Stricken language would be deleted from and underlined language would be added to present law.
Act 138 of the Regular Session

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 219

By: Senators R. Thompson, D. Johnson
By: Representatives Vines, Broadaway, Kizziness, D. Whitaker

For An Act To Be Entitled
AN ACT TO AMEND ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle
TO AMEND ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 4-9-102(a)(7) concerning the definition of "authenticate", is amended to read as follows:
(7) "Authenticate" means:
(A) to sign; or
(B) to execute or otherwise adopt a symbol, or encrypt or similarly process a record in whole or in part, with the present intent of the authenticating person to identify the person and adopt or accept a record with present intent to adopt or accept a record, to attach to or logically associate with the record an electronic sound, symbol, or process.

SECTION 2. Arkansas Code § 4-9-102(a)(10), concerning the definition of "certificate of title", is amended to read as follows:
(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. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates 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.

SECTION 3. Arkansas Code § 4-9-102(a), concerning definitions applicable to secured transactions, is amended to add an additional subdivision to read as follows:

(68) "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 which 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 which 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 which forms or organizes an organization, any record amending the legislation, and any record filed with or issued by the State or the United States which amends or restates the name of the organization.

SECTION 4. Arkansas Code § 4-9-102(a)(71), concerning the definition of a "registered organization", is amended to read as follows:

(71) "Registered organization" means an organization formed or organized solely under the law of a single State or the United States and 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. The term 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.

SECTION 5. Arkansas Code § 4-9-105 is amended to read as follows:
4-9-105. Control of electronic chattel paper.
   (a) A secured party has control of electronic chattel paper if the
   record or records comprising the chattel paper are created, stored, and
   assigned in such a manner that: 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.
   (b) A system satisfies subsection (a) if the record or records
   comprising the chattel paper are created, stored, and assigned in such a
   manner that:
      (1) a single authoritative copy of the record or records exists
      which is unique, identifiable, and, except as otherwise provided in
      paragraphs (4), (5), and (6), unalterable;
      (2) the authoritative copy identifies the secured party as the
      assignee of the record or records;
      (3) the authoritative copy is communicated to and maintained by
      the secured party or its designated custodian;
      (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;
      (5) each copy of the authoritative copy and any copy of a copy
      is readily identifiable as a copy that is not the authoritative copy; and
      (6) any revision amendment of the authoritative copy is readily
      identifiable as an authorized or unauthorized revision.

SECTION 6. Arkansas Code § 4-9-307(f), concerning the location of a
debtor, is amended to read as follows:
   (f) Except as otherwise provided in subsection (i), a registered
organization that is organized under the law of the United States and a
branch or agency of a bank that is not organized under the law of the United
States or a state State are located:
      (1) in the state State that the law of the United States
designates, if the law designates a state State of location;
(2) in the state 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 State of location, including by designating its main office, home office, or other comparable office; or

(3) in the District of Columbia, if neither paragraph (1) nor paragraph (2) applies.

SECTION 7. Arkansas Code § 4-9-311(a), concerning the perfection of security interests subject to other laws, is amended to read as follows:

(a) Except as otherwise provided in subsection (d), the filing of a financing statement is not necessary or effective to perfect a security interest in property subject to:

(1) a statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt § 4-9-310(a);

(2) any other laws of this state State which provide for central filing of security interests or which require indication on a certificate of title to property of such interest, including but not limited to §§ 27-14-801 – 27-14-807; or

(3) a certificate of title statute of another jurisdiction which 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.

SECTION 8. The catchline to § 4-9-316 is amended to read as follows:

§ 4-9-316. Continued perfection of security interest following Effect of change in governing law.

SECTION 9. Arkansas Code § 4-9-316, concerning the effect of a change in the governing law for the continued perfection of a security interest, is amended to add additional subsections to read as follows:

(h) The following rules apply to collateral to which a security interest attaches within four months after the debtor changes its location to another jurisdiction:

(1) A financing statement filed before the change pursuant to
the law of the jurisdiction designated in § 4-9-301(1) or § 4-9-305(c) 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.

