

By: Representative Hood

To: Judiciary A

HOUSE BILL NO. 1552

1 AN ACT TO BRING FORWARD SECTIONS 75-9-501, 75-9-501.1,
 2 75-9-502, 75-9-503, 75-9-504, 75-9-505, 75-9-506, 75-9-507,
 3 75-9-508, 75-9-509, 75-9-510, 75-9-511, 75-9-512, 75-9-513,
 4 75-9-514, 75-9-515, 75-9-516, 75-9-517, 75-9-518, 75-9-519,
 5 75-9-520, 75-9-521, 75-9-522, 75-9-523, 75-9-524, 75-9-525,
 6 75-9-526 AND 75-9-527, MISSISSIPPI CODE OF 1972, WHICH RELATE TO
 7 SECURED TRANSACTION FILINGS UNDER THE UNIFORM COMMERCIAL CODE, FOR
 8 PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS
 9 75-9-207, 75-9-208, 75-9-209 AND 75-9-210, MISSISSIPPI CODE OF
 10 1972, WHICH RELATE TO RIGHTS AND DUTIES OF PARTIES TO SECURITY
 11 AGREEMENTS, FOR PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED
 12 PURPOSES.

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

14 **SECTION 1.** Section 75-9-501, Mississippi Code of 1972, is
 15 brought forward as follows:

16 75-9-501. (a) Except as otherwise provided in subsection
 17 (b), if the local law of this state governs perfection of a
 18 security interest or agricultural lien, the office in which to
 19 file a financing statement to perfect the security interest or
 20 agricultural lien is:

21 (1) The office designated for the filing or recording
 22 of a record of a mortgage on the related real property, if:



23 (A) The collateral is as-extracted collateral or
24 timber to be cut; or

25 (B) The financing statement is filed as a fixture
26 filing and the collateral is goods that are or are to become
27 fixtures; or

28 (2) The Office of the Secretary of State in all other
29 cases, including a case in which the collateral is goods that are
30 or are to become fixtures and the financing statement is not filed
31 as a fixture filing.

32 (b) The office in which to file a financing statement to
33 perfect a security interest in collateral, including fixtures, of
34 a transmitting utility is the Office of the Secretary of State.
35 The financing statement also constitutes a fixture filing as to
36 the collateral indicated in the financing statement which is or is
37 to become fixtures.

38 **SECTION 2.** Section 75-9-501.1, Mississippi Code of 1972, is
39 brought forward as follows:

40 75-9-501.1. (a) No person shall cause to be communicated to
41 the filing office for filing a false record the person knows or
42 reasonably should know:

43 (1) Is filed with the intent to harass or defraud the
44 person identified as debtor in the record or any other person;

45 (2) Is not authorized or permitted under Section
46 75-9-509, 75-9-708 or 75-9-808 of this article; or



47 (3) Is not related to a valid existing or potential
48 commercial or financial transaction, an existing agricultural or
49 other lien, or a judgment of a court of competent jurisdiction.

50 (b) The Secretary of State may initiate a review of a record
51 presented for filing or a filed record if:

52 (1) The Secretary of State receives an information
53 statement filed by the debtor with the Secretary of State under
54 Section 75-9-518 alleging the record was communicated to the
55 filing office in violation of subsection (a); or

56 (2) The Secretary of State has reason to believe, from
57 information contained in the record or obtained from the person
58 that communicated the record to the filing office, that the record
59 was communicated to the filing office in violation of subsection
60 (a).

61 (c) Upon initiating the review, the Secretary of State shall
62 communicate to the secured party of record on the record to which
63 the review relates and to the person that communicated the record
64 to the filing, if different and known to the office, a request for
65 additional documentation supporting the effectiveness of the
66 record. The Secretary of State may terminate the record effective
67 thirty (30) days after the first request for additional
68 documentation is sent if it has a reasonable basis for concluding
69 that the record was communicated to the filing office in violation
70 of subsection (a). The Secretary of State may give heightened
71 scrutiny to a record when:



72 (1) The record asserts a claim against a current or
73 former employee or officer of a federal, state, county, or other
74 local governmental unit that relates to the performance of the
75 officer's or employee's public duties, and for which the filer
76 does not hold a properly executed security agreement or judgment
77 from a court of competent jurisdiction;

78 (2) The record indicates that the debtor and the
79 secured party are substantially the same;

80 (3) The debtor is a transmitting utility; or

81 (4) The transaction to which the record relates is a
82 public-finance transaction.

83 (d) The Secretary of State shall not return any fee paid for
84 filing a record refused or terminated under this section.

85 (e) The Secretary of State shall promptly communicate to the
86 secured party of record a notice of the refusal or termination of
87 a record under subsection (c). A secured party of record that
88 believes in good faith the record was not communicated to the
89 filing office in violation of subsection (a) may commence an
90 action in the Chancery Court of the First Judicial District of
91 Hinds County, Mississippi, to require the Secretary of State to
92 accept or reinstate the record.

93 (f) A record ordered by the court to be accepted or
94 reinstated is effective as a filed record from the initial filing
95 date except as against a purchaser of the collateral which gives



96 value in reasonable reliance on the absence of the record from the
97 files.

98 (g) Neither the filing office nor any of its employees shall
99 incur liability for the termination or failure to terminate a
100 record under this section or for the refusal to accept a record
101 for filing in the lawful performance of the duties of the office
102 or employee.

103 (h) This section does not apply to a record communicated to
104 the filing office by a regulated financial institution or by a
105 representative of a regulated financial institution except that
106 the Secretary of State may request from the secured party of
107 record on the record or from the person that communicated the
108 record to the filing office, if different and known to the office,
109 additional documentation supporting that the record was
110 communicated to the filing office by a regulated financial
111 institution or by a representative of a regulated financial
112 institution. "Regulated financial institution" means a financial
113 institution subject to regulatory oversight or examination by a
114 state or federal agency, including, but not limited to, any bank,
115 commercial finance lender or insurer, consumer loan broker, credit
116 union, debt management service provider, finance company,
117 industrial loan company, insurance premium finance company,
118 investment company, investment fund, mortgage service provider,
119 savings association, small loan company, and trust company.



120 (i) This section applies to records communicated to the
121 filing office for filing before the effective date if the
122 communication constitutes a violation of subsection (a).

123 **SECTION 3.** Section 75-9-502, Mississippi Code of 1972, is
124 brought forward as follows:

125 75-9-502. (a) Subject to subsection (b), a financing
126 statement is sufficient only if it:

127 (1) Provides the name of the debtor;

128 (2) Provides the name of the secured party or a
129 representative of the secured party; and

130 (3) Indicates the collateral covered by the financing
131 statement.

132 (b) Except as otherwise provided in Section 75-9-501(b), to
133 be sufficient, a financing statement that covers as-extracted
134 collateral or timber to be cut, or which is filed as a fixture
135 filing and covers goods that are or are to become fixtures, must
136 satisfy subsection (a) and also:

137 (1) Indicate that it covers this type of collateral;

138 (2) Indicate that it is to be filed for record in the
139 real property records;

140 (3) Provide a description of the real property to which
141 the collateral is related sufficient to give constructive notice
142 of a mortgage under the law of this state if the description were
143 contained in a record of the mortgage of the real property; and



144 (4) If the debtor does not have an interest of record
145 in the real property, provide the name of a record owner.

