

LEGISLATURE OF NEBRASKA
 ONE HUNDRED SECOND LEGISLATURE
 FIRST SESSION
LEGISLATIVE BILL 90

Final Reading

Introduced by Harr, 8.

Read first time January 06, 2011

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to secured transactions; to amend sections 9-105,
 2 9-304, 9-307, 9-309, 9-316, 9-326, 9-406, 9-408, 9-502,
 3 9-503, 9-507, 9-515, 9-518, and 9-607, Uniform Commercial
 4 Code, Reissue Revised Statutes of Nebraska, and sections
 5 2A-103, 9-102, 9-311, 9-317, 9-506, and 9-516, Uniform
 6 Commercial Code, Revised Statutes Cumulative Supplement,
 7 2010; to update uniform laws and change provisions
 8 relating to financing statements; to harmonize
 9 provisions; to provide an operative date; to repeal the
 10 original sections; and to outright repeal section 9-521,
 11 Uniform Commercial Code, Reissue Revised Statutes of
 12 Nebraska.

13 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2A-103, Uniform Commercial Code,
2 Revised Statutes Cumulative Supplement, 2010, is amended to read:

3 2A-103 Definitions and index of definitions.

4 (1) In this article unless the context otherwise
5 requires:

6 (a) "Buyer in ordinary course of business" means a person
7 who in good faith and without knowledge that the sale to him or her
8 is in violation of the ownership rights or security interest or
9 leasehold interest of a third party in the goods, buys in ordinary
10 course from a person in the business of selling goods of that kind
11 but does not include a pawnbroker. "Buying" may be for cash or by
12 exchange of other property or on secured or unsecured credit and
13 includes acquiring goods or documents of title under a preexisting
14 contract for sale but does not include a transfer in bulk or as
15 security for or in total or partial satisfaction of a money debt.

16 (b) "Cancellation" occurs when either party puts an end
17 to the lease contract for default by the other party.

18 (c) "Commercial unit" means such a unit of goods as by
19 commercial usage is a single whole for purposes of lease and division
20 of which materially impairs its character or value on the market or
21 in use. A commercial unit may be a single article, as a machine, or a
22 set of articles, as a suite of furniture or a line of machinery, or a
23 quantity, as a gross or carload, or any other unit treated in use or
24 in the relevant market as a single whole.

25 (d) "Conforming" goods or performance under a lease

1 contract means goods or performance that are in accordance with the
2 obligations under the lease contract.

3 (e) "Consumer lease" means a lease that a lessor
4 regularly engaged in the business of leasing or selling makes to a
5 lessee who is an individual and who takes under the lease primarily
6 for a personal, family, or household purpose, if the total payments
7 to be made under the lease contract, excluding payments for options
8 to renew or buy, do not exceed twenty-five thousand dollars.

9 (f) "Fault" means wrongful act, omission, breach, or
10 default.

11 (g) "Finance lease" means a lease with respect to which:

12 (i) the lessor does not select, manufacture, or supply
13 the goods;

14 (ii) the lessor acquires the goods or the right to
15 possession and use of the goods in connection with the lease; and

16 (iii) one of the following occurs:

17 (A) the lessee receives a copy of the contract by which
18 the lessor acquired the goods or the right to possession and use of
19 the goods before signing the lease contract;

20 (B) the lessee's approval of the contract by which the
21 lessor acquired the goods or the right to possession and use of the
22 goods is a condition to effectiveness of the lease contract;

23 (C) the lessee, before signing the lease contract,
24 receives an accurate and complete statement designating the promises
25 and warranties, and any disclaimers of warranties, limitations or

1 modifications of remedies, or liquidated damages, including those of
2 a third party, such as the manufacturer of the goods, provided to the
3 lessor by the person supplying the goods in connection with or as
4 part of the contract by which the lessor acquired the goods or the
5 right to possession and use of the goods; or

6 (D) if the lease is not a consumer lease, the lessor,
7 before the lessee signs the lease contract, informs the lessee in
8 writing (a) of the identity of the person supplying the goods to the
9 lessor, unless the lessee has selected that person and directed the
10 lessor to acquire the goods or the right to possession and use of the
11 goods from that person, (b) that the lessee is entitled under this
12 article to the promises and warranties, including those of any third
13 party, provided to the lessor by the person supplying the goods in
14 connection with or as part of the contract by which the lessor
15 acquired the goods or the right to possession and use of the goods,
16 and (c) that the lessee may communicate with the person supplying the
17 goods to the lessor and receive an accurate and complete statement of
18 those promises and warranties, including any disclaimers and
19 limitations of them or of remedies.

20 (h) "Goods" means all things that are movable at the time
21 of identification to the lease contract, or are fixtures (section
22 2A-309), but the term does not include money, documents, instruments,
23 accounts, chattel paper, general intangibles, or minerals or the
24 like, including oil and gas, before extraction. The term also
25 includes the unborn young of animals.

1 (i) "Installment lease contract" means a lease contract
2 that authorizes or requires the delivery of goods in separate lots to
3 be separately accepted, even though the lease contract contains a
4 clause "each delivery is a separate lease" or its equivalent.

5 (j) "Lease" means a transfer of the right to possession
6 and use of goods for a term in return for consideration, but a sale,
7 including a sale on approval or a sale or return, or retention or
8 creation of a security interest is not a lease. Unless the context
9 clearly indicates otherwise, the term includes a sublease.

10 (k) "Lease agreement" means the bargain, with respect to
11 the lease, of the lessor and the lessee in fact as found in their
12 language or by implication from other circumstances including course
13 of dealing or usage of trade or course of performance as provided in
14 this article. Unless the context clearly indicates otherwise, the
15 term includes a sublease agreement.

16 (l) "Lease contract" means the total legal obligation
17 that results from the lease agreement as affected by this article and
18 any other applicable rules of law. Unless the context clearly
19 indicates otherwise, the term includes a sublease contract.

20 (m) "Leasehold interest" means the interest of the lessor
21 or the lessee under a lease contract.

22 (n) "Lessee" means a person who acquires the right to
23 possession and use of goods under a lease. Unless the context clearly
24 indicates otherwise, the term includes a sublessee.

25 (o) "Lessee in ordinary course of business" means a

1 person who in good faith and without knowledge that the lease to him
2 or her is in violation of the ownership rights or security interest
3 or leasehold interest of a third party in the goods leases in
4 ordinary course from a person in the business of selling or leasing
5 goods of that kind but does not include a pawnbroker. "Leasing" may
6 be for cash or by exchange of other property or on secured or
7 unsecured credit and includes acquiring goods or documents of title
8 under a preexisting lease contract but does not include a transfer in
9 bulk or as security for or in total or partial satisfaction of a
10 money debt.

11 (p) "Lessor" means a person who transfers the right to
12 possession and use of goods under a lease. Unless the context clearly
13 indicates otherwise, the term includes a sublessor.

14 (q) "Lessor's residual interest" means the lessor's
15 interest in the goods after expiration, termination, or cancellation
16 of the lease contract.

17 (r) "Lien" means a charge against or interest in goods to
18 secure payment of a debt or performance of an obligation, but the
19 term does not include a security interest.

20 (s) "Lot" means a parcel or a single article that is the
21 subject matter of a separate lease or delivery, whether or not it is
22 sufficient to perform the lease contract.

23 (t) "Merchant lessee" means a lessee that is a merchant
24 with respect to goods of the kind subject to the lease.

25 (u) "Present value" means the amount as of a date certain

1 of one or more sums payable in the future, discounted to the date
2 certain. The discount is determined by the interest rate specified by
3 the parties if the rate was not manifestly unreasonable at the time
4 the transaction was entered into; otherwise, the discount is
5 determined by a commercially reasonable rate that takes into account
6 the facts and circumstances of each case at the time the transaction
7 was entered into.

8 (v) "Purchase" includes taking by sale, lease, mortgage,
9 security interest, pledge, gift, or any other voluntary transaction
10 creating an interest in goods.

11 (w) "Sublease" means a lease of goods the right to
12 possession and use of which was acquired by the lessor as a lessee
13 under an existing lease.

14 (x) "Supplier" means a person from whom a lessor buys or
15 leases goods to be leased under a finance lease.

16 (y) "Supply contract" means a contract under which a
17 lessor buys or leases goods to be leased.

18 (z) "Termination" occurs when either party pursuant to a
19 power created by agreement or law puts an end to the lease contract
20 otherwise than for default.

21 (2) Other definitions applying to this article and the
22 sections in which they appear are:

23 "Accessions". Section 2A-310(1).

24 "Construction mortgage". Section 2A-309(1)(d).

25 "Encumbrance". Section 2A-309(1)(e).

1	"Fixtures".	Section 2A-309(1)(a).
2	"Fixture filing".	Section 2A-309(1)(b).
3	"Purchase money lease".	Section 2A-309(1)(c).
4	(3) The following definitions in other articles apply to	
5	this article:	
6	"Account".	Section 9-102(a)(2).
7	"Between merchants".	Section 2-104(3).
8	"Buyer".	Section 2-103(1)(a).
9	"Chattel paper".	Section 9-102(a)(11).
10	"Consumer goods".	Section 9-102(a)(23).
11	"Document".	Section 9-102(a)(30).
12	"Entrusting".	Section 2-403(3).
13	"General intangible".	Section 9-102(a)(42).
14	"Good faith".	Section 2-103(1)(b).
15	"Instrument".	Section 9-102(a)(47).
16	"Merchant".	Section 2-104(1).
17	"Mortgage".	Section 9-102(a)(55).
18	"Pursuant to commitment".	Section 9-102(a)(68).
19	<u>"Pursuant to commitment".</u>	<u>Section 9-102(a)(69).</u>
20	"Receipt".	Section 2-103(1)(c).
21	"Sale".	Section 2-106(1).
22	"Sale on approval".	Section 2-326.

1 "Sale or return". Section 2-326.

2 "Seller". Section 2-103(1)(d).

3 (4) In addition, article 1 contains general definitions
4 and principles of construction and interpretation applicable
5 throughout this article.

6 Sec. 2. Section 9-102, Uniform Commercial Code, Revised
7 Statutes Cumulative Supplement, 2010, is amended to read:

8 9-102 Definitions and index of definitions.

9 (a) In this article:

10 (1) "Accession" means goods that are physically united
11 with other goods in such a manner that the identity of the original
12 goods is not lost.

13 (2) "Account", except as used in "account for", means a
14 right to payment of a monetary obligation, whether or not earned by
15 performance, (i) for property that has been or is to be sold, leased,
16 licensed, assigned, or otherwise disposed of, (ii) for services
17 rendered or to be rendered, (iii) for a policy of insurance issued or
18 to be issued, (iv) for a secondary obligation incurred or to be
19 incurred, (v) for energy provided or to be provided, (vi) for the use
20 or hire of a vessel under a charter or other contract, (vii) arising
21 out of the use of a credit or charge card or information contained on
22 or for use with the card, or (viii) as winnings in a lottery or other
23 game of chance operated or sponsored by a state, governmental unit of
24 a state, or person licensed or authorized to operate the game by a
25 state or governmental unit of a state. The term includes health-care-

1 insurance receivables. The term does not include (i) rights to
2 payment evidenced by chattel paper or an instrument, (ii) commercial
3 tort claims, (iii) deposit accounts, (iv) investment property, (v)
4 letter-of-credit rights or letters of credit, or (vi) rights to
5 payment for money or funds advanced or sold, other than rights
6 arising out of the use of a credit or charge card or information
7 contained on or for use with the card.

8 (3) "Account debtor" means a person obligated on an
9 account, chattel paper, or general intangible. The term does not
10 include persons obligated to pay a negotiable instrument, even if the
11 instrument constitutes part of chattel paper.