(2) If a security interest perfected by a financing statement
that is effective under paragraph (1) 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
§ 4-9-301(1) or § 4-9-305(c) or the expiration of the four-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.

(i) If a financing statement naming an original debtor is filed
pursuant to the law of the jurisdiction designated in § 4-9-301(1) or § 4-9-
305(c) and the new debtor is located in another jurisdiction, the following
rules apply:

(1) The financing statement is effective to perfect a security
interest in collateral acquired by the new debtor before, and within four
months after, the new debtor becomes bound under § 4-9-203(d), 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.

(2) A security interest perfected by the financing statement and
which 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 § 4-9-301(1) or § 4-9-305(c)
or the expiration of the four-month period remains perfected thereafter. A
security interest that is perfected by the financing statement but which 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.

SECTION 10. Arkansas Code § 4-9-317(b), concerning the priority of
certain security interests and agricultural liens, is amended to read as
follows:

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

SECTION 11. Arkansas Code § 4-9-317(d), concerning the status of certain collateral if buyers obtain collateral prior to perfection, is amended to read as follows:

(d) 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 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.

SECTION 12. Arkansas Code § 4-9-326 is amended to read as follows:

4-9-326. Priority of security interests created by new debtor.

(a) Subject to subsection (b), a security interest that is created by a new debtor which is in collateral in which the new debtor has or acquires rights and is perfected solely by a filed financing statement that is effective solely under § 4-9-508 in collateral in which a new debtor has or acquires rights would be ineffective to perfect the security interest but for the application of § 4-9-316(i)(1) or § 4-9-508 is subordinate to a security interest in the same collateral which is perfected other than by such a filed financing statement that is effective solely under § 4-9-508.

(b) 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 § 4-9-508 described in subsection (a). 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.

SECTION 13. Arkansas Code § 4-9-406(e), concerning the inapplicability of certain terms in an agreement or promissory note between an account debtor
and an assignor, is amended to read as follows:

(e) Subsection (d) does not apply to the sale of a payment intangible or promissory note, other than a sale pursuant to a disposition under § 4-9-610 or an acceptance of collateral under § 4-9-620.

SECTION 14. Arkansas Code § 4-9-408(b), concerning the applicability to a security interest in a payment tangible or promissory note of the ineffectiveness of certain provisions of a promissory note, health-care-insurance receivables, or general intangible, is amended to read as follows:

(b) Subsection (a) 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 § 4-9-610 or an acceptance of collateral under § 4-9-620.

SECTION 15. Arkansas Code § 4-9-502(c), concerning the effectiveness of a record of a mortgage as a financing statement, is amended to read as follows:

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

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

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

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

   (A) the record need not indicate other than an indication that it is to be filed in the real property records; and

   (B) 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 § 4-9-503(a)(4) applies; and

   (4) the record is recorded.
SECTION 16. Arkansas Code § 4-9-503 is amended to read as follows:

4-9-503. Name of debtor and secured party.

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

(1) except as otherwise provided in paragraph (3), 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 which shows the debtor to have been organized purports to state, amend, or restate the registered organization's name;

(2) subject to subsection (f), 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;

(3) if the debtor is a trust or a trustee acting with respect to property held in trust, only if the financing statement:

(A) provides 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 the debtor from other trusts having one (1) or more of the same settlors; and

(B) 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; collateral is held in a trust that is not a registered organization, only if the financing statement:

(A) provides, as the name of the debtor:

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

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

(B) in a separate part of the financing statement:

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

(4) subject to subsection (g), if the debtor is an individual to whom this state has issued a driver’s license that has not expired, only if the financing statement provides the name of the individual which is indicated on the driver’s license;

(5) if the debtor is an individual to whom paragraph (4) 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

(4)(6) in other cases:

(A) if the debtor has a name, only if the financing statement provides the individual or organizational name of the debtor; and

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

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

(1) a trade name or other name of the debtor; or

(2) unless required under subsection (a)(4)(B) (a)(6)(B), names of partners, members, associates, or other persons comprising the debtor.

