

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Harriman**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 4-9-402 REGARDING
9 FINANCING STATEMENTS TO REQUIRE ANY FEES FOR RECORDING AND
10 SATISFACTIONS OF MORTGAGES TO BE COLLECTED AT THE TIME OF
11 THE INITIAL FILING WITH THE CIRCUIT CLERK OR SECRETARY OF
12 STATE; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT TO REQUIRE ANY FEES FOR RECORDING AND
15 SATISFACTIONS OF MORTGAGES AS FINANCING STATEMENTS TO BE
16 COLLECTED AT THE TIME OF THE INITIAL FILING."
17

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. Arkansas Code § 4-9-402 is hereby amended to read as
22 follows:

23 "4-9-402. Formal requisites of financing statement - Amendments -
24 Mortgage as financing statement.

25 (1) A financing statement is sufficient if it gives the names of the
26 debtor and the secured party, is signed by the debtor, gives an address of the
27 secured party from which information concerning the security interest may be
28 obtained, gives a mailing address of the debtor, and contains a statement
29 indicating the types, or describing the items, of collateral. A financing
30 statement may be filed before a security agreement is made or a security
31 interest otherwise attaches. When the financing statement covers crops growing
32 or to be grown, the statement must also contain a description of the real
33 estate concerned. When the financing statement covers timber to be cut or
34 covers minerals or the like (including oil and gas) or accounts subject to
35 §4-9-103(5), or when the financing statement is filed as a fixture filing

1 (§4-9-313) and the collateral is goods which are or are to become fixtures,
2 the statement must also comply with subsection (5). A copy of the security
3 agreement is sufficient as a financing statement if it contains the above
4 information and is signed by the debtor. A carbon, photographic, or other
5 reproduction of a security agreement or a financing statement is sufficient as
6 a financing statement if the security agreement so provides or if the original
7 has been filed in this state.

8 (2) A financing statement which otherwise complies with subsection (1)
9 is sufficient when it is signed by the secured party instead of the debtor if
10 it is filed to perfect a security interest in:

11 (a) Collateral already subject to a security interest in another
12 jurisdiction when it is brought into this state, or when the debtor's location
13 is changed to this state. Such a financing statement must state that the
14 collateral was brought into this state or that the debtor's location was
15 changed to this state under such circumstances; or

16 (b) Proceeds under §4-9-306 if the security interest in the
17 original collateral was perfected. Such a financing statement must describe
18 the original collateral; or

19 (c) Collateral as to which the filing has lapsed; or

20 (d) Collateral acquired after a change of name, identity, or
21 corporate structure of the debtor (subsection (7)).

22 (3) A form substantially as follows is sufficient to comply with
23 subsection (1):

24

25 Name of debtor (or assignor)

26 Address

27 Name of secured party (or assignee)

28 Address

29 1. This financing statement covers the following types (or items) of
30 property:

31 (Describe)

32 2. (If collateral is crops) The above described crops are growing or
33 are to be grown on:

34 (Describe Real Estate)

35 3. (If applicable) The above goods are to become fixtures on:

1 (Describe Real Estate)
2 and this financing statement is to be filed for record in the real estate
3 records (if the debtor does not have an interest of record.) The name of a
4 record owner is

5 4. (If products of collateral are claimed) Products of the collateral
6 are also covered.

7 (use
8 whichever Signature of Debtor (or Assignor)
9 is

10 applicable) Signature of Secured Party (or Assignee)

11 (4) A financing statement may be amended by filing a writing signed by
12 both the debtor and the secured party. An amendment does not extend the period
13 of effectiveness of a financing statement. If any amendment adds collateral,
14 it is effective as to the added collateral only from the filing date of the
15 amendment. In this chapter, unless the context otherwise requires, the term
16 _financing statement_ means the original financing statement and any
17 amendments.

18 (5) A financing statement covering timber to be cut or covering
19 minerals or the like (including oil and gas) or accounts subject to
20 §4-9-103(5), or a financing statement filed as a fixture filing (§4-9-313)
21 where the debtor is not a transmitting utility, must show that it covers this
22 type of collateral, must recite that it is to be filed for record in the real
23 estate records, and the financing statement must contain a description of the
24 real estate sufficient if it were contained in a mortgage of the real estate
25 to give constructive notice of the mortgage under the law of this state. If
26 the debtor does not have an interest of record in the real estate, the
27 financing statement must show the name of a record owner.

28 (6) A mortgage is effective as a financing statement filed as a fixture
29 filing from the date of its recording if:

30 (a) The goods are described in the mortgage by item or type; and

31 (b) The goods are or are to become fixtures related to the real
32 estate described in the mortgage; and

33 (c) The mortgage complies with the requirements for a financing
34 statement in this section other than a recital that it is to be filed in the
35 real estate records; and

1 (d) The mortgage is duly recorded.

2 No fee with reference to the financing statement is required other than
3 the regular recording and satisfaction fees with respect to the mortgage. All
4 recording, satisfaction, and termination fees shall be collected by the
5 Circuit Clerk and the Secretary of State at the time of the initial filing.

6 (7) A financing statement sufficiently shows the name of the debtor if
7 it gives the individual, partnership, or corporate name of the debtor, whether
8 or not it adds other trade names or names of partners. Where the debtor so
9 changes his name or in the case of an organization, its name, identity, or
10 corporate structure that a filed financing statement becomes seriously
11 misleading, the filing is not effective to perfect a security interest in
12 collateral acquired by the debtor more than four (4) months after the change,
13 unless a new appropriate financing statement is filed before the expiration of
14 that time. A filed financing statement remains effective with respect to
15 collateral transferred by the debtor even though the secured party knows of or
16 consents to the transfer.

17 (8) A financing statement substantially complying with the requirements
18 of this section is effective even though it contains minor errors which are
19 not seriously misleading."

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21 SECTION 2. All provisions of this act of general and permanent nature
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
23 Revision Commission shall incorporate the same in the Code.

24

25 SECTION 3. If any provisions of this act or the application thereof to
26 any person or circumstance is held invalid, the invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provisions or application, and to this end the provisions of this
29 act are declared to be severable.

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31 SECTION 4. All laws and parts of laws in conflict with this act are
32 hereby repealed.

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