

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND THIRTEEN

—
H.P. 985 - L.D. 1384

An Act To Amend Article 9-A of the Uniform Commercial Code

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, changes to Article 9-A of the Uniform Commercial Code need to be effective on July 1, 2013 to be consistent across all the states enacting the 2010 amendments; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

PART A

Sec. A-1. 11 MRSA §9-1102, sub-§(7), ¶(b), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is repealed and the following enacted in its place:

(b). With present intent to adopt or accept a record, to attach to or logically associate with the record on electronic sound, symbol or process.

Sec. A-2. 11 MRSA §9-1102, sub-§(10), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(10). "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. "Certificate of title" includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificate of title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

Sec. A-3. 11 MRSA §9-1102, sub-§(46), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

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

Sec. A-4. 11 MRSA §9-1102, sub-§(50), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

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

Sec. A-5. 11 MRSA §9-1102, sub-§(67-A) is enacted to read:

(67-A). "Public organic record" means a record that is available to the public for inspection and is:

(a). A record consisting of the record initially filed with or issued by a state or the United States to form or organize an organization and any record filed with or issued by the state or the United States that amends or restates the initial record;

(b). An organic record of a business trust consisting of the record initially filed with a state and any record filed with the state that amends or restates the initial record, if a statute of the state governing business trusts requires that the record be filed with the state; or

(c). A record consisting of legislation enacted by the legislature of a state or the Congress of the United States that forms or organizes an organization, any record amending the legislation and any record filed with or issued by the state or the United States that amends or restates the name of the organization.

Sec. A-6. 11 MRSA §9-1102, sub-§(70), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(70). "Registered organization" means an organization formed or organized solely under the law of a single state or of the United States and as to which the state or the United States must maintain a public record showing the organization to have been organized by the filing of a public organic record with, the issuance of a public organic record by or the enactment of legislation by the state or the United States. "Registered organization" includes a business trust that is formed or organized under the law of a single state if a statute of the state governing business trusts requires that the business trust's organic record be filed with the state.

Sec. A-7. 11 MRSA §9-1102, sub-§(72), ¶(f), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(f). A person that holds a security interest arising under section 2-401, 2-505, 2-711, subsection (3), ~~2-508~~ 2-1508, subsection (5), 4-210, or 5-118.

Sec. A-8. 11 MRSA §9-1102, sub-§(80), ¶(d), as amended by PL 2009, c. 324, Pt. B, §28 and affected by §48, is further amended to read:

(d). Transmitting or producing and transmitting electricity, steam, gas or water.

"Control" as provided in section 7-1106 and the following definitions in other Articles apply to this Article:

"Applicant"	Section 5-1102.
"Beneficiary"	Section 5-1102.
"Broker"	Section 8-1102.
"Certificated security"	Section 8-1102.
"Check"	Section 3-1104.
"Clearing corporation"	Section 8-1102.
"Contract for sale"	Section 2-106.
"Customer"	Section 4-104.
"Entitlement holder"	Section 8-1102.
"Financial asset"	Section 8-1102.
"Holder in due course"	Section 3-1302.
"Issuer" (with respect to a letter of credit or letter-of-credit right)	Section 5-1102.
"Issuer" (with respect to a security)	Section 8-1201.
"Issuer" (with respect to documents of title)	Section 7-1102.
"Lease"	Section 2-1103.
"Lease agreement"	Section 2-1103.
"Lease contract"	Section 2-1103.
"Leasehold interest"	Section 2-1103.
"Lessee"	<u>Section 2-1103.</u>
"Lessee in ordinary course of business"	Section 2-1103.
"Lessor"	Section 2-1103.
"Lessor's residual interest"	Section 2-1103.
"Letter of credit"	Section 5-1102.
"Merchant"	Section 2-104.
"Negotiable instrument"	Section 3-1104.
"Nominated person"	Section 5-1102.
"Note"	Section 3-1104.
"Proceeds of a letter of credit"	Section 5-114.
"Prove"	Section 3-1103.
"Sale"	Section 2-106.
"Securities account"	Section 8-1501.
"Securities intermediary"	Section 8-1102.
"Security"	Section 8-1102.
"Security certificate"	Section 8-1102.
"Security entitlement"	Section 8-1102.
"Uncertificated security"	Section 8-1102.