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

(d) 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.

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

(f) The name of the decedent 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 (a)(2).

(g) If this State has issued to an individual more than one driver’s
license of a kind described in subsection (a)(4), the one that was issued
most recently is the one to which subsection (a)(4) refers.

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

(1) 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
which purports to state, amend, or restate the settlor’s name; or

(2) in other cases, the name of the settlor or testator indicated
in the trust’s organic record.

SECTION 17. Arkansas Code § 4-9-507(c), concerning the effectiveness
of a financing statement if the debtor changes the debtor’s name, is amended
to read as follows:

(c) If a debtor so changes its the name that a filed financing
statement provides for a debtor becomes insufficient as the name of the
debtor under § 4-9-503(a) so that the financing statement becomes seriously
misleading under § 4-9-506:

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

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

SECTION 18. Arkansas Code § 4-9-515(f), concerning the term of
effectiveness of transmitting utility financing statements, is amended to
read as follows:

(f) 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.

SECTION 19. Arkansas Code § 4-9-516(b), concerning valid reasons for a
filing office to refuse to accept a record, is amended to read as follows:

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

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

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

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

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

(B) in the case of an amendment or correction information statement, the record:

(i) does not identify the initial financing statement as required by § 4-9-512 or § 4-9-518, as applicable; or

(ii) identifies an initial financing statement whose effectiveness has lapsed under § 4-9-515;

(C) 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 which 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

(D) in the case of a record filed in the filing office described in § 4-9-501(a)(1), the record does not provide a sufficient description of the real property to which it relates;

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

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

(A) provide a mailing address for the debtor; or

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

(C) if the financing statement indicates that the debtor is an organization, provide:

(i) a type of organization for the debtor;
(ii) a jurisdiction of organization for the debtor; or

(iii) an organizational identification number for the debtor or indicate that the debtor has none;

(6) in the case of an assignment reflected in an initial financing statement under § 4-9-514(a) or an amendment filed under § 4-9-514(b), the record does not provide a name and mailing address for the assignee; or

(7) in the case of a continuation statement, the record is not filed within the six-month period prescribed by § 4-9-515(d).

SECTION 20. Arkansas Code § 4-9-518 is amended to read as follows:

4-9-518. Claim concerning inaccurate or wrongfully filed record.

(a) A person may file in the filing office a correction or 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.

(b) A correction or an information statement under subsection (a) must:

(1) identify the record to which it relates by:

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

(B) if the correction or information statement relates to a record filed in a filing office described in § 4-9-501(a)(1), the date that the initial financing statement was filed and the information specified in § 4-9-502(b);

(2) indicate that it is a correction or an information statement; and

(3) 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.

(c) 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 § 4-9-509(d).

(d) An information statement under subsection (c) must:
identify the record to which it relates by:

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

(B) if the information statement relates to a record filed in a filing office described in § 4-9-501(a)(1), the date that the initial financing statement was filed and the information specified in § 4-9-502(b);

(2) indicate that it is an information statement; and

(3) provide the basis for the person’s belief that the person that filed the record was not entitled to do so under § 4-9-509(d).

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

SECTION 21. Arkansas Code § 4-9-521 is amended to read as follows:

4-9-521. Uniform form of written financing statement and amendment.

(a) A filing office that accepts written records may not refuse to accept a written initial financing statement in the following form and format except for a reason set forth in § 4-9-516(b):

UCC FINANCING STATEMENT FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

______________________________________________

B. SEND ACKNOWLEDGEMENT TO: (Name and Address) E-MAIL CONTACT AT FILER (optional)

______________________________________________

C. SEND ACKNOWLEDGEMENT TO: (Name and Address)

______________________________________________

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR’S EXACT FULL LEGAL NAME: Insert Provide only one debtor name (1a or 1b) do not abbreviate or combine names (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor’s name); if any part of the Individual Debtor’s name will not fit in line 1b, leave all of item 1 blank, check here [ ] and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION’S NAME
1b. INDIVIDUAL’S LAST NAME SURNAME FIRST PERSONAL NAME MIDDLE NAME