12 (4) "Accounting", except as used in "accounting for",
13 means a record:

14 (A) authenticated by a secured party;

15 (B) indicating the aggregate unpaid secured obligations
16 as of a date not more than thirty-five days earlier or thirty-five
17 days later than the date of the record; and

18 (C) identifying the components of the obligations in
19 reasonable detail.

20 (5) "Agricultural lien" means an interest, ~~other than a~~
21 ~~security interest~~, in farm products:

22 (A) which secures payment or performance of an obligation
23 for:

24 (i) goods or services furnished in connection with a
25 debtor's farming operation; or

1 (ii) rent on real property leased by a debtor in
2 connection with its farming operation;

3 (B) which is created by statute in favor of a person
4 that:

5 (i) in the ordinary course of its business furnished
6 goods or services to a debtor in connection with a debtor's farming
7 operation; or

8 (ii) leased real property to a debtor in connection with
9 the debtor's farming operation; and

10 (C) whose effectiveness does not depend on the person's
11 possession of the personal property.

12 The term also includes every lien created under sections
13 52-202, 52-501, 52-701, 52-901, 52-1101, 52-1201, 54-201, and 54-208,
14 Reissue Revised Statutes of Nebraska, and Chapter 52, article 14,
15 Reissue Revised Statutes of Nebraska.

16 (6) "As-extracted collateral" means:

17 (A) oil, gas, or other minerals that are subject to a
18 security interest that:

19 (i) is created by a debtor having an interest in the
20 minerals before extraction; and

21 (ii) attaches to the minerals as extracted; or

22 (B) accounts arising out of the sale at the wellhead or
23 minehead of oil, gas, or other minerals in which the debtor had an
24 interest before extraction.

25 (7) "Authenticate" means:

1 (A) to sign; or

2 ~~(B) to execute or otherwise adopt a symbol, or encrypt or~~
3 ~~similarly process a record in whole or in part, with the present~~
4 ~~intent of the authenticating person to identify the person and adopt~~
5 ~~or accept a record.~~

6 (B) with present intent to adopt or accept a record, to
7 attach to or logically associate with the record an electronic sound,
8 symbol, or process.

9 (8) "Bank" means an organization that is engaged in the
10 business of banking. The term includes savings banks, savings and
11 loan associations, credit unions, and trust companies.

12 (9) "Cash proceeds" means proceeds that are money,
13 checks, deposit accounts, or the like.

14 (10) "Certificate of title" means a certificate of title
15 with respect to which a statute provides for the security interest in
16 question to be indicated on the certificate as a condition or result
17 of the security interest's obtaining priority over the rights of a
18 lien creditor with respect to the collateral. The term includes
19 another record maintained as an alternative to a certificate of title
20 by the governmental unit that issues certificates of title if a
21 statute permits the security interest in question to be indicated on
22 the record as a condition or result of the security interest's
23 obtaining priority over the rights of a lien creditor with respect to
24 the collateral.

25 (11) "Chattel paper" means a record or records that

1 evidence both a monetary obligation and a security interest in
2 specific goods, a security interest in specific goods and software
3 used in the goods, a security interest in specific goods and license
4 of software used in the goods, a lease of specific goods, or a lease
5 of specific goods and license of software used in the goods. In this
6 subdivision, "monetary obligation" means a monetary obligation
7 secured by the goods or owed under a lease of the goods and includes
8 a monetary obligation with respect to software used in the goods. The
9 term does not include (i) charters or other contracts involving the
10 use or hire of a vessel or (ii) records that evidence a right to
11 payment arising out of the use of a credit or charge card or
12 information contained on or for use with the card. If a transaction
13 is evidenced by records that include an instrument or series of
14 instruments, the group of records taken together constitutes chattel
15 paper.

16 (12) "Collateral" means the property subject to a
17 security interest or agricultural lien. The term includes:

- 18 (A) proceeds to which a security interest attaches;
19 (B) accounts, chattel paper, payment intangibles, and
20 promissory notes that have been sold; and
21 (C) goods that are the subject of a consignment.

22 (13) "Commercial tort claim" means a claim arising in
23 tort with respect to which:

- 24 (A) the claimant is an organization; or
25 (B) the claimant is an individual and the claim:

1 (i) arose in the course of the claimant's business or
2 profession; and

3 (ii) does not include damages arising out of personal
4 injury to or the death of an individual.

5 (14) "Commodity account" means an account maintained by a
6 commodity intermediary in which a commodity contract is carried for a
7 commodity customer.

8 (15) "Commodity contract" means a commodity futures
9 contract, an option on a commodity futures contract, a commodity
10 option, or another contract if the contract or option is:

11 (A) traded on or subject to the rules of a board of trade
12 that has been designated as a contract market for such a contract
13 pursuant to federal commodities laws; or

14 (B) traded on a foreign commodity board of trade,
15 exchange, or market, and is carried on the books of a commodity
16 intermediary for a commodity customer.

17 (16) "Commodity customer" means a person for which a
18 commodity intermediary carries a commodity contract on its books.

19 (17) "Commodity intermediary" means a person that:

20 (A) is registered as a futures commission merchant under
21 federal commodities law; or

22 (B) in the ordinary course of its business provides
23 clearance or settlement services for a board of trade that has been
24 designated as a contract market pursuant to federal commodities law.

25 (18) "Communicate" means:

- 1 (A) to send a written or other tangible record;
- 2 (B) to transmit a record by any means agreed upon by the
3 persons sending and receiving the record; or
- 4 (C) in the case of transmission of a record to or by a
5 filing office, to transmit a record by any means prescribed by
6 filing-office rule.
- 7 (19) "Consignee" means a merchant to which goods are
8 delivered in a consignment.
- 9 (20) "Consignment" means a transaction, regardless of its
10 form, in which a person delivers goods to a merchant for the purpose
11 of sale and:
- 12 (A) the merchant:
- 13 (i) deals in goods of that kind under a name other than
14 the name of the person making delivery;
- 15 (ii) is not an auctioneer; and
- 16 (iii) is not generally known by its creditors to be
17 substantially engaged in selling the goods of others;
- 18 (B) with respect to each delivery, the aggregate value of
19 the goods is one thousand dollars or more at the time of delivery;
- 20 (C) the goods are not consumer goods immediately before
21 delivery; and
- 22 (D) the transaction does not create a security interest
23 that secures an obligation.
- 24 (21) "Consignor" means a person that delivers goods to a
25 consignee in a consignment.

1 (22) "Consumer debtor" means a debtor in a consumer
2 transaction.

3 (23) "Consumer goods" means goods that are used or bought
4 for use primarily for personal, family, or household purposes.

5 (24) "Consumer-goods transaction" means a consumer
6 transaction in which:

7 (A) an individual incurs an obligation primarily for
8 personal, family, or household purposes; and

9 (B) a security interest in consumer goods secures the
10 obligation.

11 (25) "Consumer obligor" means an obligor who is an
12 individual and who incurred the obligation as part of a transaction
13 entered into primarily for personal, family, or household purposes.

14 (26) "Consumer transaction" means a transaction in which
15 (i) an individual incurs an obligation primarily for personal,
16 family, or household purposes, (ii) a security interest secures the
17 obligation, and (iii) the collateral is held or acquired primarily
18 for personal, family, or household purposes. The term includes
19 consumer-goods transactions.

20 (27) "Continuation statement" means an amendment of a
21 financing statement which:

22 (A) identifies, by its file number, the initial financing
23 statement to which it relates; and

24 (B) indicates that it is a continuation statement for, or
25 that it is filed to continue the effectiveness of, the identified

1 financing statement.

2 (28) "Debtor" means:

3 (A) a person having an interest, other than a security
4 interest or other lien, in the collateral, whether or not the person
5 is an obligor;

6 (B) a seller of accounts, chattel paper, payment
7 intangibles, or promissory notes; or

8 (C) a consignee.

9 (29) "Deposit account" means a demand, time, savings,
10 passbook, or similar account maintained with a bank. The term does
11 not include investment property or accounts evidenced by an
12 instrument.

13 (30) "Document" means a document of title or a receipt of
14 the type described in section 7-201(b).

15 (31) "Electronic chattel paper" means chattel paper
16 evidenced by a record or records consisting of information stored in
17 an electronic medium.

18 (32) "Encumbrance" means a right, other than an ownership
19 interest, in real property. The term includes mortgages and other
20 liens on real property.

21 (33) "Equipment" means goods other than inventory, farm
22 products, or consumer goods.

23 (34) "Farm products" means goods, other than standing
24 timber, with respect to which the debtor is engaged in a farming
25 operation and which are:

- 1 (A) crops grown, growing, or to be grown, including:
2 (i) crops produced on trees, vines, and bushes; and
3 (ii) aquatic goods produced in aquacultural operations;
4 (B) livestock, born or unborn, including aquatic goods
5 produced in aquacultural operations;
6 (C) supplies used or produced in a farming operation; or
7 (D) products of crops or livestock in their
8 unmanufactured states.

9 (35) "Farming operation" means raising, cultivating,
10 propagating, fattening, grazing, or any other farming, livestock, or
11 aquacultural operation.

12 (36) "File number" means the number assigned to an
13 initial financing statement pursuant to section 9-519(a).

14 (37) "Filing office" means an office designated in
15 section 9-501 as the place to file a financing statement.

16 (38) "Filing-office rule" means a rule adopted pursuant
17 to section 9-526.

18 (39) "Financing statement" means a record or records
19 composed of an initial financing statement and any filed record
20 relating to the initial financing statement.

21 (40) "Fixture filing" means the filing of a financing
22 statement covering goods that are or are to become fixtures and
23 satisfying section 9-502(a) and (b). The term includes the filing of
24 a financing statement covering goods of a transmitting utility which
25 are or are to become fixtures.

1 (41) "Fixtures" means goods that have become so related
2 to particular real property that an interest in them arises under
3 real property law.

4 (42) "General intangible" means any personal property,
5 including things in action, other than accounts, chattel paper,
6 commercial tort claims, deposit accounts, documents, goods,
7 instruments, investment property, letter-of-credit rights, letters of
8 credit, money, and oil, gas, or other minerals before extraction. The
9 term includes payment intangibles and software.

10 (43) "Good faith" means honesty in fact and the
11 observance of reasonable commercial standards of fair dealing.

12 (44) "Goods" means all things that are movable when a
13 security interest attaches. The term includes (i) fixtures, (ii)
14 standing timber that is to be cut and removed under a conveyance or
15 contract for sale, (iii) the unborn young of animals, (iv) crops
16 grown, growing, or to be grown, even if the crops are produced on
17 trees, vines, or bushes, and (v) manufactured homes. The term also
18 includes a computer program embedded in goods and any supporting
19 information provided in connection with a transaction relating to the
20 program if (i) the program is associated with the goods in such a
21 manner that it customarily is considered part of the goods, or (ii)
22 by becoming the owner of the goods, a person acquires a right to use
23 the program in connection with the goods. The term does not include a
24 computer program embedded in goods that consist solely of the medium
25 in which the program is embedded. The term also does not include

1 accounts, chattel paper, commercial tort claims, deposit accounts,
2 documents, general intangibles, instruments, investment property,
3 letter-of-credit rights, letters of credit, money, or oil, gas, or
4 other minerals before extraction.

5 (45) "Governmental unit" means a subdivision, agency,
6 department, county, parish, municipality, or other unit of the
7 government of the United States, a state, or a foreign country. The
8 term includes an organization having a separate corporate existence
9 if the organization is eligible to issue debt on which interest is
10 exempt from income taxation under the laws of the United States.

11 (46) "Health-care-insurance receivable" means an interest
12 in or claim under a policy of insurance which is a right to payment
13 of a monetary obligation for health-care goods or services provided
14 or to be provided.