146 (c) A record of a mortgage is effective, from the date of
147 recording, as a financing statement filed as a fixture filing or
148 as a financing statement covering as-extracted collateral or
149 timber to be cut only if:

150 (1) The record indicates the goods or accounts that it
151 covers;

152 (2) The goods are or are to become fixtures related to
153 the real property described in the record or the collateral is
154 related to the real property described in the record and is
155 as-extracted collateral or timber to be cut;

156 (3) The record satisfies the requirements for a
157 financing statement in this section, but:

158 (A) The record need not indicate that it is to be
159 filed in the real property records; and

160 (B) The record sufficiently provides the name of
161 the debtor who is an individual if it provides the individual name
162 of the debtor or the surname and first personal name of the
163 debtor, even if the debtor is an individual to whom Section
164 75-9-503(a)(4) applies; and

165 (4) The record is duly recorded.

166 (d) A financing statement may be filed before a security
167 agreement is made or a security interest otherwise attaches.



168 **SECTION 4.** Section 75-9-503, Mississippi Code of 1972, is
169 brought forward as follows:

170 75-9-503. (a) A financing statement sufficiently provides
171 the name of the debtor:

172 (1) Except as otherwise provided in paragraph (3), if
173 the debtor is a registered organization or the collateral is held
174 in a trust that is a registered organization, only if the
175 financing statement provides the name that is stated to be the
176 registered organization's name on the public organic record most
177 recently filed with or issued or enacted by the registered
178 organization's jurisdiction of organization which purports to
179 state, amend or restate the registered organization's name;

180 (2) Subject to subsection (f) if the collateral is
181 being administered by the personal representative of a decedent,
182 only if the financing statement provides, as the name of the
183 debtor, the name of the decedent and, in a separate part of the
184 financing statement, indicates that collateral is being
185 administered by a personal representative;

186 (3) If the collateral is held in a trust that is not a
187 registered organization, only if the financing statement:

188 (A) Provides, as the name of the debtor:

189 (i) If the organic record of the trust
190 specifies a name for the trust, the name specified; or



191 (ii) If the organic record of the trust does
192 not specify a name for the trust, the name of the settlor or
193 testator; and

194 (B) In a separate part of the financing statement:

195 (i) If the name is provided in accordance
196 with subparagraph (A) (i), indicates that the collateral is held in
197 a trust; or

198 (ii) If the name is provided in accordance
199 with subparagraph (A) (ii), provides additional information
200 sufficient to distinguish the trust from other trusts having one
201 or more of the same settlors or the same testator and indicates
202 that the collateral is held in a trust, unless the additional
203 information so indicates;

204 (4) Subject to subsection (g), if the debtor is an
205 individual to whom this state has issued a driver's license or
206 nondriver's identification card that has not expired, or if the
207 debtor furnishes a valid identification card issued by a federally
208 recognized Indian tribe that contains a color photograph of the
209 card holder and the card holder's legal name, residence address
210 and date of birth that has not expired, only if the financing
211 statement provides the name of the individual which is indicated
212 on the driver's license, nondriver's identification card or tribal
213 identification card;

214 (5) If the debtor is an individual to whom paragraph
215 (4) does not apply, only if the financing statement provides the



216 individual name of the debtor or the surname and first personal
217 name of the debtor; and

218 (6) In other cases:

219 (A) If the debtor has a name, only if the
220 financing statement provides the organizational name of the
221 debtor; and

222 (B) If the debtor does not have a name, only if it
223 provides the names of the partners, members, associates, or other
224 persons comprising the debtor, in a manner that each name provided
225 would be sufficient if the person named were the debtor.

226 (b) A financing statement that provides the name of the
227 debtor in accordance with subsection (a) is not rendered
228 ineffective by the absence of:

229 (1) A trade name or other name of the debtor; or

230 (2) Unless required under subsection (a)(6)(B), names
231 of partners, members, associates, or other persons comprising the
232 debtor.

233 (c) A financing statement that provides only the debtor's
234 trade name does not sufficiently provide the name of the debtor.

235 (d) Failure to indicate the representative capacity of a
236 secured party or representative of a secured party does not affect
237 the sufficiency of a financing statement.

238 (e) A financing statement may provide the name of more than
239 one (1) debtor and the name of more than one (1) secured party.



240 (f) The name of the decedent indicated on the order
241 appointing the personal representative of the decedent issued by
242 the court having jurisdiction over the collateral is sufficient as
243 the "name of the decedent" under subsection (a)(2).

244 (g) If this state has issued to an individual more than one
245 (1) driver's license or nondriver's identification card of a kind
246 described in subsection (a)(4), the one that was issued most
247 recently is the one to which subsection (a)(4) refers.

248 (h) In this section, the "name of the settlor or testator"
249 means:

250 (1) If the settlor is a registered organization, the
251 name that is stated to be the settlor's name on the public organic
252 record most recently filed with or issued or enacted by the
253 settlor's jurisdiction of organization which purports to state,
254 amend, or restate the settlor's name; or

255 (2) In other cases, the name of the settlor or testator
256 indicated in the trust's organic record.

257 **SECTION 5.** Section 75-9-504, Mississippi Code of 1972, is
258 brought forward as follows:

259 75-9-504. A financing statement sufficiently indicates the
260 collateral that it covers if the financing statement provides:

261 (1) A description of the collateral pursuant to Section
262 75-9-108; or

263 (2) An indication that the financing statement covers
264 all assets or all personal property.



265 **SECTION 6.** Section 75-9-505, Mississippi Code of 1972, is
266 brought forward as follows:

267 75-9-505. (a) A consignor, lessor, or other bailor of
268 goods, a licensor, or a buyer of a payment intangible or
269 promissory note may file a financing statement, or may comply with
270 a statute or treaty described in Section 75-9-311(a), using the
271 terms "consignor," "consignee," "lessor," "lessee," "bailor,"
272 "bailee," "licensor," "licensee," "owner," "registered owner,"
273 "buyer," "seller," or words of similar import, instead of the
274 terms "secured party" and "debtor."

275 (b) This part applies to the filing of a financing statement
276 under subsection (a) and, as appropriate, to compliance that is
277 equivalent to filing a financing statement under Section
278 75-9-311(b), but the filing or compliance is not of itself a
279 factor in determining whether the collateral secures an
280 obligation. If it is determined for another reason that the
281 collateral secures an obligation, a security interest held by the
282 consignor, lessor, bailor, licensor, owner, or buyer which
283 attaches to the collateral is perfected by the filing or
284 compliance.

285 **SECTION 7.** Section 75-9-506, Mississippi Code of 1972, is
286 brought forward as follows:

287 75-9-506. (a) A financing statement substantially
288 satisfying the requirements of this part is effective, even if it



289 has minor errors or omissions, unless the errors or omissions make
290 the financing statement seriously misleading.