Sec. A-9. 11 MRSA §9-1105, first ¶, as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

A secured party has control of electronic chattel paper if a system employed for evidencing the transfer of interests in the chattel paper reliably establishes the secured party as the person to which the chattel paper was assigned. A system satisfies this section if the record or records comprising the chattel paper are created, stored and assigned in such a manner that:

Sec. A-10. 11 MRSA §9-1105, sub-§(4), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(4). Copies or ~~revisions~~ amendments that add or change an identified assignee of the authoritative copy can be made only with the ~~participation~~ consent of the secured party;

Sec. A-11. 11 MRSA §9-1105, sub-§(6), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(6). Any ~~revision~~ amendment of the authoritative copy is readily identifiable as ~~an~~ authorized or unauthorized ~~revision~~.

Sec. A-12. 11 MRSA §9-1307, sub-§(6), ¶(b), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(b). In the state that the registered organization, branch or agency designates, if the law of the United States authorizes the registered organization, branch or agency to designate its state of location, including by designating its main office, home office or other corporate office; or

Sec. A-13. 11 MRSA §9-1311, sub-§(1), ¶(c), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(c). A ~~certificate of title~~ statute of another jurisdiction that provides for a security interest to be indicated on ~~the~~ a certificate of title as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the property.

Sec. A-14. 11 MRSA §9-1316, as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

§9-1316. Effect of change in governing law

(1). A security interest perfected pursuant to the law of the jurisdiction designated in section 9-1301, subsection (1) or section 9-1305, subsection (3) remains perfected until the earliest of:

- (a). The time perfection would have ceased under the law of that jurisdiction;
- (b). The expiration of 4 months after a change of the debtor's location to another jurisdiction;

(c). The expiration of one year after a transfer of collateral to a person that thereby becomes a debtor and is located in another jurisdiction; or

(d). The expiration of one year after a new debtor located in another jurisdiction becomes bound under section 9-1203, subsection (4).

(2). If a security interest described in subsection (1) becomes perfected under the law of the other jurisdiction before the earliest time or event described in that subsection, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earliest time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(3). A possessory security interest in collateral, other than goods covered by a certificate of title and collateral, as extracted, consisting of goods, remains continuously perfected if:

(a). The collateral is located in one jurisdiction and subject to a security interest perfected under the law of that jurisdiction;

(b). Thereafter the collateral is brought into another jurisdiction; and

(c). Upon entry into the other jurisdiction, the security interest is perfected under the law of the other jurisdiction.

(4). Except as otherwise provided in subsection (5), a security interest in goods covered by a certificate of title that is perfected by any method under the law of another jurisdiction when the goods become covered by a certificate of title from this State remains perfected until the security interest would have become unperfected under the law of the other jurisdiction had the goods not become so covered.

(5). A security interest described in subsection (4) becomes unperfected as against a purchaser of the goods for value and is deemed never to have been perfected as against a purchaser of the goods for value if the applicable requirements for perfection under section 9-1311, subsection (2) or section 9-1313 are not satisfied before the earlier of:

(a). The time the security interest would have become unperfected under the law of the other jurisdiction had the goods not become covered by a certificate of title from this State; or

(b). The expiration of 4 months after the goods had become so covered.

(6). A security interest in deposit accounts, letter-of-credit rights or investment property that is perfected under the law of the bank's jurisdiction, the issuer's jurisdiction, a nominated person's jurisdiction, the securities intermediary's jurisdiction or the commodity intermediary's jurisdiction, as applicable, remains perfected until the earlier of:

(a). The time the security interest would have become unperfected under the law of that jurisdiction; or

(b). The expiration of 4 months after a change of the applicable jurisdiction to another jurisdiction.

(7). If a security interest described in subsection (6) becomes perfected under the law of the other jurisdiction before the earlier of the time or the end of the period described in that subsection, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier of that time or the end of that period, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(8). The following rules apply to collateral to which a security interest attaches within 4 months after the debtor changes its location to another jurisdiction.

