

HOUSE BILL NO. 251

INTRODUCED BY SWYSGOOD, GRADY, CAMPBELL

IN THE HOUSE

JANUARY 17, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
JANUARY 18, 1989	FIRST READING.
JANUARY 26, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 27, 1989	PRINTING REPORT.
JANUARY 28, 1989	SECOND READING, DO PASS AS AMENDED.
JANUARY 30, 1989	ENGROSSING REPORT.
JANUARY 31, 1989	THIRD READING, PASSED. AYES, 95; NOES, 2.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 2, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 13, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 14, 1989	SECOND READING, CONCURRED IN.
MARCH 16, 1989	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 17, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 251  
 2 INTRODUCED BY Gregory C. Phillips  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE REAL  
 5 ESTATE DESCRIPTION REQUISITE OF A UNIFORM COMMERCIAL CODE  
 6 FINANCING STATEMENT COVERING FARM PRODUCTS; AMENDING SECTION  
 7 30-9-402, MCA; AND PROVIDING AN APPLICABILITY DATE."  
 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 30-9-402, MCA, is amended to read:  
 11 "30-9-402. Formal requisites of financing statement --  
 12 amendments -- mortgage as financing statement. (1) A  
 13 financing statement is sufficient if it gives the names of  
 14 the debtor and the secured party, is signed by the debtor,  
 15 gives an address of the secured party from which information  
 16 concerning the security interest may be obtained, gives a  
 17 mailing address and the county of residence of the debtor,  
 18 and contains a statement indicating the types or describing  
 19 the items of collateral. A financing statement may be filed  
 20 before a security agreement is made or a security interest  
 21 otherwise attaches. ~~Except--for--financing--statements--filed~~  
 22 ~~pursuant--to--30-9-409--when--the--financing--statement--covers~~  
 23 ~~crops--growing--or--to--be--grown--the--statement--must--also~~  
 24 ~~contain--a--description--of--the--real--estate--concerned--When~~ If  
 25 the financing statement covers timber to be cut, ~~or--covers~~

1 minerals or the like (including oil and gas) or accounts  
 2 subject to 30-9-103(5), or farm products or ~~when if~~ the  
 3 financing statement is filed as a fixture filing (30-9-313)  
 4 and the collateral is goods which are or are to become  
 5 fixtures, the statement must also comply with subsection  
 6 (5). A copy of the security agreement is sufficient as a  
 7 financing statement if it contains the above information and  
 8 is signed by the debtor.

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

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

19 (b) proceeds under 30-9-306 if the security interest  
 20 in the original collateral was perfected. Such a financing  
 21 statement must describe the original collateral.

22 (c) collateral as to which the filing has lapsed; or  
 23 (d) collateral acquired after a change of name,  
 24 identity, or corporate structure of the debtor (subsection  
 25 (7)).

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

Name of debtor (or assignor) .....

Address .....

County of residence .....

Name of secured party (or assignee) .....

Address .....

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

(Describe) .....

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

(Describe Real Estate) .....

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

(Describe Real Estate) .....

and this financing statement is to be filed in the real estate record. (If the debtor does not have an interest or record) The name of a record owner is .....

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

(Use whichever Signature of Debtor (or Assignor) .....

is applicable) Signature of Secured Party (or Assignee) .

(4) A financing statement may be amended by filing a writing signed by both the debtor and the secured party. An

amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this chapter, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.

(5) (a) A financing statement covering timber to be cut or covering minerals or the like (including oil and gas) or accounts subject to 30-9-103(5), or a financing statement filed as a fixture filing (30-9-313) when the debtor is not a transmitting utility, must show that it covers this type of collateral, must recite that it is to be filed in the real estate records, and the financing statement must contain a description of the real estate sufficient if it were contained in a mortgage of the real estate to give constructive notice of the mortgage under the law of this state. If the debtor does not have an interest of record in the real estate, the financing statement must show the name of a record owner.