291 (b) Except as otherwise provided in subsection (c), a
292 financing statement that fails sufficiently to provide the name of
293 the debtor in accordance with Section 75-9-503(a) is seriously
294 misleading.

295 (c) If a search of the records of the filing office under
296 the debtor's correct name, using the filing office's standard
297 search logic, if any, would disclose a financing statement that
298 fails sufficiently to provide the name of the debtor in accordance
299 with Section 75-9-503(a), the name provided does not make the
300 financing statement seriously misleading.

301 (d) For purposes of Section 75-9-508(b), the "debtor's
302 correct name" in subsection (c) means the correct name of the new
303 debtor.

304 **SECTION 8.** Section 75-9-507, Mississippi Code of 1972, is
305 brought forward as follows:

306 75-9-507. (a) A filed financing statement remains effective
307 with respect to collateral that is sold, exchanged, leased,
308 licensed, or otherwise disposed of and in which a security
309 interest or agricultural lien continues, even if the secured party
310 knows of or consents to the disposition.

311 (b) Except as otherwise provided in subsection (c) and
312 Section 75-9-508, a financing statement is not rendered
313 ineffective if, after the financing statement is filed, the



314 information provided in the financing statement becomes seriously
315 misleading under Section 75-9-506.

316 (c) If the name that a filed financing statement provides
317 for a debtor becomes insufficient as the name of the debtor under
318 Section 75-9-503(a) so that the financing statement becomes
319 seriously misleading under Section 75-9-506:

320 (1) The financing statement is effective to perfect a
321 security interest in collateral acquired by the debtor before, or
322 within four (4) months after, the filed financing statement
323 becomes seriously misleading; and

324 (2) The financing statement is not effective to perfect
325 a security interest in collateral acquired by the debtor more than
326 four (4) months after the filed financing statement becomes
327 seriously misleading, unless an amendment to the financing
328 statement which renders the financing statement not seriously
329 misleading is filed within four (4) months after the financing
330 statement becomes seriously misleading.

331 **SECTION 9.** Section 75-9-508, Mississippi Code of 1972, is
332 brought forward as follows:

333 75-9-508. (a) Except as otherwise provided in this section,
334 a filed financing statement naming an original debtor is effective
335 to perfect a security interest in collateral in which a new debtor
336 has or acquires rights to the extent that the financing statement
337 would have been effective had the original debtor acquired rights
338 in the collateral.



339 (b) If the difference between the name of the original
340 debtor and that of the new debtor causes a filed financing
341 statement that is effective under subsection (a) to be seriously
342 misleading under Section 75-9-506:

343 (1) The financing statement is effective to perfect a
344 security interest in collateral acquired by the new debtor before,
345 and within four (4) months after, the new debtor becomes bound
346 under Section 75-9-203(d); and

347 (2) The financing statement is not effective to perfect
348 a security interest in collateral acquired by the new debtor more
349 than four (4) months after the new debtor becomes bound under
350 Section 75-9-203(d) unless an initial financing statement
351 providing the name of the new debtor is filed before the
352 expiration of that time.

353 (c) This section does not apply to collateral as to which a
354 filed financing statement remains effective against the new debtor
355 under Section 75-9-507(a).

356 **SECTION 10.** Section 75-9-509, Mississippi Code of 1972, is
357 brought forward as follows:

358 75-9-509. (a) A person may file an initial financing
359 statement, amendment that adds collateral covered by a financing
360 statement, or amendment that adds a debtor to a financing
361 statement only if:

362 (1) The debtor authorizes the filing in an
363 authenticated record or pursuant to subsection (b) or (c); or



364 (2) The person holds an agricultural lien that has
365 become effective at the time of filing and the financing statement
366 covers only collateral in which the person holds an agricultural
367 lien.

368 (b) By authenticating or becoming bound as debtor by a
369 security agreement, a debtor or new debtor authorizes the filing
370 of an initial financing statement, and an amendment, covering:

371 (1) The collateral described in the security agreement;
372 and

373 (2) Property that becomes collateral under Section
374 75-9-315(a) (2), whether or not the security agreement expressly
375 covers proceeds.

376 (c) By acquiring collateral in which a security interest or
377 agricultural lien continues under Section 75-9-315(a) (1), a debtor
378 authorizes the filing of an initial financing statement, and an
379 amendment, covering the collateral and property that becomes
380 collateral under Section 75-9-315(a) (2).

381 (d) A person may file an amendment other than an amendment
382 that adds collateral covered by a financing statement or an
383 amendment that adds a debtor to a financing statement only if:

384 (1) The secured party of record authorizes the filing;
385 or

386 (2) The amendment is a termination statement for a
387 financing statement as to which the secured party of record has
388 failed to file or send a termination statement as required by



389 Section 75-9-513(a) or (c), the debtor authorizes the filing, and
390 the termination statement indicates that the debtor authorized it
391 to be filed.

392 (e) If there is more than one (1) secured party of record
393 for a financing statement, each secured party of record may
394 authorize the filing of an amendment under subsection (d).

395 **SECTION 11.** Section 75-9-510, Mississippi Code of 1972, is
396 brought forward as follows:

397 75-9-510. (a) A filed record is effective only to the
398 extent that it was filed by a person that may file it under
399 Section 75-9-509.

400 (b) A record authorized by one (1) secured party of record
401 does not affect the financing statement with respect to another
402 secured party of record.

403 (c) A continuation statement that is not filed within the
404 six-month period prescribed by Section 75-9-515(d) is ineffective.

405 (d) A filed record ceases to be effective if the Secretary
406 of State terminates the record pursuant to Section 75-9-501.1.

407 **SECTION 12.** Section 75-9-511, Mississippi Code of 1972, is
408 brought forward as follows:

409 75-9-511. (a) A secured party of record with respect to a
410 financing statement is a person whose name is provided as the name
411 of the secured party or a representative of the secured party in
412 an initial financing statement that has been filed. If an initial
413 financing statement is filed under Section 75-9-514(a), the



414 assignee named in the initial financing statement is the secured
415 party of record with respect to the financing statement.

416 (b) If an amendment of a financing statement which provides
417 the name of a person as a secured party or a representative of a
418 secured party is filed, the person named in the amendment is a
419 secured party of record. If an amendment is filed under Section
420 75-9-514(b), the assignee named in the amendment is a secured
421 party of record.

422 (c) A person remains a secured party of record until the
423 filing of an amendment of the financing statement which deletes
424 the person.

425 **SECTION 13.** Section 75-9-512, Mississippi Code of 1972, is
426 brought forward as follows:

427 75-9-512. (a) Subject to Section 75-9-509, a person may add
428 or delete collateral covered by, continue or terminate the
429 effectiveness of, or, subject to subsection (e), otherwise amend
430 the information provided in, a financing statement by filing an
431 amendment that:

432 (1) Identifies, by its file number, the initial
433 financing statement to which the amendment relates; and

434 (2) If the amendment relates to an initial financing
435 statement filed for record in a filing office described in Section
436 75-9-501(a)(1), provides the date that the initial financing
437 statement was filed for record and the information specified in
438 Section 75-9-502(b).