(a). A financing statement filed before the change pursuant to the law of the jurisdiction designated in section 9-1301, subsection (1) or 9-1305, subsection (3) is effective to perfect a security interest in the collateral if the financing statement would have been effective to perfect a security interest in the collateral had the debtor not changed its location.

(b). If a security interest perfected by a financing statement that is effective under paragraph (a) becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in section 9-1301, subsection (1) or 9-1305, subsection (3) or the expiration of the 4-month period, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(9). If a financing statement naming an original debtor is filed pursuant to the law of the jurisdiction designated in section 9-1301, subsection (1) or 9-1305, subsection (3) and the new debtor is located in another jurisdiction, the following rules apply.

(a). The financing statement is effective to perfect a security interest in collateral acquired by the new debtor before, and within 4 months after, the new debtor becomes bound under section 9-1203, subsection (4), if the financing statement would have been effective to perfect a security interest in the collateral had the collateral been acquired by the original debtor.

(b). A security interest perfected by the financing statement and that becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in section 9-1301, subsection (1) or 9-1305, subsection (3) or the expiration of the 4-month period remains perfected thereafter. A security interest that is perfected by the financing statement but that does not become perfected under the law of the other jurisdiction before the earlier time or event becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

Sec. A-15. 11 MRSA §9-1317, sub-§(2), as amended by PL 2009, c. 324, Pt. B, §41 and affected by §48, is further amended to read:

(2). Except as otherwise provided in subsection (5), a buyer, other than a secured party, of tangible chattel paper, tangible documents, goods, instruments or a security

~~certificate~~ certificated security takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

Sec. A-16. 11 MRSA §9-1317, sub-§(4), as amended by PL 2009, c. 324, Pt. B, §42 and affected by §48, is further amended to read:

(4). A licensee of a general intangible or a buyer, other than a secured party, of ~~accounts, electronic chattel paper, electronic documents, general intangibles or investment property collateral~~ collateral other than tangible chattel paper, tangible documents, goods, instruments or a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

Sec. A-17. 11 MRSA §9-1326, as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

§9-1326. Priority of security interests created by new debtor

(1). Subject to subsection (2), a security interest that is created by a new debtor that is collateral in which the new debtor has or acquires rights and would be ineffective to perfect the security interest but for the application of section 9-1316, subsection (9), paragraph (a) or section 9-1508 is perfected solely by a filed financing statement that ~~is effective solely under section 9-1508 in collateral in which a new debtor has or acquires rights~~ is subordinate to a security interest in the same collateral that is perfected other than by such a filed financing statement ~~that is effective solely under section 9-1508~~.

(2). The other provisions of this Part determine the priority among conflicting security interests in the same collateral perfected by filed financing statements ~~that are effective solely under section 9-1508~~ described in subsection (1). However, if the security agreements to which a new debtor became bound as debtor were not entered into by the same original debtor, the conflicting security interests rank according to priority in time of the new debtor's having become bound.

Sec. A-18. 11 MRSA §9-1406, sub-§(5), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(5). Subsection (4) does not apply to the sale of a payment intangible or promissory note other than a sale pursuant to a disposition under section 9-1610 or an acceptance of collateral under section 9-1620.

Sec. A-19. 11 MRSA §9-1408, sub-§(2), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(2). Subsection (1) applies to a security interest in a payment intangible or promissory note only if the security interest arises out of a sale of the payment intangible or promissory note, other than a sale pursuant to a disposition under section 9-1610 or acceptance of collateral under section 9-1620.

