been  
762 organized.

763           (71) "Secondary obligor" means an obligor to the extent  
764 that:

765                   (A) The obligor's obligation is secondary; or

766                   (B) The obligor has a right of recourse with  
767 respect to an obligation secured by collateral against the debtor,  
768 another obligor, or property of either.

769           (72) "Secured party" means:

770                   (A) A person in whose favor a security interest is  
771 created or provided for under a security agreement, whether or not  
772 any obligation to be secured is outstanding;

773                   (B) A person that holds an agricultural lien;

774                   (C) A consignor;

775                   (D) A person to which accounts, chattel paper,  
776 payment intangibles, or promissory notes have been sold;

777                   (E) A trustee, indenture trustee, agent,  
778 collateral agent, or other representative in whose favor a  
779 security interest or agricultural lien is created or provided for;  
780 or

781                   (F) A person that holds a security interest  
782 arising under Section 75-2-401, 75-2-505, 75-2-711(3),  
783 75-2A-508(5), 75-4-210, or 75-5-118.

784           (73) "Security agreement" means an agreement that  
785 creates or provides for a security interest.





786                   (74) "Send," in connection with a record or  
787 notification, means:

788                   (A) To deposit in the mail, deliver for  
789 transmission, or transmit by any other usual means of  
790 communication, with postage or cost of transmission provided for,  
791 addressed to any address reasonable under the circumstances; or

792                   (B) To cause the record or notification to be  
793 received within the time that it would have been received if  
794 properly sent under subparagraph (A).

795                   (75) "Software" means a computer program and any  
796 supporting information provided in connection with a transaction  
797 relating to the program. The term does not include a computer  
798 program that is included in the definition of goods.

799                   (76) "State" means a state of the United States, the  
800 District of Columbia, Puerto Rico, the United States Virgin  
801 Islands, or any territory or insular possession subject to the  
802 jurisdiction of the United States.

803                   (77) "Supporting obligation" means a letter-of-credit  
804 right or secondary obligation that supports the payment or  
805 performance of an account, chattel paper, a document, a general  
806 intangible, an instrument, or investment property.

807                   (78) "Tangible chattel paper" means chattel paper  
808 evidenced by a record or records consisting of information that is  
809 inscribed on a tangible medium.

810                   (79) "Termination statement" means an amendment of a  
811 financing statement which:

812                   (A) Identifies, by its file number, the initial  
813 financing statement to which it relates; and

814                   (B) Indicates either that it is a termination  
815 statement or that the identified financing statement is no longer  
816 effective.

817                   (80) "Transmitting utility" means a person primarily  
818 engaged in the business of:



- 819                   (A) Operating a railroad, subway, street railway,  
820 or trolley bus;  
821                   (B) Transmitting communications electrically,  
822 electromagnetically, or by light;  
823                   (C) Transmitting goods by pipeline or sewer; or  
824                   (D) Transmitting or producing and transmitting  
825 electricity, steam, gas, or water.

826           (b) The following definitions in other articles apply to  
827 this article:

828	"Applicant"	Section 75-5-102.
829	"Beneficiary"	Section 75-5-102.
830	"Broker"	Section 75-8-102.
831	"Certificated security"	Section 75-8-102.
832	"Check"	Section 75-3-104.
833	"Clearing corporation"	Section 75-8-102.
834	"Contract for sale"	Section 75-2-106.
835	"Customer"	Section 75-4-104.
836	"Entitlement holder"	Section 75-8-102.
837	"Financial asset"	Section 75-8-102.
838	"Holder in due course"	Section 75-3-302.
839	"Issuer" (with respect to	
840	a letter of credit or	
841	letter-of-credit right)	Section 75-5-102.
842	"Issuer" (with respect to a	
843	security	Section 75-8-201.
844	"Lease"	Section 75-2A-103.
845	"Lease agreement"	Section 75-2A-103.
846	"Lease contract"	Section 75-2A-103.
847	"Leasehold interest"	Section 75-2A-103.
848	"Lessee"	Section 75-2A-103.
849	"Lessee in ordinary course	
850	of business"	Section 75-2A-103.
851	"Lessor"	Section 75-2A-103.