439 (b) Except as otherwise provided in Section 75-9-515, the
440 filing of an amendment does not extend the period of effectiveness
441 of the financing statement.

442 (c) A financing statement that is amended by an amendment
443 that adds collateral is effective as to the added collateral only
444 from the date of the filing of the amendment.

445 (d) A financing statement that is amended by an amendment
446 that adds a debtor is effective as to the added debtor only from
447 the date of the filing of the amendment.

448 (e) An amendment is ineffective to the extent it:

449 (1) Purports to delete all debtors and fails to provide
450 the name of a debtor to be covered by the financing statement; or

451 (2) Purports to delete all secured parties of record
452 and fails to provide the name of a new secured party of record.

453 **SECTION 14.** Section 75-9-513, Mississippi Code of 1972, is
454 brought forward as follows:

455 75-9-513. **Termination statement.**

456 (a) A secured party shall cause the secured party of record
457 for a financing statement to file a termination statement for the
458 financing statement if the financing statement covers consumer
459 goods and:

460 (1) There is no obligation secured by the collateral
461 covered by the financing statement and no commitment to make an
462 advance, incur an obligation, or otherwise give value; or



463 (2) The debtor did not authorize the filing of the
464 initial financing statement.

465 (b) To comply with subsection (a), a secured party shall
466 cause the secured party of record to file the termination
467 statement:

468 (1) Within one (1) month after there is no obligation
469 secured by the collateral covered by the financing statement and
470 no commitment to make an advance, incur an obligation, or
471 otherwise give value; or

472 (2) If earlier, within twenty (20) days after the
473 secured party receives an authenticated demand from a debtor.

474 (c) In cases not governed by subsection (a), within twenty
475 (20) days after a secured party receives an authenticated demand
476 from a debtor, the secured party shall cause the secured party of
477 record for a financing statement to send to the debtor a
478 termination statement for the financing statement or file the
479 termination statement in the filing office if:

480 (1) Except in the case of a financing statement
481 covering accounts or chattel paper that has been sold or goods
482 that are the subject of a consignment, there is no obligation
483 secured by the collateral covered by the financing statement and
484 no commitment to make an advance, incur an obligation, or
485 otherwise give value;



486 (2) The financing statement covers accounts or chattel
487 paper that has been sold but as to which the account debtor or
488 other person obligated has discharged its obligation;

489 (3) The financing statement covers goods that were the
490 subject of a consignment to the debtor but are not in the debtor's
491 possession; or

492 (4) The debtor did not authorize the filing of the
493 initial financing statement.

494 (d) Except as otherwise provided in Section 75-9-510, upon
495 the filing of a termination statement with the filing office, the
496 financing statement to which the termination statement relates
497 ceases to be effective. Except as otherwise provided in Section
498 75-9-510, for purposes of Sections 75-9-519(g), 75-9-522(a) and
499 75-9-523(c), the filing with the filing office of a termination
500 statement relating to a financing statement that indicates that
501 the debtor is a transmitting utility also causes the effectiveness
502 of the financing statement to lapse.

503 **SECTION 15.** Section 75-9-514, Mississippi Code of 1972, is
504 brought forward as follows:

505 75-9-514. (a) Except as otherwise provided in subsection
506 (c), an initial financing statement may reflect an assignment of
507 all of the secured party's power to authorize an amendment to the
508 financing statement by providing the name and mailing address of
509 the assignee as the name and address of the secured party.



510 (b) Except as otherwise provided in subsection (c), a
511 secured party of record may assign of record all or part of its
512 power to authorize an amendment to a financing statement by filing
513 in the filing office an amendment of the financing statement
514 which:

515 (1) Identifies, by its file number, the initial
516 financing statement to which it relates;

517 (2) Provides the name of the assignor; and

518 (3) Provides the name and mailing address of the
519 assignee.

520 (c) An assignment of record of a security interest in a
521 fixture covered by a record of a mortgage which is effective as a
522 financing statement filed as a fixture filing under Section
523 75-9-502(c) may be made only by an assignment of record of the
524 mortgage in the manner provided by law of this state other than
525 the Uniform Commercial Code.

526 **SECTION 16.** Section 75-9-515, Mississippi Code of 1972, is
527 brought forward as follows:

528 75-9-515. (a) Except as otherwise provided in subsections
529 (b), (e), (f), and (g), a filed financing statement is effective
530 for a period of five (5) years after the date of filing.

531 (b) Except as otherwise provided in subsections (e), (f),
532 and (g), an initial financing statement filed in connection with a
533 public-finance transaction or manufactured-home transaction is
534 effective for a period of thirty (30) years after the date of



535 filing if it indicates that it is filed in connection with a
536 public-finance transaction or manufactured-home transaction.

537 (c) The effectiveness of a filed financing statement lapses
538 on the expiration of the period of its effectiveness unless before
539 the lapse a continuation statement is filed pursuant to subsection
540 (d). Upon lapse a financing statement ceases to be effective and
541 any security interest or agricultural lien that was perfected by
542 the financing statement becomes unperfected, unless the security
543 interest is perfected otherwise. If the security interest or
544 agricultural lien becomes unperfected upon lapse, it is deemed
545 never to have been perfected as against a purchaser of the
546 collateral for value.

547 (d) A continuation statement may be filed only within six
548 (6) months before the expiration of the five-year period specified
549 in subsection (a) or the thirty-year period specified in
550 subsection (b), whichever is applicable.

551 (e) Except as otherwise provided in Section 75-9-510, upon
552 timely filing of a continuation statement, the effectiveness of
553 the initial financing statement continues for a period of five (5)
554 years commencing on the day on which the financing statement would
555 have become ineffective in the absence of the filing. Upon the
556 expiration of the five-year period, the financing statement lapses
557 in the same manner as provided in subsection (c), unless, before
558 the lapse, another continuation statement is filed pursuant to
559 subsection (d). Succeeding continuation statements may be filed



560 in the same manner to continue the effectiveness of the initial
561 financing statement.

562 (f) If a debtor is a transmitting utility and a filed
563 initial financing statement so indicates, the financing statement
564 is effective until a termination statement is filed.

565 (g) A record of a mortgage that is effective as a financing
566 statement filed as a fixture filing under Section 75-9-502(c)
567 remains effective as a financing statement filed as a fixture
568 filing until the mortgage is released or satisfied of record or
569 its effectiveness otherwise terminates as to the real property.

570 **SECTION 17.** Section 75-9-516, Mississippi Code of 1972, is
571 brought forward as follows:

572 75-9-516. (a) Except as otherwise provided in subsection
573 (b), communication of a record to a filing office and tender of
574 the filing fee or acceptance of the record by the filing office
575 constitutes filing.