15 (47) "Instrument" means a negotiable instrument or any
16 other writing that evidences a right to the payment of a monetary
17 obligation, is not itself a security agreement or lease, and is of a
18 type that in ordinary course of business is transferred by delivery
19 with any necessary indorsement or assignment including, but not
20 limited to, a writing that would otherwise qualify as a certificate
21 of deposit (defined in section 3-104(j)) but for the fact that the
22 writing contains a limitation on transfer. The term does not include
23 (i) investment property, (ii) letters of credit, or (iii) writings
24 that evidence a right to payment arising out of the use of a credit
25 or charge card or information contained on or for use with the card.

1 (48) "Inventory" means goods, other than farm products,
2 which:

3 (A) are leased by a person as lessor;

4 (B) are held by a person for sale or lease or to be
5 furnished under a contract of service;

6 (C) are furnished by a person under a contract of
7 service; or

8 (D) consist of raw materials, work in process, or
9 materials used or consumed in a business.

10 (49) "Investment property" means a security, whether
11 certificated or uncertificated, security entitlement, securities
12 account, commodity contract, or commodity account.

13 (50) "Jurisdiction of organization", with respect to a
14 registered organization, means the jurisdiction under whose law the
15 organization is formed or organized.

16 (51) "Letter-of-credit right" means a right to payment or
17 performance under a letter of credit, whether or not the beneficiary
18 has demanded or is at the time entitled to demand payment or
19 performance. The term does not include the right of a beneficiary to
20 demand payment or performance under a letter of credit.

21 (52) "Lien creditor" means:

22 (A) a creditor that has acquired a lien on the property
23 involved by attachment, levy, or the like;

24 (B) an assignee for benefit of creditors from the time of
25 assignment;

1 (C) a trustee in bankruptcy from the date of the filing
2 of the petition; or

3 (D) a receiver in equity from the time of appointment.

4 (53) "Manufactured home" means a structure, transportable
5 in one or more sections, which, in the traveling mode, is eight body
6 feet or more in width or forty body feet or more in length, or, when
7 erected on site, is three hundred twenty or more square feet, and
8 which is built on a permanent chassis and designed to be used as a
9 dwelling with or without a permanent foundation when connected to the
10 required utilities, and includes the plumbing, heating, air-
11 conditioning, and electrical systems contained therein. The term
12 includes any structure that meets all of the requirements of this
13 subdivision except the size requirements and with respect to which
14 the manufacturer voluntarily files a certification required by the
15 United States Secretary of Housing and Urban Development and complies
16 with the standards established under Title 42 of the United States
17 Code.

18 (54) "Manufactured-home transaction" means a secured
19 transaction:

20 (A) that creates a purchase-money security interest in a
21 manufactured home, other than a manufactured home held as inventory;
22 or

23 (B) in which a manufactured home, other than a
24 manufactured home held as inventory, is the primary collateral.

25 (55) "Mortgage" means a consensual interest in real

1 property, including fixtures, which secures payment or performance of
2 an obligation.

3 (56) "New debtor" means a person that becomes bound as
4 debtor under section 9-203(d) by a security agreement previously
5 entered into by another person.

6 (57) "New value" means (i) money, (ii) money's worth in
7 property, services, or new credit, or (iii) release by a transferee
8 of an interest in property previously transferred to the transferee.
9 The term does not include an obligation substituted for another
10 obligation.

11 (58) "Noncash proceeds" means proceeds other than cash
12 proceeds.

13 (59) "Obligor" means a person that, with respect to an
14 obligation secured by a security interest in or an agricultural lien
15 on the collateral, (i) owes payment or other performance of the
16 obligation, (ii) has provided property other than the collateral to
17 secure payment or other performance of the obligation, or (iii) is
18 otherwise accountable in whole or in part for payment or other
19 performance of the obligation. The term does not include issuers or
20 nominated persons under a letter of credit.

21 (60) "Original debtor", except as used in section
22 9-310(c), means a person that, as debtor, entered into a security
23 agreement to which a new debtor has become bound under section
24 9-203(d).

25 (61) "Payment intangible" means a general intangible

1 under which the account debtor's principal obligation is a monetary
2 obligation.

3 (62) "Person related to", with respect to an individual,
4 means:

5 (A) the spouse of the individual;

6 (B) a brother, brother-in-law, sister, or sister-in-law
7 of the individual;

8 (C) an ancestor or lineal descendant of the individual or
9 the individual's spouse; or

10 (D) any other relative, by blood or marriage, of the
11 individual or the individual's spouse who shares the same home with
12 the individual.

13 (63) "Person related to", with respect to an
14 organization, means:

15 (A) a person directly or indirectly controlling,
16 controlled by, or under common control with the organization;

17 (B) an officer or director of, or a person performing
18 similar functions with respect to, the organization;

19 (C) an officer or director of, or a person performing
20 similar functions with respect to, a person described in subdivision
21 (A);

22 (D) the spouse of an individual described in subdivision
23 (A), (B), or (C); or

24 (E) an individual who is related by blood or marriage to
25 an individual described in subdivision (A), (B), (C), or (D) and

1 shares the same home with the individual.

2 (64) "Proceeds", except as used in section 9-609(b),
3 means the following property:

4 (A) whatever is acquired upon the sale, lease, license,
5 exchange, or other disposition of collateral;

6 (B) whatever is collected on, or distributed on account
7 of, collateral;

8 (C) rights arising out of collateral;

9 (D) to the extent of the value of collateral, claims
10 arising out of the loss, nonconformity, or interference with the use
11 of, defects or infringement of rights in, or damage to, the
12 collateral; or

13 (E) to the extent of the value of collateral and to the
14 extent payable to the debtor or the secured party, insurance payable
15 by reason of the loss or nonconformity of, defects or infringement of
16 rights in, or damage to, the collateral.

17 (65) "Promissory note" means an instrument that evidences
18 a promise to pay a monetary obligation, does not evidence an order to
19 pay, and does not contain an acknowledgment by a bank that the bank
20 has received for deposit a sum of money or funds.

21 (66) "Proposal" means a record authenticated by a secured
22 party which includes the terms on which the secured party is willing
23 to accept collateral in full or partial satisfaction of the
24 obligation it secures pursuant to sections 9-620, 9-621, and 9-622.

25 (67) "Public-finance transaction" means a secured

1 transaction in connection with which:

2 (A) debt securities are issued;

3 (B) all or a portion of the securities issued have an
4 initial stated maturity of at least twenty years; and

5 (C) the debtor, obligor, secured party, account debtor or
6 other person obligated on collateral, assignor or assignee of a
7 secured obligation, or assignor or assignee of a security interest is
8 a state or a governmental unit of a state.

9 (68) "Public organic record" means a record that is
10 available to the public for inspection and is:

11 (A) a record consisting of the record initially filed
12 with or issued by a state or the United States to form or organize an
13 organization and any record filed with or issued by the state or the
14 United States which amends or restates the initial record;

15 (B) an organic record of a business trust consisting of
16 the record initially filed with a state and any record filed with the
17 state which amends or restates the initial record, if a statute of
18 the state governing business trusts requires that the record be filed
19 with the state; or

20 (C) a record consisting of legislation enacted by the
21 legislature of a state or the Congress of the United States which
22 forms or organizes an organization, any record amending the
23 legislation, and any record filed with or issued by the state or
24 United States which amends or restates the name of the organization.

25 ~~(68)~~-(69) "Pursuant to commitment", with respect to an

1 advance made or other value given by a secured party, means pursuant
2 to the secured party's obligation, whether or not a subsequent event
3 of default or other event not within the secured party's control has
4 relieved or may relieve the secured party from its obligation.

5 ~~(69)~~ (70) "Record", except as used in "for record", "of
6 record", "record or legal title", and "record owner", means
7 information that is inscribed on a tangible medium or which is stored
8 in an electronic or other medium and is retrievable in perceivable
9 form.

10 ~~(70)~~ (71) "Registered organization" means an organization
11 formed or organized solely under the law of a single state or the
12 United States and as to which the state or the United States must
13 maintain a public record showing the organization to have been
14 organized. by the filing of a public organic record with, the
15 issuance of a public organic record by, or the enactment of
16 legislation by the state or the United States. The term includes a
17 business trust that is formed or organized under the law of a single
18 state if a statute of the state governing business trusts requires
19 that the business trust's organic record be filed with the state.

20 ~~(71)~~ (72) "Secondary obligor" means an obligor to the
21 extent that:

22 (A) the obligor's obligation is secondary; or

23 (B) the obligor has a right of recourse with respect to
24 an obligation secured by collateral against the debtor, another
25 obligor, or property of either.

1 ~~(72)~~(73) "Secured party" means:

2 (A) a person in whose favor a security interest is
3 created or provided for under a security agreement, whether or not
4 any obligation to be secured is outstanding;

5 (B) a person that holds an agricultural lien;

6 (C) a consignor;

7 (D) a person to which accounts, chattel paper, payment
8 intangibles, or promissory notes have been sold;

9 (E) a trustee, indenture trustee, agent, collateral
10 agent, or other representative in whose favor a security interest or
11 agricultural lien is created or provided for; or

12 (F) a person that holds a security interest arising under
13 section 2-401, 2-505, 2-711(3), 2A-508(5), 4-210, or 5-118.

14 ~~(73)~~(74) "Security agreement" means an agreement that
15 creates or provides for a security interest.

16 ~~(74)~~(75) "Send", in connection with a record or
17 notification, means:

18 (A) to deposit in the mail, deliver for transmission, or
19 transmit by any other usual means of communication, with postage or
20 cost of transmission provided for, addressed to any address
21 reasonable under the circumstances; or

22 (B) to cause the record or notification to be received
23 within the time that it would have been received if properly sent
24 under subdivision (A).

25 ~~(75)~~(76) "Software" means a computer program and any

1 supporting information provided in connection with a transaction
2 relating to the program. The term does not include a computer program
3 that is included in the definition of goods.

4 ~~(76)~~-(77) "State" means a state of the United States, the
5 District of Columbia, Puerto Rico, the United States Virgin Islands,
6 or any territory or insular possession subject to the jurisdiction of
7 the United States.

8 ~~(77)~~-(78) "Supporting obligation" means a letter-of-
9 credit right or secondary obligation that supports the payment or
10 performance of an account, chattel paper, a document, a general
11 intangible, an instrument, or investment property.

12 ~~(78)~~-(79) "Tangible chattel paper" means chattel paper
13 evidenced by a record or records consisting of information that is
14 inscribed on a tangible medium.

15 ~~(79)~~-(80) "Termination statement" means an amendment of a
16 financing statement which:

17 (A) identifies, by its file number, the initial financing
18 statement to which it relates; and

19 (B) indicates either that it is a termination statement
20 or that the identified financing statement is no longer effective.

21 ~~(80)~~-(81) "Transmitting utility" means a person primarily
22 engaged in the business of:

23 (A) operating a railroad, subway, street railway, or
24 trolley bus;

25 (B) transmitting communications electrically,

1 electromagnetically, or by light;

2 (C) transmitting goods by pipeline or sewer; or

3 (D) transmitting or producing and transmitting
4 electricity, steam, gas, or water.

5 (b) "Control" as provided in section 7-106 and the
6 following definitions in other articles apply to this article:

7 "Applicant".	Section 5-102.
8 "Beneficiary".	Section 5-102.
9 "Broker".	Section 8-102.
10 "Certificated security".	Section 8-102.
11 "Check".	Section 3-104.
12 "Clearing corporation".	Section 8-102.
13 "Contract for sale".	Section 2-106.
14 "Customer".	Section 4-104.
15 "Entitlement holder".	Section 8-102.
16 "Financial asset".	Section 8-102.
17 "Holder in due course".	Section 3-302.
18 "Issuer" (with respect to 19 a letter of credit or 20 letter-of-credit right).	Section 5-102.
21 "Issuer" (with respect to 22 a security).	Section 8-201.