________________________ __________________________

ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR

SUFFIX

___________________________________________________________

lc. MAILING ADDRESS

_____________________________ ________

CITY STATE POSTAL CODE COUNTRY

ld. TAX ID #: SSN OR EIN ADDT INFO RE

ORGANIZATION

DEBTOR

le. TYPE OF ORGANIZATION

lf. JURISDICTION OF ORGANIZATION

lg. ORGANIZATIONAL ID #, if any

NONE

2. ADDITIONAL DEBTOR’S EXACT FULL LEGAL NAME: Insert Provide only one

debtor name (2a or 2b) do not abbreviate or combine names (use exact, full

name; do not omit, modify, or abbreviate any part of the Debtor’s name); if

any part of the Individual Debtor’s name will not fit in line 2b, leave all

of item 2 blank, check here [ ] and provide the Individual Debtor information

in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION’S NAME

____________________________

OR

2b. INDIVIDUAL’S LAST NAME SURNAME FIRST PERSONAL NAME MIDDLE NAME

________________________ __________________________

ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR

SUFFIX

___________________________________________________________

2c. MAILING ADDRESS
CITY STATE POSTAL CODE COUNTRY

2d. TAX ID #: SSN OR EIN ADDT INFO RE
ORGANIZATION DEBTOR

2e. TYPE OF ORGANIZATION

2f. JURISDICTION OF ORGANIZATION

2g. ORGANIZATIONAL ID #, if any
NONE

3. SECURED PARTY’S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P SECURED PARTY): Insert Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION’S NAME

_________________________________________ ___________________________________

OR

3b. INDIVIDUAL’S LAST NAME SURNAME FIRST PERSONAL NAME MIDDLE NAME SUFFIX
_________________________________________ ____________________________ ______
ADDITIONAL NAME(S)/INITIAL(S)

________________________________________
3c. MAILING ADDRESS

CITY STATE POSTAL CODE COUNTRY
_________________________________________ ____________________________ ______

4. COLLATERAL: This financing statement covers the following collateral:

4. ____________________________________________________________

5. ALTERNATIVE DESIGNATION (If applicable):

LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR AG LIEN
NON-UCC FILING

Check only if applicable and check only one box:

Collateral is [ ] held in a Trust (see UC1Ad, Item 17 and Instructions)

[ ] being administered by a Decedent’s Personal Representative

6. This FINANCING STATEMENT is to be filed (or record)(or recorded) in the REAL ESTATE RECORDS. Attach Addendum If applicable

6a. Check only if applicable and check only one box:
[ ] Public-Finance Transaction [ ] Manufactured-Home Transaction [ ] A
Debtor is a Transmitting Utility
6b. Check only if applicable and check only one box:
[ ] Agricultural Lien [ ] Non-UCC Filing
7. Check to REQUEST SEARCH REPORT(S) on Debtor(s)
   (ADDITIONAL FEE) (optional)
   AS DEBTOR     Debtor-1      Debtor-2
   ALTERNATIVE DESIGNATION (if applicable): [ ] Lessee/Lessor [ ]
   Consignee/Consignor [ ] Seller/Buyer [ ] Bailee/Bailor [ ]
   Licensee/Licensor
8. OPTIONAL FILER REFERENCE DATA:
________________________________________________________________________
NATIONAL UCC FINANCING STATEMENT (FORM UCC1)(REV. 07/29/96) UCC FINANCING
STATEMENT (Form UCC1)
UCC FINANCING STATEMENT ADDENDUM FOLLOW INSTRUCTIONS (front and back)
CAREFULLY
9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT: Same as
   item la or lb on Financing Statement; if line lb was left blank because
   Individual Debtor name did not fit, check here [ ]
9a. ORGANIZATION’S NAME
________________________________________________________________________
OR
9b. INDIVIDUAL’S LAST NAME Surname           FIRST PERSONAL NAME           MIDDLE
   NAME, SUFFIX
 ______________ __________________ ___________
ADDITIONAL NAME(S)/INITIAL(S)          SUFFIX
 ________________________________ ___________
THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY
10. MISCELLANEOUS: DEBTOR’S NAME: Provide (10a or 10b) only one additional
    Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing
    Statement (Form UCC1)(use exact, full name; do not omit, modify, or
    abbreviate any part of the Debtor’s name) and enter the mailing address in
    line 10c