852	"Lessor's residual interest"	Section 75-2A-103.
853	"Letter of credit"	Section 75-5-102.
854	"Merchant"	Section 75-2-104.
855	"Negotiable instrument"	Section 75-3-104.
856	"Nominated person"	Section 75-5-102.
857	"Note"	Section 75-3-104.
858	"Proceeds of a letter of	
859	credit"	Section 75-5-114.
860	"Prove"	Section 75-3-103.
861	"Sale"	Section 75-2-106.
862	"Securities account"	Section 75-8-501.
863	"Securities intermediary"	Section 75-8-102.
864	"Security"	Section 75-8-102.
865	"Security certificate"	Section 75-8-102.
866	"Security entitlement"	Section 75-8-102.
867	"Uncertificated security"	Section 75-8-102.

868 (c) Article 1 contains general definitions and principles of  
869 construction and interpretation applicable throughout this  
870 article.

871 **SECTION 5.** Section 75-9-109, Mississippi Code of 1972, is  
872 amended as follows:

873 75-9-109. (a) Except as otherwise provided in subsections  
874 (c) and (d), this article applies to:

875 (1) A transaction, regardless of its form, that creates  
876 a security interest in personal property or fixtures by contract;

877 (2) An agricultural lien;

878 (3) A sale of accounts, chattel paper, payment  
879 intangibles, or promissory notes;

880 (4) A consignment;

881 (5) A security interest arising under Section 75-2-401,  
882 75-2-505, 75-2-711(3), or 75-2A-508(5), as provided in Section

883 75-9-110; and



884           (6) A security interest arising under Section 75-4-210  
885 or 75-5-118.

886           (b) The application of this article to a security interest  
887 in a secured obligation is not affected by the fact that the  
888 obligation is itself secured by a transaction or interest to which  
889 this article does not apply.

890           (c) This article does not apply to the extent that:

891                 (1) A statute, regulation, or treaty of the United  
892 States preempts this article;

893           \* \* \*

894                 (2) A statute of another state, a foreign country, or a  
895 governmental unit of another state or a foreign country, other  
896 than a statute generally applicable to security interests,  
897 expressly governs creation, perfection, priority, or enforcement  
898 of a security interest created by the state, country, or  
899 governmental unit; or

900                 (3) The rights of a transferee beneficiary or nominated  
901 person under a letter of credit are independent and superior under  
902 Section 75-5-114.

903           (d) This article does not apply to:

904                 (1) A landlord's lien, other than an agricultural lien;

905                 (2) A lien, other than an agricultural lien, given by  
906 statute or other rule of law for services or materials, but  
907 Section 75-9-333 applies with respect to priority of the lien;

908                 (3) An assignment of a claim for wages, salary, or  
909 other compensation of an employee;

910                 (4) A sale of accounts, chattel paper, payment  
911 intangibles, or promissory notes as part of a sale of the business  
912 out of which they arose;

913                 (5) An assignment of accounts, chattel paper, payment  
914 intangibles, or promissory notes which is for the purpose of  
915 collection only;



916           (6) An assignment of a right to payment under a  
917 contract to an assignee that is also obligated to perform under  
918 the contract;

919           (7) An assignment of a single account, payment  
920 intangible, or promissory note to an assignee in full or partial  
921 satisfaction of a preexisting indebtedness;

922           (8) A transfer of an interest in or an assignment of a  
923 claim under a policy of insurance, other than an assignment by or  
924 to a health-care provider of a health-care-insurance receivable  
925 and any subsequent assignment of the right to payment, but  
926 Sections 75-9-315 and 75-9-322 apply with respect to proceeds and  
927 priorities in proceeds;

928           (9) An assignment of a right represented by a judgment,  
929 other than a judgment taken on a right to payment that was  
930 collateral;

931           (10) A right of recoupment or set-off, but:

932                   (A) Section 75-9-340 applies with respect to the  
933 effectiveness of rights of recoupment or set-off against deposit  
934 accounts; and

935                   (B) Section 75-9-404 applies with respect to  
936 defenses or claims of an account debtor;

937           (11) The creation or transfer of an interest in or lien  
938 on real property, including a lease or rents thereunder, except to  
939 the extent that provision is made for:

940                   (A) Liens on real property in Sections 75-9-203  
941 and 75-9-308;

942                   (B) Fixtures in Section 75-9-334;

943                   (C) Fixture filings in Sections 75-9-501,  
944 75-9-502, 75-9-512, 75-9-516, and 75-9-519; and

945                   (D) Security agreements covering personal and real  
946 property in Section 75-9-604;



947           (12) An assignment of a claim arising in tort, other  
948 than a commercial tort claim, but Sections 75-9-315 and 75-9-322  
949 apply with respect to proceeds and priorities in proceeds; or

950           (13) To a transfer by this state or a governmental unit  
951 of this state.