576 (b) Filing does not occur with respect to a record that a
577 filing office refuses to accept because:

578 (1) The record is not communicated by a method or
579 medium of communication authorized by the filing office;

580 (2) An amount equal to or greater than the applicable
581 filing fee is not tendered;

582 (3) The filing office is unable to index the record
583 because:



584 (A) In the case of an initial financing statement,
585 the record does not provide a name for the debtor;

586 (B) In the case of an amendment or information
587 statement, the record:

588 (i) Does not identify the initial financing
589 statement as required by Section 75-9-512 or 75-9-518, as
590 applicable;

591 (ii) Identifies an initial financing
592 statement whose effectiveness has lapsed under Section 75-9-515;
593 or

594 (iii) Identifies an initial financing
595 statement which was terminated pursuant to Section 75-9-501.1;

596 (C) In the case of an initial financing statement
597 that provides the name of a debtor identified as an individual or
598 an amendment that provides a name of a debtor identified as an
599 individual which was not previously provided in the financing
600 statement to which the record relates, the record does not
601 identify the debtor's surname; or

602 (D) In the case of a record filed in the filing
603 office described in Section 75-9-501(a)(1), the record does not
604 provide a sufficient description of the real property to which it
605 relates;

606 (3.5) In the case of an initial financing statement or
607 an amendment, if the Secretary of State believes in good faith



608 that the record was communicated to the filing office in violation
609 of Section 75-9-501.1(a);

610 (4) In the case of an initial financing statement or an
611 amendment that adds a secured party of record, the record does not
612 provide a name and mailing address for the secured party of
613 record;

614 (5) In the case of an initial financing statement or an
615 amendment that provides a name of a debtor which was not
616 previously provided in the financing statement to which the
617 amendment relates, the record does not:

618 (A) Provide a mailing address for the debtor; or

619 (B) Indicate whether the name provided as the name
620 of the debtor is the name of an individual or an organization;

621 (6) In the case of an assignment reflected in an
622 initial financing statement under Section 75-9-514(a) or an
623 amendment filed under Section 75-9-514(b), the record does not
624 provide a name and mailing address for the assignee; or

625 (7) In the case of a continuation statement, the record
626 is not filed within the six-month period prescribed by Section
627 75-9-515(d).

628 (c) For purposes of subsection (b):

629 (1) A record does not provide information if the filing
630 office is unable to read or decipher the information; and

631 (2) A record that does not indicate that it is an
632 amendment or identify an initial financing statement to which it



633 relates, as required by Section 75-9-512, 75-9-514 or 75-9-518, is
634 an initial financing statement.

635 (d) A record that is communicated to the filing office with
636 tender of the filing fee, but which the filing office refuses to
637 accept for a reason other than one set forth in subsection (b), is
638 effective as a filed record except as against a purchaser of the
639 collateral which gives value in reasonable reliance upon the
640 absence of the record from the files.

641 **SECTION 18.** Section 75-9-517, Mississippi Code of 1972, is
642 brought forward as follows:

643 75-9-517. The failure of the filing office to index a record
644 correctly does not affect the effectiveness of the filed record.

645 **SECTION 19.** Section 75-9-518, Mississippi Code of 1972, is
646 brought forward as follows:

647 75-9-518. (a) A person may file in the filing office an
648 information statement with respect to a record indexed there under
649 the person's name if the person believes that the record is
650 inaccurate or was wrongfully filed.

651 (b) An information statement under subsection (a) must:

652 (1) Identify the record to which it relates by:

653 (A) The file number assigned to the initial
654 financing statement to which the record relates; and

655 (B) If the information statement relates to a
656 record filed for record in a filing office described in Section
657 75-9-501(a)(1), the date that the initial financing statement was



658 filed for record and the information specified in Section
659 75-9-502(b);

660 (2) Indicate that it is an information statement; and

661 (3) Provide the basis for the person's belief that the
662 record is inaccurate and indicate the manner in which the person
663 believes the record should be amended to cure any inaccuracy or
664 provide the basis for the person's belief that the record was
665 wrongfully filed.

666 (c) A person may file in the filing office an information
667 statement with respect to a record filed there if the person is a
668 secured party of record with respect to the financing statement to
669 which the record relates and believes that the person that filed
670 the record was not entitled to do so under Section 75-9-509(d).

671 (d) An information statement under subsection (c) must:

672 (1) Identify the record to which it relates by:

673 (A) The file number assigned to the initial
674 financing statement to which the record relates; and

675 (B) If the information statement relates to a
676 record filed in a filing office described in Section
677 75-9-501(a)(1), the date and time that the initial financing
678 statement was filed and the information specified in Section
679 75-9-502(b);

680 (2) Indicate that it is an information statement; and



681 (3) Provide the basis for the person's belief that the
682 person that filed the record was not entitled to do so under
683 Section 75-9-509(d).

684 (e) The filing of an information statement does not affect
685 the effectiveness of an initial financing statement or other filed
686 record.

687 **SECTION 20.** Section 75-9-519, Mississippi Code of 1972, is
688 brought forward as follows:

689 75-9-519. (a) For each record filed in a filing office, the
690 filing office shall:

- 691 (1) Assign a unique number to the filed record;
692 (2) Create a record that bears the number assigned to
693 the filed record and the date and time of filing;
694 (3) Maintain the filed record for public inspection;
695 and

696 (4) Index the filed record in accordance with
697 subsections (c), (d), and (e).

698 (b) Except as provided in subsection (i), a file number
699 assigned after January 1, 2002, must include a digit that:

700 (1) Is mathematically derived from or related to the
701 other digits of the file number; and

702 (2) Aids the filing office in determining whether a
703 number communicated as the file number includes a single-digit or
704 transpositional error.



705 (c) Except as otherwise provided in subsections (d) and (e),
706 the filing office shall:

707 (1) Index an initial financing statement according to
708 the name of the debtor and index all filed records relating to the
709 initial financing statement in a manner that associates with one
710 another an initial financing statement and all filed records
711 relating to the initial financing statement; and

712 (2) Index a record that provides a name of a debtor
713 which was not previously provided in the financing statement to
714 which the record relates also according to the name that was not
715 previously provided.

716 (d) If a financing statement is filed as a fixture filing or
717 covers as-extracted collateral or timber to be cut, it must be
718 filed for record and the filing office shall index it:

719 (1) Under the names of the debtor and of each owner of
720 record shown on the financing statement as if they were the
721 mortgagors under a mortgage of the real property described; and

722 (2) To the extent that the law of this state provides
723 for indexing of records of mortgages under the name of the
724 mortgagee, under the name of the secured party as if the secured
725 party were the mortgagee thereunder, or, if indexing is by
726 description, as if the financing statement were a record of a
727 mortgage of the real property described.

728 (e) If a financing statement is filed as a fixture filing or
729 covers as-extracted collateral or timber to be cut, the filing



730 office shall index an assignment filed under Section 75-9-514(a)
731 or an amendment filed under Section 75-9-514(b):

732 (1) Under the name of the assignor as grantor; and

733 (2) To the extent that the law of this state provides
734 for indexing a record of the assignment of a mortgage under the
735 name of the assignee, under the name of the assignee.