Sec. A-20. 11 MRSA §9-1502, sub-§(3), ¶(c), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is repealed and the following enacted in its place:

(c). The record satisfies the requirements for a financing statement in this section, but:

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

(ii) The record sufficiently provides the name of a debtor who is an individual if it provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom section 9-1503, subsection (1), paragraph (c-1) applies; and

Sec. A-21. 11 MRSA §9-1503, as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

§9-1503. Name of debtor and secured party

(1). A financing statement sufficiently provides the name of the debtor:

(a). ~~If Except as otherwise provided in paragraph (c), if the debtor is a registered organization or the collateral is held in a trust that is a registered organization, only if the financing statement provides the name of the debtor indicated that is stated to be the registered organization's name on the public organic record of most recently filed with or issued or enacted by the debtor's registered organization's jurisdiction of organization that shows the debtor to have been organized purports to state, amend or restate the registered organization's name;~~

(b). ~~If Subject to subsection (6), if the debtor is a decedent's estate collateral is being administered by the personal representative of a decedent, only if the financing statement provides, as the name of the debtor, the name of the decedent and, in a separate part of the financing statement, indicates that the debtor is an estate collateral is being administered by a personal representative;~~

(c). ~~If the debtor is a trust or a trustee acting with respect to property held in trust collateral is held in a trust that is not a registered organization, only if the financing statement:~~

~~(i) Provides, as the name specified for the trust in its organic documents or, if no name is specified, provides the name of the settlor and additional information sufficient to distinguish of the debtor from other trusts having one or more of the same settlors; and;~~

~~(A) If the organic record of the trust specifies a name for the trust, the name specified; or~~

~~(B) If the organic record of the trust does not specify a name for the trust, the name of the settlor or testator; and~~

~~(ii) Indicates, in the debtor's name or otherwise, that the debtor is a trust or is a trustee acting with respect to property held in trust; and In a separate part of the financing statement:~~

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

(B) If the name is provided in accordance with subparagraph (i), division (B), provides additional information sufficient to distinguish the trust from other trusts having one or more of the same settlors or the same testator and indicates that the collateral is held in a trust, unless the additional information so indicates;

(c-1). Subject to subsection 7 if the debtor is an individual to whom this State has issued a driver's license or nondriver identification card that has not expired, only if the financing statement provides the name of the individual that is indicated on a driver's license or nondriver identification card;

(c-2). If the debtor is an individual to whom paragraph (c-1) does not apply, only if the financing statement provides the individual name of the debtor or the surname and first personal name of the debtor; and

(d). In other cases:

(i) If the debtor has a name, only if ~~it~~ the financing statement provides the ~~individual or~~ organizational name of the debtor; and

(ii) If the debtor does not have a name, only if ~~it~~ the financing statement provides the names of the partners, members, associates or other persons comprising the debtor, in a manner so that each name provided would be sufficient if the person named were the debtor.

(2). A financing statement that provides the name of the debtor in accordance with subsection (1) is not rendered ineffective by the absence of:

(a). A trade name or other name of the debtor; or

(b). Unless required under subsection (1), paragraph (d), subparagraph (ii), names of partners, members, associates or other persons comprising the debtor.

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

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

(5). A financing statement may provide the name of more than one debtor and the name of more than one secured party.

(6). The name of the decedent as indicated on the order appointing the personal representative of the decedent issued by the court having jurisdiction over the collateral is sufficient as the name of the decedent under subsection (1), paragraph (b).

(7). If this State has issued to an individual more than one driver's license or nondriver identification card of a kind described in subsection (1), paragraph (c-1), the one that was issued most recently is the one to which subsection (1), paragraph (c-1) refers.

(8). In this section, "name of the settlor or testator" means:

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

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

Sec. A-22. 11 MRSA §9-1507, sub-§(3), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is repealed and the following enacted in its place:

(3). If the name that a filed financing statement provides for a debtor becomes insufficient as the name of the debtor under section 9-1503, subsection (1) so that the financing statement becomes seriously misleading under section 9-1506:

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

(b). The financing statement is not effective to perfect a security interest in collateral acquired by the debtor more than 4 months after the filed financing statement becomes seriously misleading, unless an amendment to the financing statement that renders the financing statement not seriously misleading is filed within 4 months after the financing statement became seriously misleading.