(b) A financing statement covering farm products must contain a reasonable description of the real estate upon which the farm products are produced or located. A legal description of the real estate is not required; a statement naming the county or counties in which the farm products are produced or located is sufficient to satisfy this subsection

1 (b).

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

5 (i) the goods are described in the mortgage by item or  
6 type;

7 (ii) the goods are or are to become fixtures related to  
8 the real estate described in the mortgage;

9 (iii) the mortgage complies with the requirements for a  
10 financing statement in this section other than a recital  
11 that it is to be filed in the real estate records; and

12 (iv) the mortgage is duly recorded.

13 (b) No fee with reference to the financing statement  
14 is required other than the regular recording and  
15 satisfaction fees with respect to the mortgage.

16 (7) A financing statement sufficiently shows the name  
17 of the debtor if it gives the individual, partnership, or  
18 corporate name of the debtor, whether or not it adds other  
19 trade names or the names of partners. If the debtor so  
20 changes his name or in the case of an organization its name,  
21 identity, or corporate structure that a filed financing  
22 statement becomes seriously misleading, the filing is not  
23 effective to perfect a security interest in collateral  
24 acquired by the debtor more than 4 months after the change  
25 unless a new appropriate financing statement is filed before

1 the expiration of that time. A filed financing statement  
2 remains effective with respect to collateral transferred by  
3 the debtor even though the secured party knows of or  
4 consents to the transfer.

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

8 NEW SECTION. **Section 2. Extension of authority.** Any  
9 existing authority to make rules on the subject of the  
10 provisions of [this act] is extended to the provisions of  
11 [this act].

12 NEW SECTION. **Section 3. Applicability.** [This act]  
13 applies to financing statements filed after September 30,  
14 1989.

-End-

APPROVED BY COMM. ON BUSINESS  
AND ECONOMIC DEVELOPMENT

1 HOUSE BILL NO. 251  
2 INTRODUCED BY Gregory C. [Signature]  
3 Gregory C. [Signature]  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE REAL  
5 ESTATE DESCRIPTION REQUISITE OF A UNIFORM COMMERCIAL CODE  
6 FINANCING STATEMENT COVERING FARM PRODUCTS; AMENDING SECTION  
7 30-9-402, MCA; AND PROVIDING AN APPLICABILITY DATE."  
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 30-9-402, MCA, is amended to read:

11 "30-9-402. Formal requisites of financing statement --  
12 amendments -- mortgage as financing statement. (1) A  
13 financing statement is sufficient if it gives the names of  
14 the debtor and the secured party, is signed by the debtor,  
15 gives an address of the secured party from which information  
16 concerning the security interest may be obtained, gives a  
17 mailing address and the county of residence of the debtor,  
18 and contains a statement indicating the types or describing  
19 the items of collateral. A financing statement may be filed  
20 before a security agreement is made or a security interest  
21 otherwise attaches. ~~Except--for-financing-statements-filed~~  
22 ~~pursuant-to-30-9-409-when--the--financing--statement--covers~~  
23 ~~crops--growing--or--to--be--grown,--the--statement--must--also~~  
24 ~~contain-a-description-of-the-real-estate-concerned.--When~~ If  
25 the financing statement covers timber to be cut, or covers

1 minerals or the like (including oil and gas) or accounts  
2 subject to 30-9-103(5), or farm products or when if the  
3 financing statement is filed as a fixture filing (30-9-313)  
4 and the collateral is goods which are or are to become  
5 fixtures, the statement must also comply with subsection  
6 (5). A copy of the security agreement is sufficient as a  
7 financing statement if it contains the above information and  
8 is signed by the debtor.

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

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

19 (b) proceeds under 30-9-306 if the security interest  
20 in the original collateral was perfected. Such a financing  
21 statement must describe the original collateral.

22 (c) collateral as to which the filing has lapsed; or

23 (d) collateral acquired after a change of name,  
24 identity, or corporate structure of the debtor (subsection  
25 (7)).