1	"Issuer" (with respect to	
2	documents <u>a document</u> of title).	Section 7-102.
3	"Lease".	Section 2A-103.
4	"Lease agreement".	Section 2A-103.
5	"Lease contract".	Section 2A-103.
6	"Leasehold interest".	Section 2A-103.
7	"Lessee".	Section 2A-103.
8	"Lessee in ordinary course	
9	of business".	Section 2A-103.
10	"Lessor".	Section 2A-103.
11	"Lessor's residual interest".	Section 2A-103.
12	"Letter of credit".	Section 5-102.
13	"Merchant".	Section 2-104.
14	"Negotiable instrument".	Section 3-104.
15	"Nominated person".	Section 5-102.
16	"Note".	Section 3-104.
17	"Proceeds of a letter of credit".	Section 5-114.
18	"Prove".	Section 3-103.
19	"Sale".	Section 2-106.
20	"Securities account".	Section 8-501.
21	"Securities intermediary".	Section 8-102.

1 "Security". Section 8-102.

2 "Security certificate". Section 8-102.

3 "Security entitlement". Section 8-102.

4 "Uncertificated security". Section 8-102.

5 (c) Article 1 contains general definitions and principles
6 of construction and interpretation applicable throughout this
7 article.

8 Sec. 3. Section 9-105, Uniform Commercial Code, Reissue
9 Revised Statutes of Nebraska, is amended to read:

10 9-105 Control of electronic chattel paper.

11 (a) A secured party has control of electronic chattel
12 paper if a system employed for evidencing the transfer of interests
13 in the chattel paper reliably establishes the secured party as the
14 person to which the chattel paper was assigned.

15 (b) A system satisfies subsection (a) if the record or
16 records comprising the chattel paper are created, stored, and
17 assigned in such a manner that:

18 (1) a single authoritative copy of the record or records
19 exists which is unique, identifiable, and, except as otherwise
20 provided in subdivisions (4), (5), and (6), unalterable;

21 (2) the authoritative copy identifies the secured party
22 as the assignee of the record or records;

23 (3) the authoritative copy is communicated to and
24 maintained by the secured party or its designated custodian;

25 (4) copies or ~~revisions~~amendments that add or change an

1 identified assignee of the authoritative copy can be made only with
2 the ~~participation~~ consent of the secured party;

3 (5) each copy of the authoritative copy and any copy of a
4 copy is readily identifiable as a copy that is not the authoritative
5 copy; and

6 (6) any ~~revision~~ amendment of the authoritative copy is
7 readily identifiable as ~~an~~ authorized or unauthorized revision.

8 Sec. 4. Section 9-304, Uniform Commercial Code, Reissue
9 Revised Statutes of Nebraska, is amended to read:

10 9-304 Law governing perfection and priority of security
11 interests in deposit accounts.

12 (a) The local law of a bank's jurisdiction governs
13 perfection, the effect of perfection or nonperfection, and the
14 priority of a security interest in a deposit account maintained with
15 that bank.

16 (b) The following rules determine a bank's jurisdiction
17 for purposes of this part:

18 (1) If an agreement between the bank and ~~the debtor~~ its
19 customer governing the deposit account expressly provides that a
20 particular jurisdiction is the bank's jurisdiction for purposes of
21 this part, this article, or the Uniform Commercial Code, that
22 jurisdiction is the bank's jurisdiction.

23 (2) If subdivision (1) does not apply and an agreement
24 between the bank and its customer governing the deposit account
25 expressly provides that the agreement is governed by the law of a

1 particular jurisdiction, that jurisdiction is the bank's
2 jurisdiction.

3 (3) If neither subdivision (1) nor subdivision (2)
4 applies and an agreement between the bank and its customer governing
5 the deposit account expressly provides that the deposit account is
6 maintained at an office in a particular jurisdiction, that
7 jurisdiction is the bank's jurisdiction.

8 (4) If none of the preceding subdivisions applies, the
9 bank's jurisdiction is the jurisdiction in which the office
10 identified in an account statement as the office serving the
11 customer's account is located.

12 (5) If none of the preceding subdivisions applies, the
13 bank's jurisdiction is the jurisdiction in which the chief executive
14 office of the bank is located.

15 Sec. 5. Section 9-307, Uniform Commercial Code, Reissue
16 Revised Statutes of Nebraska, is amended to read:

17 9-307 Location of debtor.

18 (a) In this section, "place of business" means a place
19 where a debtor conducts its affairs.

20 (b) Except as otherwise provided in this section, the
21 following rules determine a debtor's location:

22 (1) A debtor who is an individual is located at the
23 individual's principal residence.

24 (2) A debtor that is an organization and has only one
25 place of business is located at its place of business.

1 (3) A debtor that is an organization and has more than
2 one place of business is located at its chief executive office.

3 (c) Subsection (b) applies only if a debtor's residence,
4 place of business, or chief executive office, as applicable, is
5 located in a jurisdiction whose law generally requires information
6 concerning the existence of a nonpossessory security interest to be
7 made generally available in a filing, recording, or registration
8 system as a condition or result of the security interest's obtaining
9 priority over the rights of a lien creditor with respect to the
10 collateral. If subsection (b) does not apply, the debtor is located
11 in the District of Columbia.

12 (d) A person that ceases to exist, have a residence, or
13 have a place of business continues to be located in the jurisdiction
14 specified by subsections (b) and (c).

15 (e) A registered organization that is organized under the
16 law of a state is located in that state.

17 (f) Except as otherwise provided in subsection (i), a
18 registered organization that is organized under the law of the United
19 States and a branch or agency of a bank that is not organized under
20 the law of the United States or a state are located:

21 (1) in the state that the law of the United States
22 designates, if the law designates a state of location;

23 (2) in the state that the registered organization,
24 branch, or agency designates, if the law of the United States
25 authorizes the registered organization, branch, or agency to

1 designate its state of location, including by designating its main
2 office, home office, or other comparable office; or

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

5 (g) A registered organization continues to be located in
6 the jurisdiction specified by subsection (e) or (f) notwithstanding:

7 (1) the suspension, revocation, forfeiture, or lapse of
8 the registered organization's status as such in its jurisdiction of
9 organization; or

10 (2) the dissolution, winding up, or cancellation of the
11 existence of the registered organization.

12 (h) The United States is located in the District of
13 Columbia.

14 (i) A branch or agency of a bank that is not organized
15 under the law of the United States or a state is located in the state
16 in which the branch or agency is licensed, if all branches and
17 agencies of the bank are licensed in only one state.

18 (j) A foreign air carrier under the Federal Aviation Act
19 of 1958, as amended, is located at the designated office of the agent
20 upon which service of process may be made on behalf of the carrier.

21 (k) This section applies only for purposes of this part.

22 Sec. 6. Section 9-309, Uniform Commercial Code, Reissue
23 Revised Statutes of Nebraska, is amended to read:

24 9-309 Security interest perfected upon attachment.

25 The following security interests are perfected when they

1 attach:

2 (1) a purchase-money security interest in consumer goods,
3 except as otherwise provided in section 9-311(b) with respect to
4 consumer goods that are subject to a statute, regulation, or treaty
5 described in section 9-311(a);

6 (2) an assignment of accounts or payment intangibles
7 which does not by itself or in conjunction with other assignments to
8 the same assignee transfer a significant part of the assignor's
9 outstanding accounts or payment intangibles;

10 (3) a sale of a payment intangible;

11 (4) a sale of a promissory note;

12 (5) a security interest created by the assignment of a
13 health-care-insurance receivable to the provider of the health-care
14 goods or services;

15 (6) a security interest arising under section 2-401,
16 2-505, 2-711(3), or 2A-508(5), until the debtor obtains possession of
17 the collateral;

18 (7) a security interest of a collecting bank arising
19 under section 4-210;

20 (8) a security interest of an issuer or nominated person
21 arising under section 5-118;

22 (9) a security interest arising in the delivery of a
23 financial asset under section 9-206(c);

24 (10) a security interest in investment property created
25 by a broker or securities intermediary;

1 (11) a security interest in a commodity contract or a
2 commodity account created by a commodity intermediary;

3 (12) an assignment for the benefit of all creditors of
4 the transferor and subsequent transfers by the assignee thereunder;
5 ~~and~~

6 (13) a security interest created by an assignment of a
7 beneficial interest in a decedent's estate; and -

8 (14) a sale by an individual of an account that is a
9 right to payment of winnings in a lottery or other game of chance.

10 Sec. 7. Section 9-311, Uniform Commercial Code, Revised
11 Statutes Cumulative Supplement, 2010, is amended to read:

12 9-311 Perfection of security interests in property
13 subject to certain statutes, regulations, and treaties.

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

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

21 (2) the following statutes of this state: (i) ~~section~~
22 ~~60-164,~~ sections 60-164 and 60-165, Reissue Revised Statutes of
23 Nebraska, but during any period in which collateral is inventory held
24 for sale by a person who is in the business of selling goods of that
25 kind, the filing provisions of part 5 apply to a security interest in

1 that collateral created by him or her as debtor; and (ii) section
2 37-1282, Reissue Revised Statutes of Nebraska, but during any period
3 in which collateral is inventory held for sale by a person who is in
4 the business of selling goods of that kind, the filing provisions of
5 part 5 apply to a security interest in that collateral created by him
6 or her as debtor; or

7 (3) a ~~certificate of title~~ statute of another
8 jurisdiction which provides for a security interest to be indicated
9 on ~~the~~ a certificate of title as a condition or result of the
10 security interest's obtaining priority over the rights of a lien
11 creditor with respect to the property.

12 (b) Compliance with the requirements of a statute,
13 regulation, or treaty described in subsection (a) for obtaining
14 priority over the rights of a lien creditor is equivalent to the
15 filing of a financing statement under this article. Except as
16 otherwise provided in subsection (d) and sections 9-313 and 9-316(d)
17 and (e) for goods covered by a certificate of title, a security
18 interest in property subject to a statute, regulation, or treaty
19 described in subsection (a) may be perfected only by compliance with
20 those requirements, and a security interest so perfected remains
21 perfected notwithstanding a change in the use or transfer of
22 possession of the collateral.

23 (c) Except as otherwise provided in subsection (d) and
24 section 9-316(d) and (e), duration and renewal of perfection of a
25 security interest perfected by compliance with the requirements

1 prescribed by a statute, regulation, or treaty described in
2 subsection (a) are governed by the statute, regulation, or treaty. In
3 other respects, the security interest is subject to this article.

4 (d) During any period in which collateral subject to a
5 statute specified in subdivision (a)(2) is inventory held for sale or
6 lease by a person or leased by that person as lessor and that person
7 is in the business of selling goods of that kind, this section does
8 not apply to a security interest in that collateral created by that
9 person.

10 Sec. 8. Section 9-316, Uniform Commercial Code, Reissue
11 Revised Statutes of Nebraska, is amended to read:

12 9-316 ~~Continued perfection of security interest following~~
13 Effect of change in governing law.

14 (a) A security interest perfected pursuant to the law of
15 the jurisdiction designated in section 9-301(1) or 9-305(c) remains
16 perfected until the earliest of:

17 (1) the time perfection would have ceased under the law
18 of that jurisdiction;

19 (2) the expiration of four months after a change of the
20 debtor's location to another jurisdiction; or

21 (3) the expiration of one year after a transfer of
22 collateral to a person that thereby becomes a debtor and is located
23 in another jurisdiction.