Sec. A-23. 11 MRSA §9-1515, sub-§(6), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

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

Sec. A-24. 11 MRSA §9-1516, sub-§(2), ¶(c), as amended by PL 2001, c. 286, §6, is further amended to read:

(c). The filing office is unable to index the record because:

(i) In the case of an initial financing statement, the record does not provide a name for the debtor or, for a record recorded in the county registry of deeds, the record does not provide a name for the debtor and the secured party;

(ii) In the case of an amendment or ~~correction~~ information statement, the record:

(A) Does not identify the initial financing statement as required by section 9-1512 or 9-1518, as applicable; or

(B) Identifies an initial financing statement whose effectiveness has lapsed under section 9-1515;

(iii) In the case of an initial financing statement that provides the name of a debtor identified as an individual or an amendment that provides a name of a debtor identified as an individual that was not previously provided in the

financing statement to which the record relates, the record does not identify the debtor's ~~last name~~ surname; or

(iv) In the case of a record recorded in the county registry of deeds, the record does not provide a sufficient description of the real property to which it relates;

Sec. A-25. 11 MRSA §9-1516, sub-§(2), ¶(e), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

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

(i) Provide a mailing address for the debtor; or

(ii) Indicate whether the name provided as the name of the debtor is an individual or an organization; ~~or~~

~~(iii) If the financing statement indicates that the debtor is an organization, provide:~~

~~(A) A type of organization for the debtor;~~

~~(B) A jurisdiction of organization for the debtor; or~~

~~(C) An organizational identification number for the debtor or indicate that the debtor has none;~~

Sec. A-26. 11 MRSA §9-1518, as amended by PL 2001, c. 286, §7, is further amended to read:

§9-1518. Claim concerning inaccurate or wrongfully filed record

(1). A person may file in the filing office ~~a correction~~ an information statement with respect to a record indexed there under the person's name if the person believes that the record is inaccurate or was wrongfully filed.

(2). ~~A correction~~ An information statement under subsection (1) must:

(a). Identify the record to which it relates by:

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

(ii) If the ~~correction~~ information statement relates to a record recorded in the county registry of deeds, the book and page in which the initial financing statement was recorded, the name of the debtor and the secured party and the information specified in section 9-1502, subsection (2);

(b). Indicate that it is ~~a correction~~ an information statement; and

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

(2-A). A person may file in the filing office an information statement with respect to a record filed there if the person is a secured party of record with respect to the financing statement to which the record relates and believes that the person that filed the record was not entitled to do so under section 9-1509, subsection (4).

(2-B). An information statement under subsection (2-A) must:

(a). Identify the record to which it relates by:

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

(ii) If the information statement relates to a record recorded in the county registry of deeds, the book and page in which the initial financing statement was recorded, the name of the debtor and the secured party and the information specified in section 9-1502, subsection (2);

(b). Indicate that it is an information statement; and

(c). Provide the basis for the person's belief that the person that filed the record was not entitled to do so under section 9-1509, subsection (4).

(3). The filing of a ~~correction~~ an information statement does not affect the effectiveness of an initial financing statement or other filed record.

Sec. A-27. 11 MRSA §9-1521, as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is repealed and the following enacted in its place:

§9-1521. Uniform form of written financing statement and amendment

(1). Except for a reason set forth in section 9-1516, subsection (2), a filing office that accepts written records may not refuse to accept a written initial financing statement in a form and format:

(a). Approved by the International Association of Commercial Administrators or successor organization; or

(b). Adopted by rule adopted by the Secretary of State.

(2). Except for a reason set forth in section 9-1516, subsection (2), a filing office that accepts written records may not refuse to accept a written amendment or information statement in a form and format:

(a). Approved by the International Association of Commercial Administrators or successor organization; or

(b). Adopted by rule adopted by the Secretary of State.

Sec. A-28. 11 MRSA §9-1607, sub-§(2), ¶(b), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(b). The secured party's sworn affidavit in recordable form stating that:

(i) A default has occurred with respect to the obligation by the mortgage; and

(ii) The secured party is entitled to enforce the mortgage nonjudicially.

PART B

Sec. B-1. Savings clause.

1. Transactions or liens before July 1, 2013. Except as otherwise provided in this Part, this Act applies to a transaction or lien within its scope, even if the transaction or lien was entered into or created before July 1, 2013.

2. Proceedings before July 1, 2013. This Act does not affect an action, case or proceeding commenced before July 1, 2013.

Sec. B-2. Security interest perfected before effective date.

