

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

A Bill

ACT 1267 OF 1997
HOUSE BILL 2146

4
5 By: Representative Malone
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE 4-9-404(1) TO REQUIRE THE
10 FILING OF TERMINATION STATEMENTS UPON THE SATISFACTION OF
11 THE SECURED INDEBTEDNESS; AND FOR OTHER PURPOSES."
12

Subtitle

13
14 "TO REQUIRE THE FILING OF TERMINATION
15 STATEMENTS UPON THE SATISFACTION OF THE
16 SECURED INDEBTEDNESS."
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code Annotated § 4-9-404(1) is amended to read as
21 follows:

22 "(1) If a financing statement covering ~~consumer~~ any goods is filed, ~~on~~
23 ~~or after January 1, 1974,~~ then within ~~one (1) month~~ sixty (60) days or within
24 ten (10) days following written demand by the debtor after there is no
25 outstanding secured obligation and no commitment to make advances, incur
26 obligations, or otherwise give value, the secured party must file with each
27 filing officer with whom the financing statement was filed, a termination
28 statement to the effect that he no longer claims a security interest under the
29 financing statement, which shall be identified by file number. ~~In other cases~~
30 ~~whenever there is no outstanding secured obligation and no commitment to make~~
31 ~~advances, incur obligations, or otherwise give value, the secured party must~~
32 ~~on written demand by the debtor send the debtor, for each filing officer with~~
33 ~~whom the financing statement was filed, a termination statement to the effect~~
34 ~~that he no longer claims a security interest under the financing statement,~~
35 ~~which shall be identified by file number.~~ The secured party shall not be
36 required to file a termination statement in the event of the lapse of a filing

1 or the debtor waives filing of the termination statement. A termination
2 statement signed by a person other than the secured party of record must be
3 accompanied by a separate written statement of assignment signed by the
4 secured party of record and complying with § 4-9-405(2), including payment of
5 the required fee. If the affected secured party fails to file such a
6 termination statement as required by this subsection, or to send such a
7 termination statement within ten (10) days after proper demand therefor, he
8 shall be liable to the debtor for one hundred dollars (\$100), and in addition
9 for any loss caused to the debtor by such failure."

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11 SECTION 2. All provisions of this act of a general and permanent nature
12 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
13 Revision Commission shall incorporate the same in the Code.

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15 SECTION 3. If any provision of this act or the application thereof to
16 any person or circumstance is held invalid, such invalidity shall not affect
17 other provisions or applications of the act which can be given effect without
18 the invalid provision or application, and to this end the provisions of this
19 act are declared to be severable.

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

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APPROVED:4-09-97

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