24 (b) If a security interest described in subsection (a)
25 becomes perfected under the law of the other jurisdiction before the

1 earliest time or event described in that subsection, it remains
2 perfected thereafter. If the security interest does not become
3 perfected under the law of the other jurisdiction before the earliest
4 time or event, it becomes unperfected and is deemed never to have
5 been perfected as against a purchaser of the collateral for value.

6 (c) A possessory security interest in collateral, other
7 than goods covered by a certificate of title and as-extracted
8 collateral consisting of goods, remains continuously perfected if:

9 (1) the collateral is located in one jurisdiction and
10 subject to a security interest perfected under the law of that
11 jurisdiction;

12 (2) thereafter the collateral is brought into another
13 jurisdiction; and

14 (3) upon entry into the other jurisdiction, the security
15 interest is perfected under the law of the other jurisdiction.

16 (d) Except as otherwise provided in subsection (e), a
17 security interest in goods covered by a certificate of title which is
18 perfected by any method under the law of another jurisdiction when
19 the goods become covered by a certificate of title from this state
20 remains perfected until the security interest would have become
21 unperfected under the law of the other jurisdiction had the goods not
22 become so covered.

23 (e) A security interest described in subsection (d)
24 becomes unperfected as against a purchaser of the goods for value and
25 is deemed never to have been perfected as against a purchaser of the

1 goods for value if the applicable requirements for perfection under
2 section 9-311(b) or 9-313 are not satisfied before the earlier of:

3 (1) the time the security interest would have become
4 unperfected under the law of the other jurisdiction had the goods not
5 become covered by a certificate of title from this state; or

6 (2) the expiration of four months after the goods had
7 become so covered.

8 (f) A security interest in deposit accounts, letter-of-
9 credit rights, or investment property which is perfected under the
10 law of the bank's jurisdiction, the issuer's jurisdiction, a
11 nominated person's jurisdiction, the securities intermediary's
12 jurisdiction, or the commodity intermediary's jurisdiction, as
13 applicable, remains perfected until the earlier of:

14 (1) the time the security interest would have become
15 unperfected under the law of that jurisdiction; or

16 (2) the expiration of four months after a change of the
17 applicable jurisdiction to another jurisdiction.

18 (g) If a security interest described in subsection (f)
19 becomes perfected under the law of the other jurisdiction before the
20 earlier of the time or the end of the period described in that
21 subsection, it remains perfected thereafter. If the security interest
22 does not become perfected under the law of the other jurisdiction
23 before the earlier of that time or the end of that period, it becomes
24 unperfected and is deemed never to have been perfected as against a
25 purchaser of the collateral for value.

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

4 (1) A financing statement filed before the change
5 pursuant to the law of the jurisdiction designated in section
6 9-301(1) or 9-305(c) is effective to perfect a security interest in
7 the collateral if the financing statement would have been effective
8 to perfect a security interest in the collateral had the debtor not
9 changed its location.

10 (2) If a security interest perfected by a financing
11 statement that is effective under subdivision (1) becomes perfected
12 under the law of the other jurisdiction before the earlier of the
13 time the financing statement would have become ineffective under the
14 law of the jurisdiction designated in section 9-301(1) or 9-305(c) or
15 the expiration of the four-month period, it remains perfected
16 thereafter. If the security interest does not become perfected under
17 the law of the other jurisdiction before the earlier time or event,
18 it becomes unperfected and is deemed never to have been perfected as
19 against a purchaser of the collateral for value.

20 (i) If a financing statement naming an original debtor is
21 filed pursuant to the law of the jurisdiction designated in section
22 9-301(1) or 9-305(c) and the new debtor is located in another
23 jurisdiction, the following rules apply:

24 (1) The financing statement is effective to perfect a
25 security interest in collateral acquired by the new debtor before,

1 and within four months after, the new debtor becomes bound under
2 section 9-203(d), if the financing statement would have been
3 effective to perfect a security interest in the collateral had the
4 collateral been acquired by the original debtor.

5 (2) A security interest perfected by the financing
6 statement and which becomes perfected under the law of the other
7 jurisdiction before the earlier of the time the financing statement
8 would have become ineffective under the law of the jurisdiction
9 designated in section 9-301(1) or 9-305(c) or the expiration of the
10 four-month period remains perfected thereafter. A security interest
11 that is perfected by the financing statement but which does not
12 become perfected under the law of the other jurisdiction before the
13 earlier time or event becomes unperfected and is deemed never to have
14 been perfected as against a purchaser of the collateral for value.

15 Sec. 9. Section 9-317, Uniform Commercial Code, Revised
16 Statutes Cumulative Supplement, 2010, is amended to read:

17 9-317 Interests that take priority over or take free of
18 security interest or agricultural lien.

19 (a) A security interest or agricultural lien is
20 subordinate to the rights of:

21 (1) a person entitled to priority under section 9-322;

22 and

23 (2) except as otherwise provided in subsection (e), a
24 person that becomes a lien creditor before the earlier of the time:

25 (A) the security interest or agricultural lien is

1 perfected; or

2 (B) one of the conditions specified in section 9-203(b)
3 (3) is met and a financing statement covering the collateral is
4 filed.

5 (b) Except as otherwise provided in subsection (e), a
6 buyer, other than a secured party, of tangible chattel paper,
7 tangible documents, goods, instruments, or a ~~security certificate~~
8 certificated security takes free of a security interest or
9 agricultural lien if the buyer gives value and receives delivery of
10 the collateral without knowledge of the security interest or
11 agricultural lien and before it is perfected.

12 (c) Except as otherwise provided in subsection (e), a
13 lessee of goods takes free of a security interest or agricultural
14 lien if the lessee gives value and receives delivery of the
15 collateral without knowledge of the security interest or agricultural
16 lien and before it is perfected.

17 (d) A licensee of a general intangible or a buyer, other
18 than a secured party, of ~~accounts, electronic chattel paper,~~
19 ~~electronic documents, general intangibles, or investment property~~
20 collateral other than tangible chattel paper, tangible documents,
21 goods, instruments, or a certificated security takes free of a
22 security interest if the licensee or buyer gives value without
23 knowledge of the security interest and before it is perfected.

24 (e) Except as otherwise provided in sections 9-320 and
25 9-321, if a person files a financing statement with respect to a

1 purchase-money security interest before or within thirty days after
2 the debtor receives delivery of the collateral, the security interest
3 takes priority over the rights of a buyer, lessee, or lien creditor
4 which arise between the time the security interest attaches and the
5 time of filing.

6 Sec. 10. Section 9-326, Uniform Commercial Code, Reissue
7 Revised Statutes of Nebraska, is amended to read:

8 9-326 Priority of security interests created by new
9 debtor.

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

19 (b) The other provisions of this part determine the
20 priority among conflicting security interests in the same collateral
21 perfected by filed financing statements ~~that are effective solely~~
22 ~~under section 9-508.~~ described in subsection (a). However, if the
23 security agreements to which a new debtor became bound as debtor were
24 not entered into by the same original debtor, the conflicting
25 security interests rank according to priority in time of the new

1 debtor's having become bound.

2 Sec. 11. Section 9-406, Uniform Commercial Code, Reissue
3 Revised Statutes of Nebraska, is amended to read:

4 9-406 Discharge of account debtor; notification of
5 assignment; identification and proof of assignment; restrictions on
6 assignment of accounts, chattel paper, payment intangibles, and
7 promissory notes ineffective.

8 (a) Subject to subsections (b) through (i), an account
9 debtor on an account, chattel paper, or a payment intangible may
10 discharge its obligation by paying the assignor until, but not after,
11 the account debtor receives a notification, authenticated by the
12 assignor or the assignee, that the amount due or to become due has
13 been assigned and that payment is to be made to the assignee. After
14 receipt of the notification, the account debtor may discharge its
15 obligation by paying the assignee and may not discharge the
16 obligation by paying the assignor.

17 (b) Subject to subsection (h), notification is
18 ineffective under subsection (a):

19 (1) if it does not reasonably identify the rights
20 assigned;

21 (2) to the extent that an agreement between an account
22 debtor and a seller of a payment intangible limits the account
23 debtor's duty to pay a person other than the seller and the
24 limitation is effective under law other than this article; or

25 (3) at the option of an account debtor, if the

1 notification notifies the account debtor to make less than the full
2 amount of any installment or other periodic payment to the assignee,
3 even if:

4 (A) only a portion of the account, chattel paper, or
5 payment intangible has been assigned to that assignee;

6 (B) a portion has been assigned to another assignee; or

7 (C) the account debtor knows that the assignment to that
8 assignee is limited.

9 (c) Subject to subsection (h), if requested by the
10 account debtor, an assignee shall seasonably furnish reasonable proof
11 that the assignment has been made. Unless the assignee complies, the
12 account debtor may discharge its obligation by paying the assignor,
13 even if the account debtor has received a notification under
14 subsection (a).

15 (d) Except as otherwise provided in subsection (e) and
16 sections 2A-303 and 9-407, and subject to subsection (h), a term in
17 an agreement between an account debtor and an assignor or in a
18 promissory note is ineffective to the extent that it:

19 (1) prohibits, restricts, or requires the consent of the
20 account debtor or person obligated on the promissory note to the
21 assignment or transfer of, or the creation, attachment, perfection,
22 or enforcement of a security interest in, the account, chattel paper,
23 payment intangible, or promissory note; or

24 (2) provides that the assignment or transfer or the
25 creation, attachment, perfection, or enforcement of the security

1 interest may give rise to a default, breach, right of recoupment,
2 claim, defense, termination, right of termination, or remedy under
3 the account, chattel paper, payment intangible, or promissory note.

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

8 (f) Except as otherwise provided in sections 2A-303 and
9 9-407, and subject to subsections (h) and (i), a rule of law,
10 statute, or regulation that prohibits, restricts, or requires the
11 consent of a government, governmental body or official, or account
12 debtor to the assignment or transfer of, or creation of a security
13 interest in, an account or chattel paper is ineffective to the extent
14 that the rule of law, statute, or regulation:

15 (1) prohibits, restricts, or requires the consent of the
16 government, governmental body or official, or account debtor to the
17 assignment or transfer of, or the creation, attachment, perfection,
18 or enforcement of a security interest in, the account or chattel
19 paper; or

20 (2) provides that the assignment or transfer or the
21 creation, attachment, perfection, or enforcement of the security
22 interest may give rise to a default, breach, right of recoupment,
23 claim, defense, termination, right of termination, or remedy under
24 the account or chattel paper.

25 (g) Subject to subsection (h), an account debtor may not

1 waive or vary its option under subdivision (b)(3).

2 (h) This section is subject to law other than this
3 article which establishes a different rule for an account debtor who
4 is an individual and who incurred the obligation primarily for
5 personal, family, or household purposes.

6 (i) This section does not apply to an assignment of a
7 health-care-insurance receivable.

8 (j) This section prevails over any inconsistent
9 provisions of the law of this state.

10 Sec. 12. Section 9-408, Uniform Commercial Code, Reissue
11 Revised Statutes of Nebraska, is amended to read:

12 9-408 Restrictions on assignment of promissory notes,
13 health-care-insurance receivables, and certain general intangibles
14 ineffective.

15 (a) Except as otherwise provided in subsection (b), a
16 term in a promissory note or in an agreement between an account
17 debtor and a debtor which relates to a health-care-insurance
18 receivable or a general intangible, including a contract, permit,
19 license, or franchise, and which term prohibits, restricts, or
20 requires the consent of the person obligated on the promissory note
21 or the account debtor to, the assignment or transfer of, or creation,
22 attachment, or perfection of a security interest in, the promissory
23 note, health-care-insurance receivable, or general intangible, is
24 ineffective to the extent that the term:

25 (1) would impair the creation, attachment, or perfection

1 of a security interest; or

2 (2) provides that the assignment or transfer or the
3 creation, attachment, or perfection of the security interest may give
4 rise to a default, breach, right of recoupment, claim, defense,
5 termination, right of termination, or remedy under the promissory
6 note, health-care-insurance receivable, or general intangible.