736 (f) The filing office shall maintain a capability:

737 (1) To retrieve a record by the name of the debtor and:

738 (A) If the filing office is described in Section
739 75-9-501(a)(1), by the file number assigned to the initial
740 financing statement to which the record relates and the date and
741 time that the record was filed for record; or

742 (B) If the filing office is described in Section
743 75-9-501(a)(2), by the file number assigned to the initial
744 financing statement to which the record relates; and

745 (2) To associate and retrieve with one another an
746 initial financing statement and each filed record relating to the
747 initial financing statement.

748 (g) The filing office may not remove a debtor's name from
749 the index until one (1) year after the effectiveness of a
750 financing statement naming the debtor lapses under Section
751 75-9-515 with respect to all secured parties of record.

752 (h) Except as provided in subsection (i), the filing office
753 shall perform the acts required by subsections (a) through (e) at
754 the time and in the manner prescribed by filing-office rule, but



755 not later than two (2) business days after the filing office
756 receives the record in question.

757 (i) Subsections (b) and (h) do not apply to a filing office
758 described in Section 75-9-501(a)(1).

759 **SECTION 21.** Section 75-9-520, Mississippi Code of 1972, is
760 brought forward as follows:

761 75-9-520. (a) A filing office shall refuse to accept a
762 record for filing for a reason set forth in Section 75-9-516(b)
763 and may refuse to accept a record for filing only for a reason set
764 forth in Section 75-9-516(b).

765 (b) If a filing office refuses to accept a record for
766 filing, it shall communicate to the person that presented the
767 record the fact of and reason for the refusal and the date and
768 time the record would have been filed had the filing office
769 accepted it. The communication must be made at the time and in
770 the manner prescribed by filing-office rule but, in the case of a
771 filing office described in Section 75-9-501(a)(1), in no event
772 more than two (2) business days after the filing office receives
773 the record.

774 (c) A filed financing statement satisfying Section
775 75-9-502(a) and (b) is effective, even if the filing office is
776 required to refuse to accept it for filing under subsection (a).
777 However, Section 75-9-338 applies to a filed financing statement
778 providing information described in Section 75-9-516(b)(5) which is
779 incorrect at the time the financing statement is filed.



780 (d) If a record communicated to a filing office provides
781 information that relates to more than one (1) debtor, this part
782 applies as to each debtor separately.

783 **SECTION 22.** Section 75-9-521, Mississippi Code of 1972, is
784 brought forward as follows:

785 75-9-521. (a) A filing office that accepts written records
786 may not refuse to accept a written initial financing statement in
787 the form and format set forth in the official text of the 2010
788 amendments to Article 9 of the Uniform Commercial Code promulgated
789 by The American Law Institute and the National Conference of
790 Commissioners on Uniform State Laws, except for a reason set forth
791 in Section 75-9-516(b).

792 (b) A filing office that accepts written records may not
793 refuse to accept a written record in the form and format set forth
794 in the official text of the 2010 amendments to Article 9 of the
795 Uniform Commercial Code promulgated by The American Law Institute
796 and the National Conference of Commissioners on Uniform State
797 Laws, except for a reason set forth in Section 75-9-516(b).

798 **SECTION 23.** Section 75-9-522, Mississippi Code of 1972, is
799 brought forward as follows:

800 75-9-522. (a) The filing office shall maintain a record of
801 the information provided in a filed financing statement for at
802 least one (1) year after the effectiveness of the financing
803 statement has lapsed under Section 75-9-515 with respect to all



804 secured parties of record. The record must be retrievable by
805 using the name of the debtor and:

806 (1) If the record was filed or recorded in the filing
807 office described in Section 75-9-501(a)(1), by using the file
808 number assigned to the initial financing statement to which the
809 record relates and the date that the record was filed for record;
810 or

811 (2) If the record was filed in the filing office
812 described in Section 75-9-501(a)(2), by using the file number
813 assigned to the initial financing statement to which the record
814 relates.

815 (b) Except to the extent that a statute governing
816 disposition of public records provides otherwise, the filing
817 office immediately may destroy any written record evidencing a
818 financing statement. However, if the filing office destroys a
819 written record, it shall maintain another record of the financing
820 statement which complies with subsection (a).

821 **SECTION 24.** Section 75-9-523, Mississippi Code of 1972, is
822 brought forward as follows:

823 75-9-523. (a) If a person that files a written record
824 requests an acknowledgment of the filing, the filing office shall
825 send to the person an image of the record showing the number
826 assigned to the record pursuant to Section 75-9-519(a)(1) and the
827 date and time of the filing of the record. However, if the person



828 furnishes a copy of the record to the filing office, the filing
829 office may instead:

830 (1) Note upon the copy the number assigned to the
831 record pursuant to Section 75-9-519(a)(1) and the date and time of
832 the filing of the record; and

833 (2) Send the copy to the person.

834 (b) If a person files a record other than a written record,
835 the filing office shall communicate to the person an
836 acknowledgment that provides:

837 (1) The information in the record;

838 (2) The number assigned to the record pursuant to
839 Section 75-9-519(a)(1); and

840 (3) The date and time of the filing of the record.

841 (c) The filing office shall communicate or otherwise make
842 available in a record the following information to any person that
843 requests it:

844 (1) Whether there is on file on a date and time
845 specified by the filing office, but not a date earlier than three
846 (3) business days before the filing office receives the request,
847 any financing statement that:

848 (A) Designates a particular debtor or, if the
849 request so states, designates a particular debtor at the address
850 specified in the request;

851 (B) Has not lapsed under Section 75-9-515 with
852 respect to all secured parties of record; and



853 (C) If the request so states, has lapsed under
854 Section 75-9-515 and a record of which is maintained by the filing
855 office under Section 75-9-522(a);

856 (2) The date and time of filing of each financing
857 statement; and

858 (3) The information provided in each financing
859 statement.

860 (d) In complying with its duty under subsection (c), the
861 filing office may communicate information in any medium. However,
862 if requested, the filing office shall communicate information by
863 issuing its written certificate or, if so requested in writing, a
864 record that can be admitted into evidence in the courts of this
865 state without extrinsic evidence of its authenticity.

866 (e) The filing office shall perform the acts required by
867 subsections (a) through (d) at the time and in the manner
868 prescribed by filing-office rule, but, in the case of a filing
869 office described in Section 75-9-501(a)(2), not later than two (2)
870 business days after the filing office receives the request.

871 (f) At least weekly, the filing office shall offer to sell
872 or license to the public on a nonexclusive basis, in bulk, copies
873 of all records filed in it under this part, in every medium from
874 time to time available to the filing office. This subsection
875 shall apply only to records filed in a filing office described in
876 Section 75-9-501(a)(2).



877 **SECTION 25.** Section 75-9-524, Mississippi Code of 1972, is
878 brought forward as follows:

879 75-9-524. Delay by the filing office beyond a time limit
880 prescribed by this part is excused if:

881 (1) The delay is caused by interruption of
882 communication or computer facilities, war, emergency conditions,
883 failure of equipment, or other circumstances beyond control of the
884 filing office; and

885 (2) The filing office exercises reasonable diligence
886 under the circumstances.