16  01-31-2013 10:37:17 ANS085
10a. ORGANIZATION'S NAME

__________________________________________________________________________

OR

10b. INDIVIDUAL'S SURNAME
FIRST PERSONAL NAME

__________________________________________________________________________

ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR

SUFFIX

__________________________________________________________________________

10c. MAILING ADDRESS

__________________________________________________________________________

CITY
STATE
POSTAL CODE
COUNTRY

11. [ ] ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME or
[ ] ASSIGNOR SECURED PARTY'S NAME: insert Provide only one name (11a or
11b) do not abbreviate or combine names

11a. ORGANIZATION'S NAME

__________________________________________________________________________

OR

11b. INDIVIDUAL'S LAST NAME
SURNAME
FIRST PERSONAL NAME
MIDDLE NAME
SUFFIX

__________________________________________________________________________

ADDITIONAL NAME(S)/INITIAL(S)

11c. MAILING ADDRESS

__________________________________________________________________________

CITY
STATE
POSTAL CODE
COUNTRY

11d. TAX ID #: SSN OR EIN
ADDT INFO RE
ORGANIZATION
DEBTOR

11e. TYPE OF ORGANIZATION

11f. JURISDICTION OF ORGANIZATION

11g. ORGANIZATIONAL ID #, if any

NONE

17 01-31-2013 10:37:17 ANS085
12. ADDITIONAL SECURED PARTY'S or ASSIGNORS S/P'S NAME — Insert only one name (12a or 12b) SPACE FOR ITEM 4 (Collateral)

________________________
12a. ORGANIZATION’S NAME

OR

12b. INDIVIDUAL’S SURNAME FIRST PERSONAL NAME SUFFIX

________________________
________________________
12c. MAILING ADDRESS

CITY
STATE
POSTAL CODE
COUNTRY

13. [ ] This FINANCING STATEMENT covers timber to be cut or as extracted collateral, or is filed as a fixture filing is to be filed for record in the REAL ESTATE RECORDS (if applicable)

14. Description of real estate This FINANCING STATEMENT:

[ ] covers timber to be cut [ ] covers as-extracted collateral [ ] is filed as a fixture filing

15. Name and address of a RECORD OWNER of above-described real estate described in item 16 (if Debtor does not have a record interest):

________________________
________________________
________________________

16. Additional collateral description Description of real estate:

________________________

17. Check only if applicable and check only one box

Debtor is a Trust Trustee acting with respect to property held in trust or Decedent’s Estate

MISCELLANEOUS:

18. Check only if applicable and check only one box:

Debtor is a TRANSMITTING UTILITY

Filed in connection with a Manufactured-Home Transaction — effective 30 years

Filed in connection with a Public-Finance Transaction — effective 30 years

NATIONAL UCC FINANCING STATEMENT ADDENDUM (FORM UCC1Ad) (REV. 07/29/98) UCC
FINANCING STATEMENT ADDENDUM (Form UCC1Ad)

(b) A filing office that accepts written records may not refuse to accept a written record in the following form and format except for a reason set forth in § 4-9-516(b):

UCC FINANCING STATEMENT AMENDMENT FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

_______________________________________________________________________

B. SEND ACKNOWLEDGEMENT TO: (Name and Address)

E-MAIL CONTACT AT FILER (optional)

_______________________________________________________________________

C. SEND ACKNOWLEDGEMENT TO: (Name and Address)

_______________________________________________________________________

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE # NUMBER

_______________________________________________________________________

1b. [ ] This FINANCING STATEMENT AMENDMENT is to be filed [for record] in the REAL ESTATE RECORDS

Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13.