7 (b) Subsection (a) applies to a security interest in a
8 payment intangible or promissory note only if the security interest
9 arises out of a sale of the payment intangible or promissory note,
10 other than a sale pursuant to a disposition under section 9-610 or an
11 acceptance of collateral under section 9-620.

12 (c) A rule of law, statute, or regulation that prohibits,
13 restricts, or requires the consent of a government, governmental body
14 or official, person obligated on a promissory note, or account debtor
15 to the assignment or transfer of, or creation of a security interest
16 in, a promissory note, health-care-insurance receivable, or general
17 intangible, including a contract, permit, license, or franchise
18 between an account debtor and a debtor, is ineffective to the extent
19 that the rule of law, statute, or regulation:

20 (1) would impair the creation, attachment, or perfection
21 of a security interest; or

22 (2) provides that the assignment or transfer or the
23 creation, attachment, or perfection of the security interest may give
24 rise to a default, breach, right of recoupment, claim, defense,
25 termination, right of termination, or remedy under the promissory

1 note, health-care-insurance receivable, or general intangible.

2 (d) To the extent that a term in a promissory note or in
3 an agreement between an account debtor and a debtor which relates to
4 a health-care-insurance receivable or general intangible or a rule of
5 law, statute, or regulation described in subsection (c) would be
6 effective under law other than this article but is ineffective under
7 subsection (a) or (c), the creation, attachment, or perfection of a
8 security interest in the promissory note, health-care-insurance
9 receivable, or general intangible:

10 (1) is not enforceable against the person obligated on
11 the promissory note or the account debtor;

12 (2) does not impose a duty or obligation on the person
13 obligated on the promissory note or the account debtor;

14 (3) does not require the person obligated on the
15 promissory note or the account debtor to recognize the security
16 interest, pay or render performance to the secured party, or accept
17 payment or performance from the secured party;

18 (4) does not entitle the secured party to use or assign
19 the debtor's rights under the promissory note, health-care-insurance
20 receivable, or general intangible, including any related information
21 or materials furnished to the debtor in the transaction giving rise
22 to the promissory note, health-care-insurance receivable, or general
23 intangible;

24 (5) does not entitle the secured party to use, assign,
25 possess, or have access to any trade secrets or confidential

1 information of the person obligated on the promissory note or the
2 account debtor; and

3 (6) does not entitle the secured party to enforce the
4 security interest in the promissory note, health-care-insurance
5 receivable, or general intangible.

6 (e) This section prevails over any inconsistent
7 provisions of the law of this state.

8 Sec. 13. Section 9-502, Uniform Commercial Code, Reissue
9 Revised Statutes of Nebraska, is amended to read:

10 9-502 Contents of financing statement; record of mortgage
11 as financing statement; time of filing financing statement.

12 (a) Subject to subsection (b), a financing statement is
13 sufficient only if it:

14 (1) provides the name of the debtor;

15 (2) provides the name of the secured party or a
16 representative of the secured party; and

17 (3) indicates the collateral covered by the financing
18 statement.

19 (b) Except as otherwise provided in section 9-501(b), to
20 be sufficient, a financing statement that covers as-extracted
21 collateral or timber to be cut, or which is filed as a fixture filing
22 and covers goods that are or are to become fixtures, must satisfy
23 subsection (a) and also:

24 (1) indicate that it covers this type of collateral;

25 (2) indicate that it is to be filed for record in the

1 real property records;

2 (3) provide a description of the real property to which
3 the collateral is related sufficient to give constructive notice of
4 ~~the a~~ mortgage under the law of this state if the description were
5 contained in a record of the mortgage of the real property; and

6 (4) if the debtor does not have an interest of record in
7 the real property, provide the name of a record owner.

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

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

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

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

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

22 (B) the record sufficiently provides the name of a debtor
23 who is an individual if it provides the individual name of the debtor
24 or the surname and first personal name of the debtor, even if the
25 debtor is an individual to whom section 9-503(a)(4) applies; and

1 (4) the record is duly recorded.

2 (d) A financing statement may be filed before a security
3 agreement is made or a security interest otherwise attaches.

4 Sec. 14. Section 9-503, Uniform Commercial Code, Reissue
5 Revised Statutes of Nebraska, is amended to read:

6 9-503 Name of debtor and secured party.

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

9 (1) except as otherwise provided in subdivision (3), if
10 the debtor is a registered organization or the collateral is held in
11 a trust that is a registered organization, only if the financing
12 statement provides the name of the debtor indicated that is stated to
13 be the registered organization's name on the public organic record of
14 the debtor's most recently filed with or issued or enacted by the
15 registered organization's jurisdiction of organization which shows
16 the debtor to have been organized; purports to state, amend, or
17 restate the registered organization's name;

18 (2) subject to subsection (f), if the debtor is a
19 decendent's estate, collateral is being administered by the personal
20 representative of a decedent, only if the financing statement
21 provides, as the name of the debtor, the name of the decedent and, in
22 a separate part of the financing statement, indicates that the debtor
23 is an estate; collateral is being administered by a personal
24 representative;

25 (3) if the debtor is a trust or a trustee acting with

1 ~~respect to property held in trust, only if the financing statement:~~
2 collateral is held in a trust that is not a registered organization,
3 only if the financing statement:

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

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

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

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

10 (i) if the name is provided in accordance with
11 subdivision (A)(i), indicates that the collateral is held in a trust;
12 or

13 (ii) if the name is provided in accordance with
14 subdivision (A)(ii), provides additional information sufficient to
15 distinguish the trust from other trusts having one or more of the
16 same settlors or the same testator and indicates that the collateral
17 is held in a trust, unless the additional information so indicates;

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

22 (5) if the debtor is an individual to whom subdivision
23 (4) does not apply, only if the financing statement provides the
24 individual name of the debtor or the surname and first personal name
25 of the debtor; and

1 ~~(A) provides the name specified for the trust in its~~
2 ~~organic documents or, if no name is specified, provides the name of~~
3 ~~the settlor and additional information sufficient to distinguish the~~
4 ~~debtor from other trusts having one or more of the same settlors; and~~

5 ~~(B) indicates, in the debtor's name or otherwise, that~~
6 ~~the debtor is a trust or is a trustee acting with respect to property~~
7 ~~held in trust; and~~

8 ~~(4)-(6)~~ in other cases:

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

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

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

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

20 (2) unless required under subdivision ~~(a)(4)(B),~~ ~~(a)(6)~~
21 (B), names of partners, members, associates, or other persons
22 comprising the debtor.

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

25 (d) Failure to indicate the representative capacity of a

1 secured party or representative of a secured party does not affect
2 the sufficiency of a financing statement.

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

5 (f) The name of the decedent indicated on the order
6 appointing the personal representative of the decedent issued by the
7 court having jurisdiction over the collateral is sufficient as the
8 "name of the decedent" under subsection (a)(2).

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

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

15 (1) if the settlor is a registered organization, the name
16 that is stated to be the settlor's name on the public organic record
17 most recently filed with or issued or enacted by the settlor's
18 jurisdiction of organization which purports to state, amend, or
19 restate the settlor's name; or

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

22 Sec. 15. Section 9-506, Uniform Commercial Code, Revised
23 Statutes Cumulative Supplement, 2010, is amended to read:

24 9-506 Effect of errors or omissions.

25 (a) A financing statement substantially satisfying the

1 requirements of this part is effective, even if it has minor errors
2 or omissions, unless the errors or omissions make the financing
3 statement seriously misleading.

4 (b) Except as otherwise provided in subsection (c), ~~of~~
5 ~~this section,~~ a financing statement that fails sufficiently to
6 provide the name of the debtor in accordance with section 9-503(a) is
7 seriously misleading.

8 (c) If a search of the records of the filing office under
9 the debtor's correct name, using the filing office's standard search
10 logic, if any, would disclose a financing statement that fails
11 sufficiently to provide the name of the debtor in accordance with
12 section 9-503(a), the name provided does not make the financing
13 statement seriously misleading.

14 (d) For purposes of section 9-508(b), the "debtor's
15 correct name" in subsection (c) ~~of this section~~ means the correct
16 name of the new debtor.

17 Sec. 16. Section 9-507, Uniform Commercial Code, Reissue
18 Revised Statutes of Nebraska, is amended to read:

19 9-507 Effect of certain events on effectiveness of
20 financing statement.

21 (a) A filed financing statement remains effective with
22 respect to collateral that is sold, exchanged, leased, licensed, or
23 otherwise disposed of and in which a security interest or
24 agricultural lien continues, even if the secured party knows of or
25 consents to the disposition.

1 (b) Except as otherwise provided in subsection (c) and
2 section 9-508, a financing statement is not rendered ineffective if,
3 after the financing statement is filed, the information provided in
4 the financing statement becomes seriously misleading under section
5 9-506.

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

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

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

21 Sec. 17. Section 9-515, Uniform Commercial Code, Reissue
22 Revised Statutes of Nebraska, is amended to read:

23 9-515 Duration and effectiveness of financing statement;
24 effect of lapsed financing statement.

25 (a) Except as otherwise provided in subsections (b), (e),

1 (f), and (g), a filed financing statement is effective for a period
2 of five years after the date of filing.

3 (b) Except as otherwise provided in subsections (e), (f),
4 and (g), an initial financing statement filed in connection with a
5 public-finance transaction or manufactured-home transaction is
6 effective for a period of thirty years after the date of filing if it
7 indicates that it is filed in connection with a public-finance
8 transaction or manufactured-home transaction.

9 (c) The effectiveness of a filed financing statement
10 lapses on the expiration of the period of its effectiveness unless
11 before the lapse a continuation statement is filed pursuant to
12 subsection (d). Upon lapse, a financing statement ceases to be
13 effective and any security interest or agricultural lien that was
14 perfected by the financing statement becomes unperfected, unless the
15 security interest is perfected otherwise. If the security interest or
16 agricultural lien becomes unperfected upon lapse, it is deemed never
17 to have been perfected as against a purchaser of the collateral for
18 value.

19 (d) A continuation statement may be filed only within six
20 months before the expiration of the five-year period specified in
21 subsection (a) or the thirty-year period specified in subsection (b),
22 whichever is applicable.

23 (e) Except as otherwise provided in section 9-510, upon
24 timely filing of a continuation statement, the effectiveness of the
25 initial financing statement continues for a period of five years

1 commencing on the day on which the financing statement would have
2 become ineffective in the absence of the filing. Upon the expiration
3 of the five-year period, the financing statement lapses in the same
4 manner as provided in subsection (c), unless, before the lapse,
5 another continuation statement is filed pursuant to subsection (d).
6 Succeeding continuation statements may be filed in the same manner to
7 continue the effectiveness of the initial financing statement.

8 (f) If a debtor is a transmitting utility and a filed
9 initial financing statement so indicates, the financing statement is
10 effective until a termination statement is filed.

11 (g) A record of a mortgage that is effective as a
12 financing statement filed as a fixture filing under section 9-502(c)
13 remains effective as a financing statement filed as a fixture filing
14 until the mortgage is released or satisfied of record or its
15 effectiveness otherwise terminates as to the real property.

16 Sec. 18. Section 9-516, Uniform Commercial Code, Revised
17 Statutes Cumulative Supplement, 2010, is amended to read:

18 9-516 What constitutes filing; effectiveness of filing.

19 (a) Except as otherwise provided in subsection (b),
20 communication of a record to a filing office and tender of the filing
21 fee or acceptance of the record by the filing office constitutes
22 filing.