887 **SECTION 26.** Section 75-9-525, Mississippi Code of 1972, is
888 brought forward as follows:

889 75-9-525. (a) Except as otherwise provided in subsection
890 (e), the fee for filing and indexing a record under this part,
891 other than an initial financing statement of the kind described in
892 subsection (b) is the amount specified in subsection (c), if
893 applicable, plus:

894 (1) Ten Dollars (\$10.00) if the record is communicated
895 in writing and is in the standard form prescribed by the Secretary
896 of State;

897 (2) Thirteen Dollars (\$13.00) if the record is
898 communicated in writing and is not in the standard form prescribed
899 by the Secretary of State; and

900 (3) Eight Dollars (\$8.00) if the record is communicated
901 by another medium authorized by filing-office rule.



902 (b) Except as otherwise provided in subsection (e), the fee
903 for filing and indexing an initial financing statement of the
904 following kind is the amount specified in subsection (c), if
905 applicable, plus:

906 (1) Thirteen Dollars (\$13.00) if the financing
907 statement indicates that it is filed in connection with a
908 public-finance transaction;

909 (2) Ten Dollars (\$10.00) if the financing statement
910 indicates that it is filed in connection with a manufactured-home
911 transaction.

912 (c) Except as otherwise provided in subsection (e), if a
913 record is communicated in writing, the fee for each additional
914 debtor name more than one (1) required to be indexed is Four
915 Dollars (\$4.00).

916 (d) The fee for responding to a request for information from
917 the filing office, including for issuing a certificate showing
918 whether there is on file any financing statement naming a
919 particular debtor, is:

920 (1) Five Dollars (\$5.00) if the request is communicated
921 in writing on the standard form prescribed by the Secretary of
922 State;

923 (2) Ten Dollars (\$10.00) if the request is communicated
924 in writing and is not in the standard form prescribed by the
925 Secretary of State;



926 (3) Three Dollars (\$3.00) if the request is
927 communicated by another medium authorized by filing-office rule;
928 and

929 (4) An additional fee of Two Dollars (\$2.00) shall be
930 paid by the requesting party for each financing statement listed
931 on the filing officer's certificate, the aggregate of which shall
932 be billed to the requesting party at the time the filing officer's
933 certificate is issued.

934 (e) This section does not require a fee to the chancery
935 clerk with respect to a record of a mortgage which is effective as
936 a financing statement filed as a fixture filing or as a financing
937 statement covering as-extracted collateral or timber to be cut
938 under Section 75-9-502(c). However, the recording and
939 satisfaction fees to the chancery clerk that otherwise would be
940 applicable under Section 25-7-9 to the record of the mortgage
941 apply.

942 **SECTION 27.** Section 75-9-526, Mississippi Code of 1972, is
943 brought forward as follows:

944 75-9-526. (a) The Secretary of State shall adopt and
945 publish rules to implement this article. The filing-office rules
946 must be:

- 947 (1) Consistent with this article; and
948 (2) Adopted and published in accordance with the
949 Mississippi Administrative Procedures Act.



950 (b) To keep the filing-office rules and practices of the
951 filing office in harmony with the rules and practices of filing
952 offices in other jurisdictions that enact substantially this part,
953 and to keep the technology used by the filing office compatible
954 with the technology used by filing offices in other jurisdictions
955 that enact substantially this part, the Secretary of State, so far
956 as is consistent with the purposes, policies, and provisions of
957 this article, in adopting, amending, and repealing filing-office
958 rules, shall:

959 (1) Consult with filing offices in other jurisdictions
960 that enact substantially this part; and

961 (2) Consult the most recent version of the Model Rules
962 promulgated by the International Association of Corporate
963 Administrators or any successor organization; and

964 (3) Take into consideration the rules and practices of,
965 and the technology used by, filing offices in other jurisdictions
966 that enact substantially this part.

967 **SECTION 28.** Section 75-9-527, Mississippi Code of 1972, is
968 brought forward as follows:

969 75-9-527. The Secretary of State shall report annually on or
970 before January 2 to the Legislature on the operation of the filing
971 office. The report must contain a statement of the extent to
972 which:



973 (1) The filing-office rules are not in harmony with the
974 rules of filing offices in other jurisdictions that enact
975 substantially this part and the reasons for these variations; and

976 (2) The filing-office rules are not in harmony with the
977 most recent version of the Model Rules promulgated by the
978 International Association of Corporate Administrators, or any
979 successor organization, and the reasons for these variations.

980 **SECTION 29.** Section 75-9-207, Mississippi Code of 1972, is
981 brought forward as follows:

982 75-9-207. (a) Except as otherwise provided in subsection
983 (d), a secured party shall use reasonable care in the custody and
984 preservation of collateral in the secured party's possession. In
985 the case of chattel paper or an instrument, reasonable care
986 includes taking necessary steps to preserve rights against prior
987 parties unless otherwise agreed.

988 (b) Except as otherwise provided in subsection (d), if a
989 secured party has possession of collateral:

990 (1) Reasonable expenses, including the cost of
991 insurance and payment of taxes or other charges, incurred in the
992 custody, preservation, use, or operation of the collateral are
993 chargeable to the debtor and are secured by the collateral;

994 (2) The risk of accidental loss or damage is on the
995 debtor to the extent of a deficiency in any effective insurance
996 coverage;



997 (3) The secured party shall keep the collateral
998 identifiable, but fungible collateral may be commingled; and

999 (4) The secured party may use or operate the
1000 collateral:

1001 (A) For the purpose of preserving the collateral
1002 or its value;

1003 (B) As permitted by an order of a court having
1004 competent jurisdiction; or

1005 (C) Except in the case of consumer goods, in the
1006 manner and to the extent agreed by the debtor.

1007 (c) Except as otherwise provided in subsection (d), a
1008 secured party having possession of collateral or control of
1009 collateral under Section 75-7-106, 75-9-104, 75-9-105, 75-9-106 or
1010 75-9-107:

1011 (1) May hold as additional security any proceeds,
1012 except money or funds, received from the collateral;

1013 (2) Shall apply money or funds received from the
1014 collateral to reduce the secured obligation, unless remitted to
1015 the debtor; and

1016 (3) May create a security interest in the collateral.

1017 (d) If the secured party is a buyer of accounts, chattel
1018 paper, payment intangibles, or promissory notes or a consignor:

1019 (1) Subsection (a) does not apply unless the secured
1020 party is entitled under an agreement:

1021 (A) To charge back uncollected collateral; or



1022 (B) Otherwise to full or limited recourse against
1023 the debtor or a secondary obligor based on the nonpayment or other
1024 default of an account debtor or other obligor on the collateral;
1025 and

1026 (2) Subsections (b) and (c) do not apply.