952           **SECTION 6.** Section 75-9-304, Mississippi Code of 1972, is  
953 amended as follows:

954           75-9-304. (a) The local law of a bank's jurisdiction  
955 governs perfection, the effect of perfection or nonperfection, and  
956 the priority of a security interest in a deposit account  
957 maintained with that bank.

958           (b) The following rules determine a bank's jurisdiction for  
959 purposes of this part:

960           (1) If an agreement between the bank and its customer  
961 governing the deposit account expressly provides that a particular  
962 jurisdiction is the bank's jurisdiction for purposes of this part,  
963 this article, or the Uniform Commercial Code, that jurisdiction is  
964 the bank's jurisdiction.

965           (2) If paragraph (1) does not apply and an agreement  
966 between the bank and its customer governing the deposit account  
967 expressly provides that the agreement is governed by the law of a  
968 particular jurisdiction, that jurisdiction is the bank's  
969 jurisdiction.

970           (3) If neither paragraph (1) nor paragraph (2) applies  
971 and an agreement between the bank and its customer governing the  
972 deposit account expressly provides that the deposit account is  
973 maintained at an office in a particular jurisdiction, that  
974 jurisdiction is the bank's jurisdiction.

975           (4) If none of the preceding paragraphs applies, the  
976 bank's jurisdiction is the jurisdiction in which the office  
977 identified in an account statement as the office serving the  
978 customer's account is located.



979           (5) If none of the preceding paragraphs applies, the  
980 bank's jurisdiction is the jurisdiction in which the chief  
981 executive office of the bank is located.

982           **SECTION 7.** Section 75-9-309, Mississippi Code of 1972, is  
983 amended as follows:

984           75-9-309. The following security interests are perfected  
985 when they attach:

986           (1) A purchase-money security interest in consumer  
987 goods, except as otherwise provided in Section 75-9-311(b) with  
988 respect to consumer goods that are subject to a statute or treaty  
989 described in Section 75-9-311(a);

990           (2) An assignment of accounts or payment intangibles  
991 which does not by itself or in conjunction with other assignments  
992 to the same assignee transfer a significant part of the assignor's  
993 outstanding accounts or payment intangibles;

994           (3) A sale of a payment intangible;

995           (4) A sale of a promissory note;

996           (5) A security interest created by the assignment of a  
997 health-care-insurance receivable to the provider of the  
998 health-care goods or services;

999           (6) A security interest arising under Section 75-2-401,  
1000 75-2-505, 75-2-711(3), or 75-2A-508(5), until the debtor obtains  
1001 possession of the collateral;

1002           (7) A security interest of a collecting bank arising  
1003 under Section 75-4-210;

1004           (8) A security interest of an issuer or nominated  
1005 person arising under Section 75-5-118;

1006           (9) A security interest arising in the delivery of a  
1007 financial asset under Section 75-9-206(c);

1008           (10) A security interest in investment property created  
1009 by a broker or securities intermediary;

1010           (11) A security interest in a commodity contract or a  
1011 commodity account created by a commodity intermediary;



1012                   (12) An assignment for the benefit of all creditors of  
1013 the transferor and subsequent transfers by the assignee  
1014 thereunder; and

1015                   (13) A security interest created by an assignment of a  
1016 beneficial interest in a decedent's estate.

1017                   (14) A sale by an individual of an account that is a  
1018 right to payment of winnings in a lottery or other game of chance.

1019                   **SECTION 8.** Sections 1, 2 and 3 of this act shall take effect  
1020 and be in force from and after January 1, 2002; the remainder of  
1021 this act shall take effect and be in force from and after its  
1022 passage.