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

25 (1) the record is not communicated by a method or medium

1 of communication authorized by the filing office;

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

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

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

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

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

12 (ii) identifies an initial financing statement whose
13 effectiveness has lapsed under section 9-515;

14 (C) in the case of an initial financing statement that
15 provides the name of a debtor identified as an individual or an
16 amendment that provides a name of a debtor identified as an
17 individual which was not previously provided in the financing
18 statement to which the record relates, the record does not identify
19 the debtor's ~~last name;~~ surname; or

20 (D) in the case of a record filed or recorded in the
21 filing office described in section 9-501(a)(1), the record does not
22 provide a sufficient description of the real property to which it
23 relates;

24 (4) in the case of an initial financing statement or an
25 amendment that adds a secured party of record, the record does not

1 provide a name and mailing address for the secured party of record;

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

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

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

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

11 ~~(i) a type of organization for the debtor;~~

12 ~~(ii) a jurisdiction of organization for the debtor; or~~

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

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

19 (7) in the case of a continuation statement, the record
20 is not filed within the six-month period prescribed by section
21 9-515(d); or

22 (8) in the case of a financing statement or an amendment
23 to a financing statement, the same person or entity is listed as both
24 debtor and secured party.

25 (c) For purposes of subsection (b):

1 (1) a record does not provide information if the filing
2 office is unable to read or decipher the information; and

3 (2) a record that does not indicate that it is an
4 amendment or identify an initial financing statement to which it
5 relates, as required by section 9-512, 9-514, or 9-518, is an initial
6 financing statement.

7 (d) A record that is communicated to the filing office
8 with tender of the filing fee, but which the filing office refuses to
9 accept for a reason other than one set forth in subsection (b), is
10 effective as a filed record except as against a purchaser of the
11 collateral which gives value in reasonable reliance upon the absence
12 of the record from the files.

13 Sec. 19. Section 9-518, Uniform Commercial Code, Reissue
14 Revised Statutes of Nebraska, is amended to read:

15 9-518 Claim concerning inaccurate or wrongfully filed
16 record.

17 (a) A person may file in the filing office ~~a correction~~
18 an information statement with respect to a record indexed there under
19 the person's name if the person believes that the record is
20 inaccurate or was wrongfully filed.

21 (b) ~~A correction~~ An information statement under
22 subsection (a) must:

23 (1) identify the record to which it relates by the file
24 number assigned to the initial financing statement to which the
25 record relates;

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

3 (3) provide the basis for the person's belief that the
4 record is inaccurate and indicate the manner in which the person
5 believes the record should be amended to cure any inaccuracy or
6 provide the basis for the person's belief that the record was
7 wrongfully filed.

8 (c) A person may file in the filing office an information
9 statement with respect to a record filed there if the person is a
10 secured party of record with respect to the financing statement to
11 which the record relates and believes that the person that filed the
12 record was not entitled to do so under section 9-509(d).

13 (d) An information statement under subsection (c) must:

14 (1) identify the record to which it relates by the file
15 number assigned to the initial financing statement to which the
16 record relates;

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

18 (3) provide the basis for the person's belief that the
19 person that filed the record was not entitled to do so under section
20 9-509(d).

21 ~~(e)~~ (e) The filing of a ~~correction~~ an information
22 statement does not affect the effectiveness of an initial financing
23 statement or other filed record.

24 Sec. 20. The Uniform Commercial Code is amended by adding
25 new section:

1 9-521 Uniform form of written financing statement and
2 amendment.

3 (a) A filing office that accepts written records may not
4 refuse to accept a written initial financing statement in the
5 following form and format except for a reason set forth in section
6 9-516(b):

7 UCC FINANCING STATEMENT

8 FOLLOW INSTRUCTIONS

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

10 _____

11 B. E-MAIL CONTACT AT FILER (optional)

12 _____

13 C. SEND ACKNOWLEDGMENT TO: (Name and Address)

14 _____

15 THE ABOVE SPACE IS FOR

16 FILING OFFICE USE ONLY

17 1. DEBTOR'S NAME - provide only one Debtor name (1a or
18 1b) (use exact, full name; do not omit, modify, or abbreviate any
19 word in the Debtor's name)

20 1a. ORGANIZATION'S NAME

21 _____

22 OR

23 1b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

24 _____

1 ADDITIONAL NAME(S)/INITIAL(S) THAT ARE

2 PART OF THE NAME OF THIS DEBTOR

SUFFIX

3 _____

4 1c. MAILING ADDRESS

5 _____

6 CITY

STATE

POSTAL CODE

COUNTRY

7 _____

8 2. DEBTOR'S NAME - provide only one Debtor name (2a or
9 2b) (use exact, full name; do not omit, modify, or abbreviate any
10 word in the Debtor's name)

11 2a. ORGANIZATION'S NAME

12 _____

13 OR

14 2b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

15 _____

16 ADDITIONAL NAME(S)/INITIAL(S) THAT ARE

17 PART OF THE NAME OF THIS DEBTOR

SUFFIX

18 _____

19 2c. MAILING ADDRESS

20 _____

21 CITY

STATE

POSTAL CODE

COUNTRY

22 _____

23 3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR

1 SECURED PARTY) - provide only one Secured Party name (3a or 3b)

2 3a. ORGANIZATION'S NAME

3 _____

4 OR

5 3b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

6 _____

7 ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

8 _____

9 3c. MAILING ADDRESS

10 _____

11 CITY

STATE

POSTAL CODE

COUNTRY

12 _____

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

15 _____

16 5. Check only if applicable and check only one box:

17 Collateral is _____ held in a Trust (see Instructions)

18 _____ being administered by a Decedent's Personal
19 Representative.

20 6a. Check only if applicable and check only one box:

21 _____ Public-Finance Transaction

22 _____ Manufactured-Home Transaction

23 _____ A Debtor is a Transmitting Utility

1 6b. Check only if applicable and check only one box:

2 Agricultural Lien Non-UCC Filing

3 7. ALTERNATIVE DESIGNATION (if applicable): Lessee/

4 Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor

5 Licensee/Licensor

6 8. OPTIONAL FILER REFERENCE DATA

7 _____

8 [UCC FINANCING STATEMENT (Form UCC1)]

9 UCC FINANCING STATEMENT ADDENDUM

10 FOLLOW INSTRUCTIONS

11 9. NAME OF FIRST DEBTOR (same as item 1a or 1b on

12 Financing Statement)

13 9a. ORGANIZATION'S NAME

14 _____

15 OR

16 9b. INDIVIDUAL'S SURNAME

17 _____

18 FIRST PERSONAL NAME

19 _____

20 ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

21 _____

22 THE ABOVE SPACE IS FOR

23 FILING OFFICE USE ONLY

24 10. ADDITIONAL DEBTOR'S NAME - provide only one Debtor

1 name (10a or 10b) (use exact, full name; do not omit, modify, or
2 abbreviate any word in the Debtor's name)

3 10a. ORGANIZATION'S NAME

4 _____

5 OR

6 10b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

7 _____

8 ADDITIONAL NAME(S)/INITIAL(S) THAT ARE

9 PART OF THE NAME OF THIS DEBTOR

SUFFIX

10 _____

11 10c. MAILING ADDRESS

12 _____

13 CITY

STATE

POSTAL CODE

COUNTRY

14 _____

15 11. _____ ADDITIONAL SECURED PARTY'S NAME or _____ ASSIGNOR

16 SECURED PARTY'S NAME - provide only one name (11a or 11b)

17 11a. ORGANIZATION'S NAME

18 _____

19 OR

20 11b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

21 _____

22 ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

23 _____

1 11c. MAILING ADDRESS

2 _____

3 CITY STATE POSTAL CODE COUNTRY

4 _____

5 12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

6 _____

7 13. This FINANCING STATEMENT is to be filed [for
8 record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

9 14. This FINANCING STATEMENT:

10 _____ covers timber to be cut

11 _____ covers as-extracted collateral

12 _____ is filed as a fixture filing

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

15 _____

16 16. Description of real estate:

17 _____

18 17. MISCELLANEOUS:

19 _____

20 [UCC FINANCING STATEMENT ADDENDUM (Form UCC1Ad)]

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

24 UCC FINANCING STATEMENT AMENDMENT

25 FOLLOW INSTRUCTIONS

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

2 _____

3 B. E-MAIL CONTACT AT FILER (optional)

4 _____

5 C. SEND ACKNOWLEDGMENT TO: (Name and Address)

6 _____

7 THE ABOVE SPACE IS FOR

8 FILING OFFICE USE ONLY

9 1a. INITIAL FINANCING STATEMENT FILE NUMBER

10 _____

11 1b. _____ This FINANCING STATEMENT AMENDMENT is to be
12 filed [for record] (or recorded) in the REAL ESTATE RECORDS.

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

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

18 3. _____ ASSIGNMENT (full or partial): Provide name of
19 Assignee in item 7a or 7b, and address of Assignee in item 7c and
20 name of Assignor in item 9. For partial assignment, complete items 7
21 and 9 and also indicate affected collateral in item 8

22 4. _____ CONTINUATION: Effectiveness of the Financing
23 Statement identified above with respect to the security interest(s)
24 of Secured Party authorizing this Continuation Statement is continued
25 for the additional period provided by applicable law

1 5. PARTY INFORMATION CHANGE:

2 Check one of these two boxes:

3 This Change affects _____ Debtor or _____ Secured Party of
4 record.

5 AND

6 Check one of these three boxes to:

7 _____ CHANGE name and/or address: Complete item 6a or 6b,
8 and item 7a or 7b and item 7c.

9 _____ ADD name: Complete item 7a or 7b, and item 7c.

10 _____ DELETE name: Give record name to be deleted in item
11 6a or 6b.

12 6. CURRENT RECORD INFORMATION: Complete for Party
13 Information Change - provide only one name (6a or 6b) (use exact,
14 full name; do not omit, modify, or abbreviate any word in the
15 Debtor's name)

16 6a. ORGANIZATION'S NAME

17 _____

18 OR

19 6b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

20 _____

21 ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

22 _____

23 7. CHANGED OR ADDED INFORMATION: Complete for Assignment
24 or Party Information Change - provide only one name (7a or 7b) (use

1 exact full name; do not omit, modify, or abbreviate any word in the
2 Debtor's name)

3 7a. ORGANIZATION'S NAME

4 _____

5 OR

6 7b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

7 _____

8 ADDITIONAL NAME(S)/INITIAL(S) THAT ARE

9 PART OF THE NAME OF THIS DEBTOR

SUFFIX

10 _____

11 7c. MAILING ADDRESS

12 _____

13 CITY

STATE

POSTAL CODE

COUNTRY

14 _____

15 8. COLLATERAL CHANGE:

16 Also check one of these four boxes:

17 _____ ADD collateral _____ DELETE collateral _____ RESTATE

18 covered collateral

19 _____ ASSIGN collateral

20 Indicate collateral:

21 9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS

22 AMENDMENT - provide only one name (9a or 9b) (name of Assignor, if
23 this is an Assignment)

24 If this is an Amendment authorized by a DEBTOR, check

1 here and provide name of authorizing Debtor

2 9a. ORGANIZATION'S NAME

3 _____

4 OR

5 9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

6 _____

7 ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

8 _____

9 10. OPTIONAL FILER REFERENCE DATA

10 _____

11 [UCC FINANCING STATEMENT AMENDMENT (Form UCC3)]

12 UCC FINANCING STATEMENT AMENDMENT ADDENDUM

13 FOLLOW INSTRUCTIONS

14 11. INITIAL FINANCING STATEMENT FILE NUMBER (same as item

15 1a on Amendment form)

16 _____

17 12. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as

18 item 9 on Amendment form)

19 12a. ORGANIZATION'S NAME

20 _____

21 OR

22 12b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

23 _____

1 ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

2 _____

3 THE ABOVE SPACE IS FOR

4 FILING OFFICE USE ONLY

5 13. Name of DEBTOR on related financing statement (Name
6 of a current Debtor of record required for indexing purposes only in
7 some filing offices - see Instruction for item 13 - insert only one
8 Debtor name (13a or 13b) (use, exact, full name; do not omit, modify,
9 or abbreviate any word in the Debtor's name)

10 13a. ORGANIZATION'S NAME

11 _____

12 OR

13 13b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME

14 _____

15 ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

16 _____

17 14. ADDITIONAL SPACE FOR ITEM 8 (Collateral)

18 _____

19 15. This FINANCING STATEMENT AMENDMENT: _____ covers
20 timber to be cut

21 _____ covers as-extracted collateral _____ is filed as a
22 fixture filing

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

1
2
3
4
5
6
7
8
9
10
11
12
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23
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25

17. Description of real estate

18. MISCELLANEOUS:

[UCC FINANCING STATEMENT AMENDMENT ADDENDUM (Form UCC3Ad)]

Sec. 21. Section 9-607, Uniform Commercial Code, Reissue Revised Statutes of Nebraska, is amended to read:

9-607 Collection and enforcement by secured party.