1027 **SECTION 30.** Section 75-9-208, Mississippi Code of 1972, is
1028 brought forward as follows:

1029 75-9-208. (a) This section applies to cases in which there
1030 is no outstanding secured obligation and the secured party is not
1031 committed to make advances, incur obligations, or otherwise give
1032 value.

1033 (b) Within ten (10) days after receiving an authenticated
1034 demand by the debtor:

1035 (1) A secured party having control of a deposit account
1036 under Section 75-9-104(a) (2) shall send to the bank with which the
1037 deposit account is maintained an authenticated statement that
1038 releases the bank from any further obligation to comply with
1039 instructions originated by the secured party;

1040 (2) A secured party having control of a deposit account
1041 under Section 75-9-104(a) (3) shall:

1042 (A) Pay the debtor the balance on deposit in the
1043 deposit account; or

1044 (B) Transfer the balance on deposit into a deposit
1045 account in the debtor's name;



1046 (3) A secured party, other than a buyer, having control
1047 of electronic chattel paper under Section 75-9-105 shall:

1048 (A) Communicate the authoritative copy of the
1049 electronic chattel paper to the debtor or its designated
1050 custodian;

1051 (B) If the debtor designates a custodian that is
1052 the designated custodian with which the authoritative copy of the
1053 electronic chattel paper is maintained for the secured party,
1054 communicate to the custodian an authenticated record releasing the
1055 designated custodian from any further obligation to comply with
1056 instructions originated by the secured party and instructing the
1057 custodian to comply with instructions originated by the debtor;
1058 and

1059 (C) Take appropriate action to enable the debtor
1060 or its designated custodian to make copies of or revisions to the
1061 authoritative copy which add or change an identified assignee of
1062 the authoritative copy without the consent of the secured party;

1063 (4) A secured party having control of investment
1064 property under Section 75-8-106(d) (2) or 75-9-106(b) shall send to
1065 the securities intermediary or commodity intermediary with which
1066 the security entitlement or commodity contract is maintained an
1067 authenticated record that releases the securities intermediary or
1068 commodity intermediary from any further obligation to comply with
1069 entitlement orders or directions originated by the secured party;



1070 (5) A secured party having control of a
1071 letter-of-credit right under Section 75-9-107 shall send to each
1072 person having an unfulfilled obligation to pay or deliver proceeds
1073 of the letter of credit to the secured party an authenticated
1074 release from any further obligation to pay or deliver proceeds of
1075 the letter of credit to the secured party; and

1076 (6) A secured party having control of an electronic
1077 document shall:

1078 (A) Give control of the electronic document to the
1079 debtor or its designated custodian;

1080 (B) If the debtor designates a custodian that is
1081 the designated custodian with which the authoritative copy of the
1082 electronic document is maintained for the secured party,
1083 communicate to the custodian an authenticated record releasing the
1084 designated custodian from any further obligation to comply with
1085 instructions originated by the secured party and instructing the
1086 custodian to comply with instructions originated by the debtor;
1087 and

1088 (C) Take appropriate action to enable the debtor
1089 or its designated custodian to make copies of or revisions to the
1090 authoritative copy which add or change an identified assignee of
1091 the authoritative copy without the consent of the secured party.

1092 **SECTION 31.** Section 75-9-209, Mississippi Code of 1972, is
1093 brought forward as follows:



1094 75-9-209. (a) Except as otherwise provided in subsection
1095 (c), this section applies if:

1096 (1) There is no outstanding secured obligation; and

1097 (2) The secured party is not committed to make
1098 advances, incur obligations, or otherwise give value.

1099 (b) Within ten (10) days after receiving an authenticated
1100 demand by the debtor, a secured party shall send to an account
1101 debtor that has received notification of an assignment to the
1102 secured party as assignee under Section 75-9-406(a) an
1103 authenticated record that releases the account debtor from any
1104 further obligation to the secured party.

1105 (c) This section does not apply to an assignment
1106 constituting the sale of an account, chattel paper, or payment
1107 intangible.

1108 **SECTION 32.** Section 75-9-210, Mississippi Code of 1972, is
1109 brought forward as follows:

1110 75-9-210. (a) In this section:

1111 (1) "Request" means a record of a type described in
1112 paragraph (2), (3), or (4).

1113 (2) "Request for an accounting" means a record
1114 authenticated by a debtor requesting that the recipient provide an
1115 accounting of the unpaid obligations secured by collateral and
1116 reasonably identifying the transaction or relationship that is the
1117 subject of the request.



1118 (3) "Request regarding a list of collateral" means a
1119 record authenticated by a debtor requesting that the recipient
1120 approve or correct a list of what the debtor believes to be the
1121 collateral securing an obligation and reasonably identifying the
1122 transaction or relationship that is the subject of the request.

1123 (4) "Request regarding a statement of account" means a
1124 record authenticated by a debtor requesting that the recipient
1125 approve or correct a statement indicating what the debtor believes
1126 to be the aggregate amount of unpaid obligations secured by
1127 collateral as of a specified date and reasonably identifying the
1128 transaction or relationship that is the subject of the request.

1129 (b) Subject to subsections (c), (d), (e), and (f), a secured
1130 party, other than a buyer of accounts, chattel paper, payment
1131 intangibles, or promissory notes or a consignor, shall comply with
1132 a request within fourteen (14) days after receipt:

1133 (1) In the case of a request for an accounting, by
1134 authenticating and sending to the debtor an accounting; and

1135 (2) In the case of a request regarding a list of
1136 collateral or a request regarding a statement of account, by
1137 authenticating and sending to the debtor an approval or
1138 correction.

1139 (c) A secured party that claims a security interest in all
1140 of a particular type of collateral owned by the debtor may comply
1141 with a request regarding a list of collateral by sending to the



1142 debtor an authenticated record including a statement to that
1143 effect within fourteen (14) days after receipt.

1144 (d) A person that receives a request regarding a list of
1145 collateral, claims no interest in the collateral when it receives
1146 the request, and claimed an interest in the collateral at an
1147 earlier time shall comply with the request within fourteen (14)
1148 days after receipt by sending to the debtor an authenticated
1149 record:

1150 (1) Disclaiming any interest in the collateral; and

1151 (2) If known to the recipient, providing the name and
1152 mailing address of any assignee of or successor to the recipient's
1153 interest in the collateral.

1154 (e) A person that receives a request for an accounting or a
1155 request regarding a statement of account, claims no interest in
1156 the obligations when it receives the request, and claimed an
1157 interest in the obligations at an earlier time shall comply with
1158 the request within fourteen (14) days after receipt by sending to
1159 the debtor an authenticated record:

1160 (1) Disclaiming any interest in the obligations; and

1161 (2) If known to the recipient, providing the name and
1162 mailing address of any assignee of or successor to the recipient's
1163 interest in the obligations.

1164 (f) A debtor is entitled without charge to one (1) response
1165 to a request under this section during any six-month period. The



1166 secured party may require payment of a charge not exceeding
1167 Twenty-five Dollars (\$25.00) for each additional response.

1168 **SECTION 33.** This act shall take effect and be in force from
1169 and after July 1, 2024.