1. Continuing perfection: perfection requirements satisfied. A security interest that is a perfected security interest immediately before July 1, 2013 is a perfected security interest under the Maine Revised Statutes, Title 11, Article 9-A as amended by this Act if, on July 1, 2013, the applicable requirements for attachment and perfection under Title 11, Article 9-A as amended by this Act are satisfied without further action.

2. Continuing perfection: perfection requirements not satisfied. Except as otherwise provided in section 4 of this Part, if, immediately before July 1, 2013, a security interest is a perfected security interest, but the applicable requirements for perfection under Title 11, Article 9-A as amended by this Act are not satisfied on July 1, 2013, the security interest remains perfected thereafter only if the applicable requirements for perfection under Title 11, Article 9-A as amended by this Act are satisfied by July 1, 2014.

Sec. B-3. Security interest unperfected before effective date. A security interest that is an unperfected security interest immediately before July 1, 2013 becomes a perfected security interest:

1. Applicable requirements satisfied on or before July 1, 2013. Without further action on July 1, 2013 if the applicable requirements for perfection under the Maine Revised Statutes, Title 11, Article 9-A as amended by this Act are satisfied on or before July 1, 2013; or

2. Applicable requirements satisfied after July 1, 2013. When the applicable requirements for perfection are satisfied if the requirements are satisfied after that time.

Sec. B-4. Effectiveness of action taken before effective date.

1. Filing before July 1, 2013. The filing of a financing statement before July 1, 2013 is effective to perfect a security interest to the extent the filing would satisfy the applicable requirements for perfection under the Maine Revised Statutes, Title 11, Article 9-A as amended by this Act.

2. When filing before July 1, 2013 becomes ineffective. This Act does not render ineffective an effective financing statement that, before July 1, 2013, is filed and satisfies

the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in Title 11, Article 9-A as it existed before amendment. However, except as otherwise provided in subsections 3 and 4 and section 5 of this Part, the financing statement ceases to be effective:

- A. If the financing statement is filed in this State, at the time the financing statement would have ceased to be effective had this Act not taken effect; or
- B. If the financing statement is filed in another jurisdiction, at the earlier of:
 - (1) The time the financing statement would have ceased to be effective under the law of that jurisdiction; and
 - (2) June 30, 2018.

3. Continuation statement. The filing of a continuation statement after July 1, 2013 does not continue the effectiveness of a financing statement filed before July 1, 2013. However, upon the timely filing of a continuation statement after July 1, 2013 and in accordance with the law of the jurisdiction governing perfection as provided in Title 11, Article 9-A as amended by this Act, the effectiveness of a financing statement filed in the same office in that jurisdiction before July 1, 2013 continues for the period provided by the law of that jurisdiction.

4. Application to transmitting utility financing statement. Subsection 2, paragraph B, subparagraph (2) applies to a financing statement that, before July 1, 2013, is filed against a transmitting utility and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in Title 11, Article 9-A as it existed before amendment, only to the extent that Title 11, Article 9-A as amended by this Act provides that the law of a jurisdiction other than the jurisdiction in which the financing statement is filed governs perfection of a security interest in collateral covered by the financing statement.

5. Application of Title 11, Article 9-A, part 5. A financing statement that includes a financing statement filed before July 1, 2013 and a continuation statement filed after July 1, 2013 is effective only to the extent that it satisfies the requirements of Title 11, Article 9-A, part 5 as amended by this Act for an initial financing statement. A financing statement that indicates that the debtor is a decedent's estate indicates that the collateral is being administered by a personal representative within the meaning of Title 11, section 9-1503, subsection (1), paragraph (b) as amended by this Act. A financing statement that indicates that the debtor is a trust or is a trustee acting with respect to property held in trust indicates that the collateral is held in a trust within the meaning of Title 11, section 9-1503, subsection (1), paragraph (c) as amended by this Act.

Sec. B-5. When initial financing statement suffices to continue effectiveness of financing statement.

