

**554.9105 Control of electronic copy of record evidencing chattel paper.**

1. *General rule: control of electronic copy of record evidencing chattel paper.* A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if a system employed for evidencing the assignment of interests in the chattel paper reliably establishes the purchaser as the person to which the authoritative electronic copy was assigned.

2. *Single authoritative copy.* A system satisfies [subsection 1](#) if the record or records evidencing the chattel paper are created, stored, and assigned in a manner that:

- a. a single authoritative copy of the record or records exists which is unique, identifiable, and, except as otherwise provided in paragraphs “d”, “e”, and “f”, unalterable;
- b. the authoritative copy identifies the purchaser as the assignee of the record or records;
- c. the authoritative copy is communicated to and maintained by the purchaser or its designated custodian;
- d. copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the purchaser;
- e. each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and
- f. any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

3. *One or more authoritative copies.* A system satisfies [subsection 1](#), and a purchaser has control of an authoritative electronic copy of a record evidencing chattel paper, if the electronic copy, a record attached to or logically associated with the electronic copy, or a system in which the electronic copy is recorded:

- a. enables the purchaser readily to identify each electronic copy as either an authoritative copy or a nonauthoritative copy;
- b. enables the purchaser readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as the assignee of the authoritative electronic copy; and
- c. gives the purchaser exclusive power, subject to [subsection 4](#), to:
  - (1) prevent others from adding or changing an identified assignee of the authoritative electronic copy; and
  - (2) transfer control of the authoritative electronic copy.

4. *Meaning of exclusive.* Subject to [subsection 5](#), a power is exclusive under [subsection 3](#), paragraph “c”, subparagraphs (1) and (2), even if:

- a. the authoritative electronic copy, a record attached to or logically associated with the authoritative electronic copy, or a system in which the authoritative electronic copy is recorded limits the use of the authoritative electronic copy or has a protocol programmed to cause a change, including a transfer or loss of control; or
- b. the power is shared with another person.

5. *When power not shared with another person.* A power of a purchaser is not shared with another person under [subsection 4](#), paragraph “b”, and the purchaser’s power is not exclusive if:

- a. the purchaser can exercise the power only if the power also is exercised by the other person; and
- b. the other person:
  - (1) can exercise the power without exercise of the power by the purchaser; or
  - (2) is the transferor to the purchaser of an interest in the chattel paper.

6. *Presumption of exclusivity of certain powers.* If a purchaser has the powers specified in [subsection 3](#), paragraph “c”, subparagraphs (1) and (2), the powers are presumed to be exclusive.

7. *Obtaining control through another person.* A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if another person, other than the transferor to the purchaser of an interest in the chattel paper:

- a. has control of the authoritative electronic copy and acknowledges that it has control on behalf of the purchaser; or

*b.* obtains control of the authoritative electronic copy after having acknowledged that it will obtain control of the electronic copy on behalf of the purchaser.

[2000 Acts, ch 1149, §5, 185, 187](#); [2012 Acts, ch 1052, §4, 37](#); [2024 Acts, ch 1023, §43](#)

Referred to in [§554.9107B](#), [554.9207](#), [554.9208](#), [554.9317](#), [554.9330](#), [554.9601](#)