1 (3) A form substantially as follows is sufficient to  
 2 comply with subsection (1):  
 3 Name of debtor (or assignor) .....  
 4 Address .....  
 5 County of residence .....  
 6 Name of secured party (or assignee) .....  
 7 Address .....  
 8 1. This financing statement covers the following types  
 9 (or items) of property:  
 10 (Describe) .....  
 11 2. (If collateral is crops) The above described crops  
 12 are growing or are to be grown on:  
 13 (Describe Real Estate) .....  
 14 3. (If applicable) The above goods are to become  
 15 fixtures on:  
 16 (Describe Real Estate) .....  
 17 and this financing statement is to be filed in the real  
 18 estate record. (If the debtor does not have an interest or  
 19 record) The name of a record owner is .....  
 20 4. (If products of collateral are claimed) Products of  
 21 the collateral are also covered.  
 22 (Use whichever Signature of Debtor (or Assignor) .....  
 23 is applicable) Signature of Secured Party (or Assignee) .  
 24 (4) A financing statement may be amended by filing a  
 25 writing signed by both the debtor and the secured party. An

1 amendment does not extend the period of effectiveness of a  
 2 financing statement. If any amendment adds collateral, it is  
 3 effective as to the added collateral only from the filing  
 4 date of the amendment. In this chapter, unless the context  
 5 otherwise requires, the term "financing statement" means the  
 6 original financing statement and any amendments.

7 (5) (a) A financing statement covering timber to be  
 8 cut or covering minerals or the like (including oil and gas)  
 9 or accounts subject to 30-9-103(5), or a financing statement  
 10 filed as a fixture filing (30-9-313) when the debtor is not  
 11 a transmitting utility, must show that it covers this type  
 12 of collateral, must recite that it is to be filed in the  
 13 real estate records, and the financing statement must  
 14 contain a description of the real estate sufficient if it  
 15 were contained in a mortgage of the real estate to give  
 16 constructive notice of the mortgage under the law of this  
 17 state. If the debtor does not have an interest of record in  
 18 the real estate, the financing statement must show the name  
 19 of a record owner.

20 (b) A financing statement covering farm products must  
 21 contain a reasonable description of the real estate upon  
 22 which the farm products are produced or located. A legal  
 23 description of the real estate is not required; a statement  
 24 naming the county or counties in which the farm products are  
 25 produced or located is sufficient to satisfy this subsection

1 (b).

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

5 (i) the goods are described in the mortgage by item or  
6 type;

7 (ii) the goods are or are to become fixtures related to  
8 the real estate described in the mortgage;

9 (iii) the mortgage complies with the requirements for a  
10 financing statement in this section other than a recital  
11 that it is to be filed in the real estate records; and

12 (iv) the mortgage is duly recorded.

13 (b) No fee with reference to the financing statement  
14 is required other than the regular recording and  
15 satisfaction fees with respect to the mortgage.

16 (7) A financing statement sufficiently shows the name  
17 of the debtor if it gives the individual, partnership, or  
18 corporate name of the debtor, whether or not it adds other  
19 trade names or the names of partners. If the debtor so  
20 changes his name or in the case of an organization its name,  
21 identity, or corporate structure that a filed financing  
22 statement becomes seriously misleading, the filing is not  
23 effective to perfect a security interest in collateral  
24 acquired by the debtor more than 4 months after the change  
25 unless a new appropriate financing statement is filed before

1 the expiration of that time. A filed financing statement  
2 remains effective with respect to collateral transferred by  
3 the debtor even though the secured party knows of or  
4 consents to the transfer.

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

8 NEW SECTION. **Section 2. Extension of authority.** Any  
9 existing authority to make rules on the subject of the  
10 provisions of [this act] is extended to the provisions of  
11 [this act].