1. Initial financing statement in lieu of continuation statement. The filing of an initial financing statement in the office specified in the Maine Revised Statutes, Title 11, section 9-1501 continues the effectiveness of a financing statement filed before July 1, 2013 if:

- A. The filing of an initial financing statement in that office would be effective to perfect a security interest under Title 11, Article 9-A as amended by this Act;
- B. The pre-July 1, 2013 financing statement was filed in an office in another state; and
- C. The initial financing statement satisfies subsection 3.

2. Period of continued effectiveness. The filing of an initial financing statement under subsection 1 continues the effectiveness of the pre-July 1, 2013 financing statement:

- A. If the initial financing statement is filed before July 1, 2013, for the period provided in unamended Title 11, section 9-1515 with respect to an initial financing statement; and
- B. If the initial financing statement is filed after July 1, 2013, for the period provided in Title 11, section 9-1515 as amended by this Act with respect to an initial financing statement.

3. Requirements for initial financing statement under subsection 1. To be effective for purposes of subsection 1, an initial financing statement must:

- A. Satisfy the requirements of Title 11, Article 9-A, part 5 as amended by this Act for an initial financing statement;
- B. Identify the pre-July 1, 2013 financing statement by indicating the office in which the financing statement was filed and providing the dates of filing and file numbers, if any, of the financing statement and of the most recent continuation statement filed with respect to the financing statement; and
- C. Indicate that the pre-effective-date financing statement remains effective.

Sec. B-6. Amendment of pre-effective-date financing statement.

1. Pre-July 1, 2013 financing statement. As used in this Part, "pre-July 1, 2013 financing statement" means a financing statement filed before July 1, 2013.

2. Applicable law. After July 1, 2013, a person may add or delete collateral covered by, continue or terminate the effectiveness of or otherwise amend the information provided in a pre-July 1, 2013 financing statement only in accordance with the law of the jurisdiction governing perfection as provided in the Maine Revised Statutes, Title 11, Article 9-A as amended by this Act. However, the effectiveness of a pre-July 1, 2013 financing statement also may be terminated in accordance with the law of the jurisdiction in which the financing statement is filed.

3. Method of amending: general rule. Except as otherwise provided in subsection 4, if the law of this State governs perfection of a security interest, the information in a pre-July 1, 2013 financing statement may be amended after July 1, 2013 only if:

- A. The pre-July 1, 2013 financing statement and an amendment are filed in the office specified in Title 11, section 9-1501;

B. An amendment is filed in the office specified in Title 11, section 9-1501 concurrently with, or after the filing in that office of, an initial financing statement that satisfies section 5, subsection 3 of this Part; or

C. An initial financing statement that provides the information as amended and satisfies section 5, subsection 3 of this Part is filed in the office specified in Title 11, section 9-1501.

4. Method of amending: continuation. If the law of this State governs perfection of a security interest, the effectiveness of a pre-July 1, 2013 financing statement may be continued only under section 4, subsection 3 or section 5 of this Part.

5. Method of amending: additional termination rule. Whether or not the law of this State governs perfection of a security interest, the effectiveness of a pre-July 1, 2013 financing statement filed in this State may be terminated after July 1, 2013 by filing a termination statement in the office in which the pre-July 1, 2013 financing statement is filed, unless an initial financing statement that satisfies section 5, subsection 3 of this Part has been filed in the office specified by the law of the jurisdiction governing perfection as provided in Title 11, Article 9-A as amended by this Act as the office in which to file a financing statement.

Sec. B-7. Person entitled to file initial financing statement or continuation statement. A person may file an initial financing statement or a continuation statement under this Part if:

1. Authorization by secured party. The secured party of record authorizes the filing; and

2. Filing necessary. The filing is necessary under this Part:

A. To continue the effectiveness of a financing statement filed before July 1, 2013; or

B. To perfect or continue the perfection of a security interest.

Sec. B-8. Priority. This Act determines the priority of conflicting claims to collateral. However, if the relative priorities of the claims were established before July 1, 2013, Title 11, Article 9-A as it existed before amendment under this Act determines priority.

PART C

Sec. C-1. Comments. The Legislature accepts the Uniform Comments composed by the National Conference of Commissioners on Uniform State Laws as part of the 2010 amendments to the Uniform Commercial Code, Article 9-A.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect July 1, 2013.