2. [ ] TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of the Secured Party authorizing this Termination Statement

3. [ ] CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9 For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. [ ] CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional
5. AMENDMENT [ ] (PARTY INFORMATION): CHANGE:

Check one of these two boxes:

This Change Amendment affects [ ] Debtor or [ ] Secured Party of record.

AND Check only one of these two boxes to:

Also check one of the following three boxes and provide appropriate
information in item 6 and/or 7. [ ] CHANGE name and/or address: Give current
record name in item 6a or 6b; also give new name (if name change) in item 7a
or 7b and/or new address (if address change) in item 7c. Complete item 6a or
6b; and item 7a or 7b and item 7c [ ] DELETE name: Give record name to be
deleted in item 6a or 6b ADD name: Complete item 7a or 7b, and item 7c [ ]
ADD name: Complete item 7a or 7b, and also item 7c, also complete items 7d-7e
(if applicable) DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change -
provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME

________________________________________________________________________

OR

6b. INDIVIDUAL'S LAST NAME SURNAMEm FIRST PERSONAL NAME MIDDLE NAME SUFFIX

____________________________ _______________ __________

ADDITIONAL NAME(S)/INITIAL(S)

________________________________________________________________________

OR

7. CHANGED (NEW) OR ADDED INFORMATION: Complete for Assignment or Party

Information Change - provide only one name (7a or 7b) (use exact full name;
do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

________________________________________________________________________

OR

7b. INDIVIDUAL'S LAST NAME SURNAMEm FIRST PERSONAL NAME MIDDLE NAME SUFFIX

____________________________ _______________ __________

ADDITIONAL NAME(S)/INITIAL(S) THAT ARE PART OF THE NAME OF THIS DEBTOR

________________________________________________________________________

7c. MAILING ADDRESS

________________________________________________________________________
1 CITY STATE POSTAL CODE COUNTRY

2 _______________ ____________ ________________ ____________

3 8. [___] AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral deleted or added, or give entire restated collateral description, or describe collateral assigned.
Also check one of these four boxes:
[ ] ADD collateral [ ] DELETE collateral [ ] RESTATE covered collateral [ ] ASSIGN collateral Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here and enter name of DEBTOR authorizing this amendment: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment) If this is an Amendment authorized by a DEBTOR, check here [ ] and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME

____________________________

9b. INDIVIDUAL'S LAST NAME SURNAME FIRST PERSONAL NAME MIDDLE NAME SUFFIX

________________________________________________________

10. OPTIONAL FILER REFERENCE DATA:

________________________________________________________

11. INITIAL FINANCING STATEMENT FILE # NUMBER: (same Same as item la on Amendment form)
12. NAME OF PARTY AUTHORIZING THIS AMENDMENT: (same as item 9 on Amendment form)

12a. ORGANIZATION’S NAME

_________________________________________________________________________

OR

12b. INDIVIDUAL’S LAST NAME SURNAME FIRST PERSONAL NAME MIDDLE NAME, SUFFIX

_________________________________________________________________________

ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

_________________________________________________________________________

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

13. Use this space for additional information Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction item 13): Provide only one Debtor name (13a or 13b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor’s name); see Instructions if name does not fit

13a. ORGANIZATION’S NAME

_________________________________________________________________________

OR

13b. INDIVIDUAL’S SURNAME FIRST PERSONAL NAME

_________________________________________________________________________

ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

_________________________________________________________________________

14. ADDITIONAL SPACE FOR ITEM 8 (Collateral):

_________________________________________________________________________

15. This FINANCING STATEMENT AMENDMENT: [ ] covers timber to be cut [ ] covers as-extracted collateral [ ] is filed as a fixture filing

