

AN ACT
AMENDING PROVISIONS IN THE UNIFORM COMMERCIAL CODE RELATING
TO SECURED TRANSACTIONS, AND INCLUDING EFFECTIVE DATE
PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 554.9102, subsection 1, paragraph g, subparagraph (2), Code 2011, is amended to read as follows:

(2) ~~to execute or otherwise adopt a symbol, or encrypt or similarly process a record in whole or in part, with the present intent of the authenticating person to identify the person and adopt or accept a record to adopt or accept a record, to attach to or logically associate with the record an~~ electronic sound, symbol, or process.

Sec. 2. Section 554.9102, subsection 1, paragraphs j, ax, and br, Code 2011, are amended to read as follows:

j. *"Certificate of title"* means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

ax. *"Jurisdiction of organization"*, with respect to a registered organization, means the jurisdiction under whose law the organization is formed or organized.

br. *“Registered organization”* means an organization formed or organized solely under the law of a single state or the United States and as to which the state or the United States must maintain a public record showing the organization to have been organized by the filing of a public organic record with, the issuance of a public organic record by, or the enactment of legislation by the state or the United States. The term includes a business trust that is formed under the law of a single state if a statute of the state governing business trusts requires that the business trust’s organic record be filed with the state.

Sec. 3. Section 554.9102, subsection 1, Code 2011, is amended by adding the following new paragraph:

NEW PARAGRAPH. *Obp.* *“Public organic record”* means a record that is available to the public for inspection and is:

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

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

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

Sec. 4. Section 554.9105, Code 2011, is amended to read as follows:

554.9105 Control of electronic chattel paper.

1. General rule: control of electronic chattel paper. A secured party has control of electronic chattel paper if a system employed for evidencing the transfer of interests in the chattel paper reliably establishes the secured party as the person to which the chattel paper was assigned.

2. Specific facts giving control. A system satisfies subsection 1 if the record or records comprising the chattel paper are created, stored, and assigned in such a manner that:

±. a. a single authoritative copy of the record or records

exists which is unique, identifiable and, except as otherwise provided in ~~subsections 4, 5, and 6~~ paragraphs "d", "e", and "f", unalterable;

~~2.~~ b. the authoritative copy identifies the secured party as the assignee of the record or records;

~~3.~~ c. the authoritative copy is communicated to and maintained by the secured party or its designated custodian;

~~4.~~ d. copies or ~~revisions~~ amendments that add or change an identified assignee of the authoritative copy can be made only with the participation consent of the secured party;

~~5.~~ 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

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

Sec. 5. Section 554.9307, subsection 6, paragraph b, Code 2011, is amended to read as follows:

b. in the state that the registered organization, branch, or agency designates, if the law of the United States authorizes the registered organization, branch, or agency to designate its state of location, including by designating its main office, home office, or other comparable office; or

Sec. 6. Section 554.9311, subsection 1, paragraphs b and c, Code 2011, are amended to read as follows:

b. any certificate-of-title statute, including as provided in chapter 321, covering automobiles, trailers, mobile homes, boats, farm tractors, or the like, which provides for a security interest to be indicated on the a certificate of title as a condition or result of perfection; or

c. a ~~certificate-of-title~~ statute of another jurisdiction which provides for a security interest to be indicated on the a certificate of title as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the property.

Sec. 7. Section 554.9316, Code 2011, is amended by adding the following new subsections:

NEW SUBSECTION. 8. *Effect on filed financing statement of change in governing law.* The following rules apply to collateral to which a security interest attaches within four months after the debtor changes its location to another jurisdiction:

a. A financing statement filed before the change pursuant to the law of the jurisdiction designated in section 554.9301,

subsection 1, or section 554.9305, subsection 3, is effective to perfect a security interest in the collateral if the financing statement would have been effective to perfect a security interest in the collateral had the debtor not changed its location.

b. If a security interest perfected by a financing statement that is effective under paragraph "a" becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in section 554.9301, subsection 1, or section 554.9305, subsection 3, or the expiration of the four-month period, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

NEW SUBSECTION. 9. *Effect of change in governing law on financing statement filed against original debtor.* If a financing statement naming an original debtor is filed pursuant to the law of the jurisdiction designated in section 554.9301, subsection 1, or section 554.9305, subsection 3, and the new debtor is located in another jurisdiction, the following rules apply:

a. The financing statement is effective to perfect a security interest in collateral acquired by the new debtor before, and within four months after, the new debtor becomes bound under section 554.9203, subsection 4, if the financing statement would have been effective to perfect a security interest in the collateral had the collateral been acquired by the original debtor.

b. A security interest perfected by the financing statement and which becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in section 554.9301, subsection 1, or section 554.9305, subsection 3, or the expiration of the four-month period remains perfected thereafter. A security interest that is perfected by the financing statement but which does not become perfected under the law of the other jurisdiction before the earlier time or event becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

Sec. 8. Section 554.9317, subsections 2 and 4, Code 2011, are amended to read as follows:

2. *Buyers that receive delivery.* Except as otherwise provided in subsection 5, a buyer, other than a secured party, of tangible chattel paper, tangible documents, goods, instruments, or a ~~security certificate~~ certificated security takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

4. *Licensees and buyers of certain collateral.* A licensee of a general intangible or a buyer, other than a secured party, of ~~accounts, electronic chattel paper, electronic documents, general intangibles, or investment property~~ collateral other than tangible chattel paper, tangible documents, goods, instruments, or a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