(a) If so agreed, and in any event after default, a secured party:

(1) may notify an account debtor or other person obligated on collateral to make payment or otherwise render performance to or for the benefit of the secured party;

(2) may take any proceeds to which the secured party is entitled under section 9-315;

(3) may enforce the obligations of an account debtor or other person obligated on collateral and exercise the rights of the debtor with respect to the obligation of the account debtor or other person obligated on collateral to make payment or otherwise render performance to the debtor, and with respect to any property that secures the obligations of the account debtor or other person obligated on the collateral;

(4) if it holds a security interest in a deposit account

1 perfected by control under section 9-104(a)(1), may apply the balance
2 of the deposit account to the obligation secured by the deposit
3 account; and

4 (5) if it holds a security interest in a deposit account
5 perfected by control under section 9-104(a)(2) or (3), may instruct
6 the bank to pay the balance of the deposit account to or for the
7 benefit of the secured party.

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

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

15 (2) the secured party's sworn affidavit in recordable
16 form stating that:

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

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

21 (c) A secured party shall proceed in a commercially
22 reasonable manner if the secured party:

23 (1) undertakes to collect from or enforce an obligation
24 of an account debtor or other person obligated on collateral; and

25 (2) is entitled to charge back uncollected collateral or

1 otherwise to full or limited recourse against the debtor or a
2 secondary obligor.

3 (d) A secured party may deduct from the collections made
4 pursuant to subsection (c) reasonable expenses of collection and
5 enforcement, including reasonable attorney's fees and legal expenses
6 incurred by the secured party.

7 (e) This section does not determine whether an account
8 debtor, bank, or other person obligated on collateral owes a duty to
9 a secured party.

10 Sec. 22. The Uniform Commercial Code is amended by adding
11 new section:

12 9-801 Operative date.

13 This article as amended by this legislative bill becomes
14 operative on July 1, 2013.

15 Sec. 23. The Uniform Commercial Code is amended by adding
16 new section:

17 9-802 Savings clause.

18 (a) Except as otherwise provided in this part, this
19 article applies to a transaction or lien within its scope, even if
20 the transaction or lien was entered into or created before July 1,
21 2013.

22 (b) This article as amended by this legislative bill does
23 not affect an action, case, or proceeding commenced before July 1,
24 2013.

25 Sec. 24. The Uniform Commercial Code is amended by adding

1 new section:

2 9-803 Security interest perfected before July 1, 2013.

3 (a) A security interest that is a perfected security
4 interest immediately before July 1, 2013, is a perfected security
5 interest under this article as it existed on July 1, 2013, if, on
6 July 1, 2013, the applicable requirements for attachment and
7 perfection under this article as it existed on July 1, 2013, are
8 satisfied without further action.

9 (b) Except as otherwise provided in section 9-805, if,
10 immediately before July 1, 2013, a security interest is a perfected
11 security interest, but the applicable requirements for perfection
12 under this article as it existed on July 1, 2013, are not satisfied
13 on July 1, 2013, the security interest remains perfected thereafter
14 only if the applicable requirements for perfection under this article
15 as it existed on July 1, 2013, are satisfied within one year after
16 July 1, 2013.

17 Sec. 25. The Uniform Commercial Code is amended by adding
18 new section:

19 9-804 Security interest unperfected before July 1, 2013.

20 A security interest that is an unperfected security
21 interest immediately before July 1, 2013, becomes a perfected
22 security interest:

23 (1) without further action, on July 1, 2013, if the
24 applicable requirements for perfection under this article as it
25 existed on July 1, 2013, are satisfied before or at that time; or

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

3 Sec. 26. The Uniform Commercial Code is amended by adding
4 new section:

5 9-805 Effectiveness of action taken before July 1, 2013.

6 (a) The filing of a financing statement before July 1,
7 2013, is effective to perfect a security interest to the extent the
8 filing would satisfy the applicable requirements for perfection under
9 this article as it existed on July 1, 2013.

10 (b) This article does not render ineffective an effective
11 financing statement that, before July 1, 2013, is filed and satisfies
12 the applicable requirements for perfection under the law of the
13 jurisdiction governing perfection as provided in this article as it
14 existed before July 1, 2013. However, except as otherwise provided in
15 subsections (c) and (d) and section 9-806, the financing statement
16 ceases to be effective:

17 (1) if the financing statement is filed in this state, at
18 the time the financing statement would have ceased to be effective
19 had this legislative bill not become law; or

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

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

24 (B) June 30, 2018.

25 (c) The filing of a continuation statement on or after

1 July 1, 2013, does not continue the effectiveness of the financing
2 statement filed before July 1, 2013. However, upon the timely filing
3 of a continuation statement on or after July 1, 2013, and in
4 accordance with the law of the jurisdiction governing perfection as
5 provided in this article as it existed on July 1, 2013, the
6 effectiveness of a financing statement filed in the same office in
7 that jurisdiction before July 1, 2013, continues for the period
8 provided by the law of that jurisdiction.

9 (d) Subsection (b)(2)(B) applies to a financing statement
10 that, before July 1, 2013, is filed against a transmitting utility
11 and satisfies the applicable requirements for perfection under the
12 law of the jurisdiction governing perfection as provided in this
13 article as it existed before July 1, 2013, only to the extent that
14 this article as it existed on July 1, 2013, provides that the law of
15 a jurisdiction other than the jurisdiction in which the financing
16 statement is filed governs perfection of a security interest in
17 collateral covered by the financing statement.

18 (e) A financing statement that includes a financing
19 statement filed before July 1, 2013, and a continuation statement
20 filed on or after July 1, 2013, is effective only to the extent that
21 it satisfies the requirements of part 5 as it existed on July 1,
22 2013, for an initial financing statement. A financing statement that
23 indicates that the debtor is a decedent's estate indicates that the
24 collateral is being administered by a personal representative within
25 the meaning of section 9-503(a)(2) as it existed on July 1, 2013. A

1 financing statement that indicates that the debtor is a trust or is a
2 trustee acting with respect to property held in trust indicates that
3 the collateral is held in a trust within the meaning of section
4 9-503(a)(3) as it existed on July 1, 2013.

5 Sec. 27. The Uniform Commercial Code is amended by adding
6 new section:

7 9-806 When initial financing statement suffices to
8 continue effectiveness of financing statement.

9 (a) The filing of an initial financing statement in the
10 office specified in section 9-501 continues the effectiveness of a
11 financing statement filed before July 1, 2013, if:

12 (1) the filing of an initial financing statement in that
13 office would be effective to perfect a security interest under this
14 article as it existed on July 1, 2013;

15 (2) the pre-operative-date financing statement was filed
16 in an office in another state; and

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

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

22 (1) if the initial financing statement is filed before
23 July 1, 2013, for the period provided in section 9-515 as it existed
24 before July 1, 2013, with respect to an initial financing statement;
25 and

1 (2) if the initial financing statement is filed on or
2 after July 1, 2013, for the period provided in section 9-515 as it
3 existed on July 1, 2013, with respect to an initial financing
4 statement.

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

7 (1) satisfy the requirements of part 5 as it existed on
8 July 1, 2013, for an initial financing statement;

9 (2) identify the pre-operative-date financing statement
10 by indicating the office in which the financing statement was filed
11 and providing the dates of filing and file numbers, if any, of the
12 financing statement and of the most recent continuation statement
13 filed with respect to the financing statement; and

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

16 Sec. 28. The Uniform Commercial Code is amended by adding
17 new section:

18 9-807 Amendment of pre-operative-date financing
19 statement.

20 (a) In this section, "pre-operative-date financing
21 statement" means a financing statement filed before July 1, 2013.

22 (b) On or after July 1, 2013, a person may add or delete
23 collateral covered by, continue or terminate the effectiveness of, or
24 otherwise amend the information provided in, a pre-operative-date
25 financing statement only in accordance with the law of the

1 jurisdiction governing perfection as provided in this article as it
2 existed on July 1, 2013. However, the effectiveness of a pre-
3 operative-date financing statement also may be terminated in
4 accordance with the law of the jurisdiction in which the financing
5 statement is filed.

6 (c) Except as otherwise provided in subsection (d), if
7 the law of this state governs perfection of a security interest, the
8 information in a pre-operative-date financing statement may be
9 amended on or after July 1, 2013, only if:

10 (1) the pre-operative-date financing statement and an
11 amendment are filed in the office specified in section 9-501;

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

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

19 (d) If the law of this state governs perfection of a
20 security interest, the effectiveness of a pre-operative-date
21 financing statement may be continued only under section 9-805(c) and
22 (e) or 9-806.

23 (e) Whether or not the law of this state governs
24 perfection of a security interest, the effectiveness of a pre-
25 operative-date financing statement filed in this state may be

1 terminated on or after July 1, 2013, by filing a termination
2 statement in the office in which the pre-operative-date financing
3 statement is filed, unless an initial financing statement that
4 satisfies section 9-806(c) has been filed in the office specified by
5 the law of the jurisdiction governing perfection as provided in this
6 article as it existed on July 1, 2013, as the office in which to file
7 a financing statement.

8 Sec. 29. The Uniform Commercial Code is amended by adding
9 new section:

10 9-808 Person entitled to file initial financing statement
11 or continuation statement.

12 A person may file an initial financing statement or a
13 continuation statement under this part if:

14 (1) the secured party of record authorizes the filing;
15 and

16 (2) the filing is necessary under this part:

17 (A) to continue the effectiveness of a financing
18 statement filed before July 1, 2013; or

19 (B) to perfect or continue the perfection of a security
20 interest.

21 Sec. 30. The Uniform Commercial Code is amended by adding
22 new section:

23 9-809 Priority.

24 This article determines the priority of conflicting
25 claims to collateral. However, if the relative priorities of the

1 claims were established before July 1, 2013, this article as it
2 existed before July 1, 2013, determines priority.

3 Sec. 31. This act becomes operative on July 1, 2013.

4 Sec. 32. Original sections 9-105, 9-304, 9-307, 9-309,
5 9-316, 9-326, 9-406, 9-408, 9-502, 9-503, 9-507, 9-515, 9-518, and
6 9-607, Uniform Commercial Code, Reissue Revised Statutes of Nebraska,
7 and sections 2A-103, 9-102, 9-311, 9-317, 9-506, and 9-516, Uniform
8 Commercial Code, Revised Statutes Cumulative Supplement, 2010, are
9 repealed.

10 Sec. 33. The following section is outright repealed:
11 Section 9-521, Uniform Commercial Code, Reissue Revised Statutes of
12 Nebraska.