12 NEW SECTION. **Section 3. Applicability.** [This act]  
13 applies to financing statements filed after September 30,  
14 1989.

-End-



## 1 HOUSE BILL NO. 251

2 INTRODUCED BY SWYSGOOD, GRADY, CAMPBELL

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE REAL  
5 ESTATE DESCRIPTION REQUISITE OF A UNIFORM COMMERCIAL CODE  
6 FINANCING STATEMENT COVERING FARM PRODUCTS; AMENDING SECTION  
7 SECTIONS 30-9-109 AND 30-9-402, MCA; AND PROVIDING AN  
8 APPLICABILITY DATE."

9  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:11 SECTION 1. SECTION 30-9-109, MCA, IS AMENDED TO READ:

12 "30-9-109. Classification of goods -- "consumer goods"

13 -- "equipment" -- "farm products" -- "inventory". Goods are:

14 (1) "consumer goods" if they are used or bought for  
15 use primarily for personal, family or household purposes;16 (2) "equipment" if they are used or bought for use  
17 primarily in business (including farming or a profession) or  
18 by a debtor who is a nonprofit organization or a  
19 governmental subdivision or agency or if the goods are not  
20 included in the definitions of inventory, farm products or  
21 consumer goods;22 (3) "farm products" if they are crops or livestock or  
23 supplies used or produced in farming operations or if they  
24 are products of crops or livestock in their unmanufactured  
25 states (such as ginned cotton, wool clip, maple syrup, milk

1 and eggs), including crops growing or to be grown, and if  
2 they are in the possession of a debtor engaged in raising,  
3 fattening, grazing or other farming operations. If goods are  
4 farm products they are neither equipment nor inventory;

5 (4) "inventory" if they are held by a person who holds  
6 them for sale or lease or to be furnished under contracts of  
7 service or if he has so furnished them, or if they are raw  
8 materials, work in process or materials used or consumed in  
9 a business. Inventory of a person is not to be classified as  
10 his equipment."

11 Section 2. Section 30-9-402, MCA, is amended to read:

12 "30-9-402. Formal requisites of financing statement --  
13 amendments -- mortgage as financing statement. (1) A  
14 financing statement is sufficient if it gives the names of  
15 the debtor and the secured party, is signed by the debtor,  
16 gives an address of the secured party from which information  
17 concerning the security interest may be obtained, gives a  
18 mailing address and the county of residence of the debtor,  
19 and contains a statement indicating the types or describing  
20 the items of collateral. A financing statement may be filed  
21 before a security agreement is made or a security interest  
22 otherwise attaches. ~~Except-for--financing--statements--filed~~  
23 ~~pursuant--to--30-9-409--when--the--financing--statement--covers~~  
24 ~~crops-growing-or--to--be--grown--the--statement--must--also~~  
25 ~~contain--a-description-of-the-real-estate-concerned.--When If~~

the financing statement covers timber to be cut, ~~or--covers~~ minerals or the like (including oil and gas) or accounts subject to 30-9-103(5), or farm products or when if the financing statement is filed as a fixture filing (30-9-313) and the collateral is goods which are or are to become fixtures, the statement must also comply with subsection (5). A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by the debtor.

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

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

(b) proceeds under 30-9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral.

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

(d) collateral acquired after a change of name, identity, or corporate structure of the debtor (subsection

(7)).

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

Name of debtor (or assignor) .....

Address .....

County of residence .....

Name of secured party (or assignee) .....

Address .....

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

(Describe) .....

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

(Describe Real Estate) .....

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

(Describe Real Estate) .....

and this financing statement is to be filed in the real estate record. (If the debtor does not have an interest or record) The name of a record owner is .....

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

(Use whichever Signature of Debtor (or Assignor) ..... is applicable) Signature of Secured Party (or Assignee) .