16. Name and address of a RECORD OWNER of real estate described in item 17 (if Debtor does not have a record interest):

_________________________________________________________________________

17. Description of real estate:

_________________________________________________________________________

18. MISCELLANEOUS:

_________________________________________________________________________
UCC FINANCING STATEMENT AMENDMENT ADDENDUM (Form UCC3Ad)

SECTION 22. Arkansas Code § 4-9-607(b), concerning the provisions for the nonjudicial enforcement of mortgages, is amended to read as follows:

(b) If necessary to enable a secured party to exercise under subsection (a)(3) the right of a debtor to enforce a mortgage nonjudicially, the secured party may record in the office in which a record of the mortgage is recorded:

(1) a copy of the security agreement that creates or provides for a security interest in the obligation secured by the mortgage; and

(2) the secured party’s sworn affidavit in recordable form stating that:

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

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

SECTION 23. Arkansas Code Title 4, Chapter 9, is amended to add an additional subchapter to read as follows:

Part 8
Transition Provisions for 2010 Amendments

4-9-801. Effective date.
This act takes effect on July 1, 2013.

4-9-802. Savings clause.

(a) 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 this act takes effect.

(b) This act does not affect an action, case, or proceeding commenced before this act takes effect.

4-9-803. Security interest perfected before effective date.

(a) A security interest that is a perfected security interest immediately before this act takes effect is a perfected security interest under this chapter as amended by this act if, when this act takes effect, the
applicable requirements for attachment and perfection under this chapter as amended by this act are satisfied without further action.

(b) Except as otherwise provided in § 4-9-805, if, immediately before this act takes effect, a security interest is a perfected security interest, but the applicable requirements for perfection under this chapter as amended by this act are not satisfied when this act takes effect, the security interest remains perfected thereafter only if the applicable requirements for perfection under this chapter as amended by this act are satisfied within one year after this act takes effect.

4-9-804. Security interest unperfected before effective date.
A security interest that is an unperfected security interest immediately before this act takes effect becomes a perfected security interest:

(1) without further action, when this act takes effect, if the applicable requirements for perfection under this chapter as amended by this act are satisfied before or at that time; or

(2) when the applicable requirements for perfection are satisfied if the requirements are satisfied after that time.

4-9-805. Effectiveness of action taken before effective date.
(a) The filing of a financing statement before this act takes effect is effective to perfect a security interest to the extent the filing would satisfy the applicable requirements for perfection under this chapter as amended by this act.

(b) This act does not render ineffective an effective financing statement that, before this act takes effect, is filed and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided under the jurisdiction’s Article 9 to its Uniform Commercial Code before the jurisdiction’s amendments contained in this act. However, except as otherwise provided in subsections (c) and (d) and § 4-9-806, the financing statement ceases to be effective:

(1) 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

(2) if the financing statement is filed in another jurisdiction,
at the earlier of:

(A) the time the financing statement would have ceased to be effective under the law of that jurisdiction; or

(B) June 30, 2018.

(c) The filing of a continuation statement after this act takes effect does not continue the effectiveness of a financing statement filed before this act takes effect. However, upon the timely filing of a continuation statement after this act takes effect and in accordance with the law of the jurisdiction governing perfection as provided in the jurisdiction’s Article 9 to its Uniform Commercial Code before the jurisdiction’s amendments contained in this act, the effectiveness of a financing statement filed in the same office in that jurisdiction before this act takes effect continues for the period provided by the law of that jurisdiction.

(d) Subdivision (b)(2)(B) applies to a financing statement that, before this act takes effect, is filed against a transmitting utility and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in the jurisdiction’s Article 9 to its Uniform Commercial Code before the jurisdiction’s amendments contained in this act only to the extent that the jurisdiction’s Article 9 to its Uniform Commercial Code before the jurisdiction’s amendments contained in 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.

(e) A financing statement that includes a financing statement filed before this act takes effect and a continuation statement filed after this act takes effect is effective only to the extent that it satisfies the requirements of 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 § 4-9-503(a)(2) 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 § 4-9-503(a)(3) as amended by this act.

