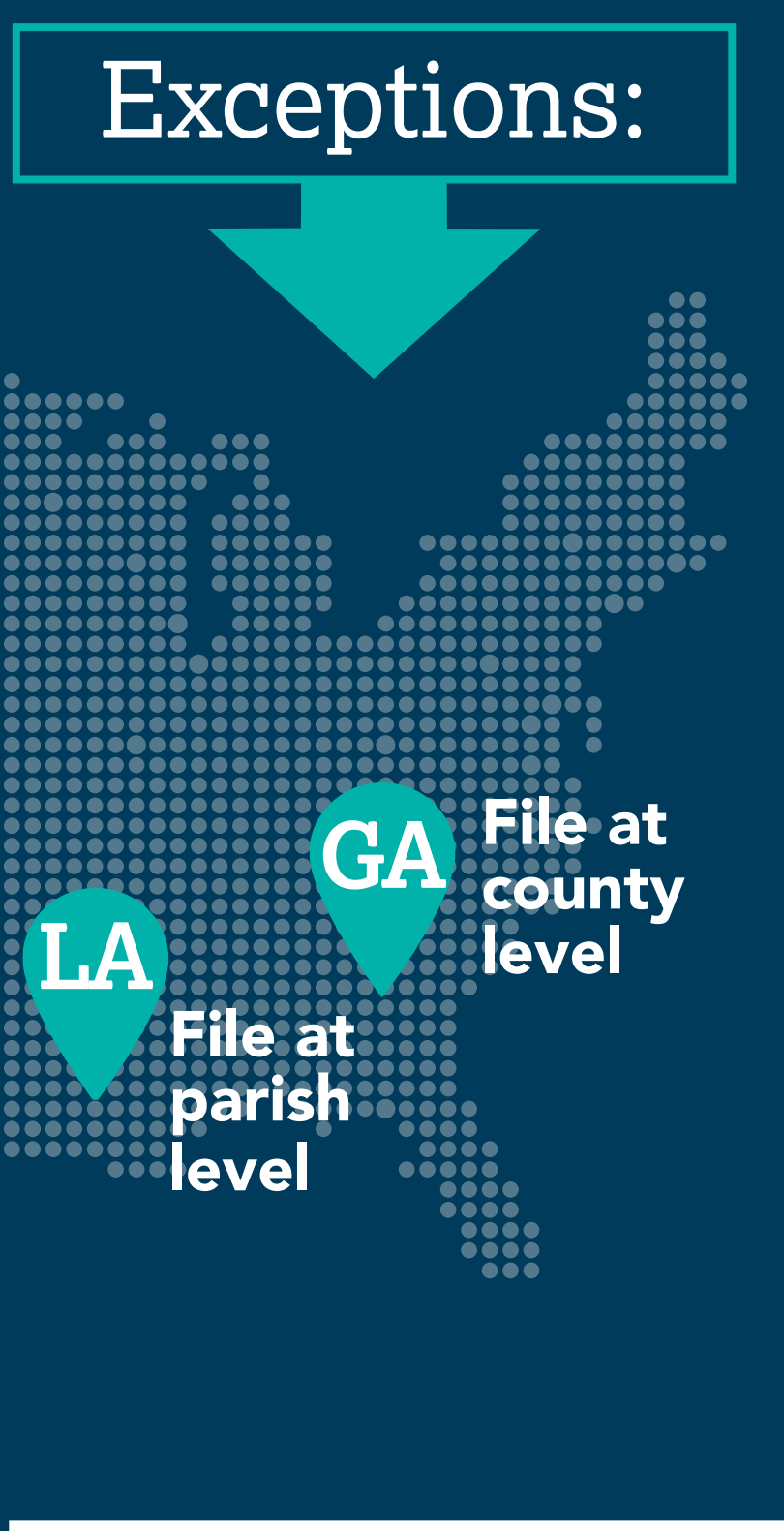


## 1 UCC Filing Best Practices



**File in the office where a mortgage would be recorded on real property if the collateral includes:**

- Minerals to be extracted
- Timber to be cut
- Fixtures

**Where to file depends on debtor type:**

- Individual:** Central filing office of state in which the debtor's principal residence is located
- Registered organization under state law:** Central filing office of state in which entity is organized or incorporated
- Other non-registered organization:** Central filing office of state in which place of business or chief executive office (if more than one) is located
- Debtor is located in a jurisdiction without a filing requirement:** District of Columbia

## 2 Debtor Name Requirements

**DEBTOR** names must comply with UCC §9-503(a). Even minor deviations can make the financing statement seriously misleading.

- For debtors that are registered organizations:**
- Corporations/LLCs:** Use name on the record filed to form or organize the entity or the most recent amendment that purports to change or restate the name of the entity
  - Government-chartered entities:** Use name on the charter document
  - Business trusts:** Use name on the record filed with the state business trust law
  - Entities created by legislation:** Use name in the statute that created the entity

**For individual debtors, there are two main legislative alternatives:**

- "Only if"**
  - ✓ Debtor name must be exactly what appears on the individual's driver's license
  - ✓ Sometimes called "Alternative A" or, if allowed, the state-issued ID card
  - ✓ Very strict for filer
  - ✓ Enacted in a majority of states
- "Safe harbor"**
  - 🔗 Sometimes called "Alternative B"
  - 🔗 Name can be what appears on driver's license, but other names may work as well
  - 🔗 Only available in a handful of states, including Alaska, Colorado, Connecticut, Delaware, New Hampshire, and Wyoming

## 3 UCC Searching Best Practices



### What to search...

- Current debtor name; check articles for name amendments
- Past debtor names
- Don't forget to include copies, reconcile copies to the summary, review name variations, and look at terminated UCCs
- Merged or acquired businesses
- Former jurisdictions for one year after the move

### Which name do you search?

- Individual:** The driver's license is the starting point for every UCC search conducted on an individual, but other name variations may also be sufficient
- Registered organizations:** Search by the name on the organization's public organic record
- Collateral held in a trust that is not a registered organization:** Search on the name of the trust if it has a name; otherwise, search on the name of the settler
- Collateral administered by decedent's personal representative:** Search on the individual name of the decedent



## 4 UCC Monitoring Best Practices

### ASK YOURSELF:

1. How will I know if there have been any subsequent UCC filings against my debtors, including unauthorized terminations, that could jeopardize my lien positions?
2. How will I know if one of my debtors changes its corporate name with the Secretary of State?
3. How will I know if any of my debtors have filed for bankruptcy?

**To answer these questions, you should be monitoring your UCCs**

- Track subsequent filings and track changes to:
  - Corporate name
  - Good standing status
- Monitor corporate debtors:
  - Terminations
  - Continuations
  - Amendments
  - Assignments financing
  - Statements
- Receive bankruptcy alerts:
  - Debtor name
  - Jurisdiction and court
  - Chapter and date
  - Case number

## 5 Stay Informed of Industry Developments

CSC provides you with an archive of filing office closing and communication, pending and new legislation, UCC Article 9 updates, and more at [cscglobal.com/blog](http://cscglobal.com/blog)