(4) A financing statement may be amended by filing a

1 writing signed by both the debtor and the secured party. An  
 2 amendment does not extend the period of effectiveness of a  
 3 financing statement. If any amendment adds collateral, it is  
 4 effective as to the added collateral only from the filing  
 5 date of the amendment. In this chapter, unless the context  
 6 otherwise requires, the term "financing statement" means the  
 7 original financing statement and any amendments.

8 (5) (a) A financing statement covering timber to be  
 9 cut or covering minerals or the like (including oil and gas)  
 10 or accounts subject to 30-9-103(5), or a financing statement  
 11 filed as a fixture filing (30-9-313) when the debtor is not  
 12 a transmitting utility, must show that it covers this type  
 13 of collateral, must recite that it is to be filed in the  
 14 real estate records, and the financing statement must  
 15 contain a description of the real estate sufficient if it  
 16 were contained in a mortgage of the real estate to give  
 17 constructive notice of the mortgage under the law of this  
 18 state. If the debtor does not have an interest of record in  
 19 the real estate, the financing statement must show the name  
 20 of a record owner.

21 (b) A financing statement covering farm products must  
 22 contain a reasonable description of the real estate upon  
 23 which the farm products are produced or located. A legal  
 24 description of the real estate is not required; a statement  
 25 naming the county or counties in which the farm products are

1 produced or located is sufficient to satisfy this subsection  
 2 (b).

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

6 (i) the goods are described in the mortgage by item or  
 7 type;

8 (ii) the goods are or are to become fixtures related to  
 9 the real estate described in the mortgage;

10 (iii) the mortgage complies with the requirements for a  
 11 financing statement in this section other than a recital  
 12 that it is to be filed in the real estate records; and

13 (iv) the mortgage is duly recorded.

14 (b) No fee with reference to the financing statement  
 15 is required other than the regular recording and  
 16 satisfaction fees with respect to the mortgage.

17 (7) A financing statement sufficiently shows the name  
 18 of the debtor if it gives the individual, partnership, or  
 19 corporate name of the debtor, whether or not it adds other  
 20 trade names or the names of partners. If the debtor so  
 21 changes his name or in the case of an organization its name,  
 22 identity, or corporate structure that a filed financing  
 23 statement becomes seriously misleading, the filing is not  
 24 effective to perfect a security interest in collateral  
 25 acquired by the debtor more than 4 months after the change

1 unless a new appropriate financing statement is filed before  
2 the expiration of that time. A filed financing statement  
3 remains effective with respect to collateral transferred by  
4 the debtor even though the secured party knows of or  
5 consents to the transfer.

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

9 NEW SECTION. Section 3. Extension of authority. Any  
10 existing authority to make rules on the subject of the  
11 provisions of [this act] is extended to the provisions of  
12 [this act].

13 NEW SECTION. Section 4. Applicability. [This act]  
14 applies to financing statements filed after September 30,  
15 1989.

-End-

## HOUSE BILL NO. 251

INTRODUCED BY SWYSGOOD, GRADY, CAMPBELL

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE REAL ESTATE DESCRIPTION REQUISITE OF A UNIFORM COMMERCIAL CODE FINANCING STATEMENT COVERING FARM PRODUCTS; AMENDING SECTION SECTIONS 30-9-109 AND 30-9-402, MCA; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**SECTION 1. SECTION 30-9-109, MCA, IS AMENDED TO READ:****"30-9-109. Classification of goods -- "consumer goods"****-- "equipment" -- "farm products" -- "inventory". Goods are:**

(1) "consumer goods" if they are used or bought for use primarily for personal, family or household purposes;

(2) "equipment" if they are used or bought for use primarily in business (including farming or a profession) or by a debtor who is a nonprofit organization or a governmental subdivision or agency or if the goods are not included in the definitions of inventory, farm products or consumer goods;

(3) "farm products" if they are crops or livestock or supplies used or produced in farming operations or if they are products of crops or livestock in their unmanufactured states (such as ginned cotton, wool clip, maple syrup, milk

and eggs), including crops growing or to be grown, and if they are in the possession of a debtor engaged in raising, fattening, grazing or other farming operations. If goods are farm products they are neither equipment nor inventory;

(4) "inventory" if they are held by a person who holds them for sale or lease or to be furnished under contracts of service or if he has so furnished them, or if they are raw materials, work in process or materials used or consumed in a business. Inventory of a person is not to be classified as his equipment."