4-9-806. When initial financing statement suffices to continue
effectiveness of financing statement.

(a) The filing of an initial financing statement in the office specified in § 4-9-501 continues the effectiveness of a financing statement filed before this act takes effect if:

(1) the filing of an initial financing statement in that office would be effective to perfect a security interest under this chapter as amended by this act;

(2) the pre-effective-date financing statement was filed in an office in another State; and

(3) the initial financing statement satisfies subsection (c).

(b) The filing of an initial financing statement under subsection (a) continues the effectiveness of the pre-effective-date financing statement:

(1) if the initial financing statement is filed before this act takes effect, for the period provided in § 4-9-515 with respect to an initial financing statement; and

(2) if the initial financing statement is filed after this act takes effect, for the period provided in § 4-9-515 as amended by this act with respect to an initial financing statement.

(c) To be effective for purposes of subsection (a), an initial financing statement must:

(1) satisfy the requirements of part 5 as amended by this act for an initial financing statement;

(2) identify the pre-effective-date 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

(3) indicate that the pre-effective-date financing statement remains effective.

4-9-807. Amendment of pre-effective-date financing statement.

(a) In this section, "pre-effective-date financing statement" means a financing statement filed before this act takes effect.

(b) After this act takes effect, a person may add or delete collateral covered by, continue or terminate the effectiveness of, or otherwise amend the information provided in, a pre-effective-date financing statement only if
accordance with the law of the jurisdiction governing perfection as provided in chapter 9 as amended by this act. However, the effectiveness of a pre-effective-date financing statement also may be terminated in accordance with the law of the jurisdiction in which the financing statement is filed.

(c) Except as otherwise provided in subsection (d), if the law of this state governs perfection of a security interest, the information in a pre-effective-date financing statement may be amended after this act takes effect only if:

(1) the pre-effective-date financing statement and an amendment are filed in the office specified in § 4-9-501;

(2) an amendment is filed in the office specified in § 4-9-501 concurrently with, or after the filing in that office of, an initial financing statement that satisfies § 4-9-806(c); or

(3) an initial financing statement that provides the information as amended and satisfies § 4-9-806(c) is filed in the office specified in § 4-9-501.

(d) If the law of this state governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement may be continued only under § 4-9-805(c) and (e) or § 4-9-806.

(e) Whether or not the law of this State governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement filed in this State may be terminated after this act takes effect by filing a termination statement in the office in which the pre-effective-date financing statement is filed, unless an initial financing statement that satisfies § 4-9-806(c) has been filed in the office specified by the law of the jurisdiction governing perfection as provided in chapter 9 as amended by this act as the office in which to file a financing statement.

4-9-808. Persons 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) the secured party of record authorizes the filing; and

(2) the filing is necessary under this part:

(A) to continue the effectiveness of a financing statement filed before this act takes effect; or
(B) to perfect or continue the perfection of a security interest.

4-9-809. Priority.
This act determines the priority of conflicting claims to collateral. However, if the relative priorities of the claims were established before this act takes effect, chapter 9 as it existed before its amendment by this act determines priority.

SECTION 24. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly that the present Article 9 of the Uniform Commercial Code which exists in all fifty states, the District of Columbia, and Puerto Rico is in need of important revisions to better identify debtors and secured collateral, to promote the efficiency of electronic filing, to reduce cost and time related to identifying debtors, and to resolve conflicting case law. The revisions contained in this Act will bring greater certainty to financing transactions, and will reduce both their cost and the cost of credit. Because current Article 9 is uniform throughout the United States, it becomes essential that the effective date for the substantial revisions contemplated by this Act be the same in every state. If Arkansas and all of the other states and territories do not act in concert and enact a common effective date, severe complications will arise. Therefore, the rules for filing must be uniform at all times. Because the several states are proposing that the revised Article 9 become effective on July 1, 2013 an emergency is hereby declared to exist and this Act being necessary for the preservation of the public peace, health, and safety shall be in full force and effect on July 1, 2013.

APPROVED: 02/20/2013