**Section 2. Section 30-9-402, MCA, is amended to read:**

**"30-9-402. Formal requisites of financing statement -- amendments -- mortgage as financing statement. (1)** A financing statement is sufficient if it gives the names of the debtor and the secured party, is signed by the debtor, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address and the county of residence of the debtor, and contains a statement indicating the types or describing the items of collateral. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. ~~Except for financing statements filed pursuant to 30-9-409 when the financing statement covers crops growing or to be grown, the statement must also contain a description of the real estate concerned. When if~~

the financing statement covers timber to be cut, or--covers minerals or the like (including oil and gas) or accounts subject to 30-9-103(5), or farm products or when if the financing statement is filed as a fixture filing (30-9-313) and the collateral is goods which are or are to become fixtures, the statement must also comply with subsection (5). A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by the debtor.

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

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

(b) proceeds under 30-9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral.

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

(d) collateral acquired after a change of name, identity, or corporate structure of the debtor (subsection

(7)).

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

Name of debtor (or assignor) .....

Address .....

County of residence .....

Name of secured party (or assignee) .....

Address .....

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

(Describe) .....

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

(Describe Real Estate) .....

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

(Describe Real Estate) .....

and this financing statement is to be filed in the real estate record. (If the debtor does not have an interest or record) The name of a record owner is .....

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

(Use whichever Signature of Debtor (or Assignor) .....

is applicable) Signature of Secured Party (or Assignee) .

(4) A financing statement may be amended by filing a

writing signed by both the debtor and the secured party. An amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this chapter, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.

(5) (a) A financing statement covering timber to be cut or covering minerals or the like (including oil and gas) or accounts subject to 30-9-103(5), or a financing statement filed as a fixture filing (30-9-313) when the debtor is not a transmitting utility, must show that it covers this type of collateral, must recite that it is to be filed in the real estate records, and the financing statement must contain a description of the real estate sufficient if it were contained in a mortgage of the real estate to give constructive notice of the mortgage under the law of this state. If the debtor does not have an interest of record in the real estate, the financing statement must show the name of a record owner.

(b) A financing statement covering farm products must contain a reasonable description of the real estate upon which the farm products are produced or located. A legal description of the real estate is not required; a statement naming the county or counties in which the farm products are

produced or located is sufficient to satisfy this subsection (b).

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

(i) the goods are described in the mortgage by item or type;

(ii) the goods are or are to become fixtures related to the real estate described in the mortgage;

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

(iv) the mortgage is duly recorded.

(b) No fee with reference to the financing statement is required other than the regular recording and satisfaction fees with respect to the mortgage.

(7) A financing statement sufficiently shows the name of the debtor if it gives the individual, partnership, or corporate name of the debtor, whether or not it adds other trade names or the names of partners. If the debtor so changes his name or in the case of an organization its name, identity, or corporate structure that a filed financing statement becomes seriously misleading, the filing is not effective to perfect a security interest in collateral acquired by the debtor more than 4 months after the change

1 unless a new appropriate financing statement is filed before  
2 the expiration of that time. A filed financing statement  
3 remains effective with respect to collateral transferred by  
4 the debtor even though the secured party knows of or  
5 consents to the transfer.

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

9 NEW SECTION. Section 3. Extension of authority. Any  
10 existing authority to make rules on the subject of the  
11 provisions of [this act] is extended to the provisions of  
12 [this act].

13 NEW SECTION. Section 4. Applicability. [This act] '  
14 applies to financing statements filed after September 30,  
15 1989.

-End-