Sec. 9. Section 554.9326, Code 2011, is amended to read as follows:

554.9326 Priority of security interests created by new debtor.

1. *Subordination of security interest created by new debtor.* Subject to subsection 2, a security interest that is created by a new debtor which is in collateral in which the new debtor has or acquires rights and is perfected solely by a filed financing statement that is effective solely under section 554.9508 in collateral in which a new debtor has or acquires rights would be ineffective to perfect the security interest but for the application of section 554.9316, subsection 9, paragraph "a", or section 554.9508 is subordinate to a security interest in the same collateral which is perfected other than by such a filed financing statement ~~that is effective solely under section 554.9508.~~

2. *Priority under other provisions — multiple original debtors.* The other provisions of this part determine the priority among conflicting security interests in the same collateral perfected by filed financing statements ~~that are effective solely under section 554.9508~~ described in subsection 1. However, if the security agreements to which a new debtor became bound as debtor were not entered into by the same original debtor, the conflicting security interests rank according to priority in time of the new debtor's having become

bound.

Sec. 10. Section 554.9406, subsection 5, Code 2011, is amended to read as follows:

5. *Inapplicability of subsection 4 to certain sales.*

Subsection 4 does not apply to the sale of a payment intangible or promissory note, other than a sale pursuant to a disposition under section 554.9610 or an acceptance of collateral under section 554.9620.

Sec. 11. Section 554.9408, subsection 2, Code 2011, is amended to read as follows:

2. *Applicability of subsection 1 to sales of certain rights to payment.* Subsection 1 applies to a security interest in a payment intangible or promissory note only if the security interest arises out of a sale of the payment intangible or promissory note, other than a sale pursuant to a disposition under section 554.9610 or an acceptance of collateral under section 554.9620.

Sec. 12. Section 554.9502, subsection 3, paragraph c, Code 2011, is amended to read as follows:

c. the record satisfies the requirements for a financing statement in this section, ~~other than an indication~~ but:

(1) the record need not indicate that it is to be filed in the real property records; and

(2) the record sufficiently provides the name of a debtor who is an individual if it provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom section 554.9503, subsection 1, paragraph "d" applies; and

Sec. 13. Section 554.9503, subsection 1, paragraphs a through d, Code 2011, are amended to read as follows:

a. except as otherwise provided in paragraph "c", if the debtor is a registered organization or if the collateral is held in a trust that is a registered organization, only if the financing statement provides the name of the debtor indicated that is stated to be the registered organization's name on the public organic record of most recently filed with or issued or enacted by the debtor's registered organization's jurisdiction of organization which shows the debtor to have been organized purports to state, amend, or restate the registered organization's name;

b. subject to subsection 6, if the debtor is a decedent's estate collateral is being administered by the personal representative of a decedent, only if the financing statement

provides, as the name of the debtor, the name of the decedent and, in a separate part of the financing statement, indicates that the ~~debtor is an estate~~ collateral is being administered by a personal representative;

c. if the ~~debtor is a trust or a trustee acting with respect to property held in trust,~~ only if the financing statement collateral is held in a trust that is not a registered organization, only if the financing statement:

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

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

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

(2) indicates, in the debtor's name or otherwise, that the debtor is a trust or is a trustee acting with respect to property held in trust; and in a separate part of the financing statement:

(a) if the name is provided in accordance with subparagraph (1), subparagraph division (a), indicates that the collateral is held in a trust; or

(b) if the name is provided in accordance with subparagraph (1), subparagraph division (b), provides additional information sufficient to distinguish the trust from other trusts having one or more of the same settlors or the same testator and indicates that the collateral is held in a trust, unless the additional information so indicates;

d. subject to subsection 7, if the debtor is an individual to whom this state has issued a driver's license under chapter 321 that has not expired, only if the financing statement provides the name of the individual which is indicated on the driver's license;

e. if the debtor is an individual to whom paragraph "d" does not apply, only if the financing statement provides the individual name of the debtor or the surname and first personal name of the debtor; and

f. in other cases:

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

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

Sec. 14. Section 554.9503, subsection 2, paragraph b, Code 2011, is amended to read as follows:

b. unless required under subsection 1, paragraph ~~"d"~~ "f", subparagraph (2), names of partners, members, associates, or other persons comprising the debtor.

Sec. 15. Section 554.9503, Code 2011, is amended by adding the following new subsections:

NEW SUBSECTION. 6. *Name of decedent.* The name of the decedent indicated on the order appointing the personal representative of the decedent issued by the court having jurisdiction over the collateral is sufficient as the "name of the decedent" under subsection 1, paragraph "b".

NEW SUBSECTION. 7. *Multiple driver's licenses.* If this state has issued to an individual more than one driver's license under chapter 321 of a kind described in subsection 1, paragraph "d", the one that was issued most recently is the one to which subsection 1, paragraph "d" refers.

NEW SUBSECTION. 8. *Definition.* In this section, the "name of the settlor or testator" means:

a. if the settlor is a registered organization, the name that is stated to be the settlor's name on the public organic record most recently filed with or issued or enacted by the settlor's jurisdiction of organization which purports to state, amend, or restate the settlor's name; or

b. in other cases, the name of the settlor or testator indicated in the trust's organic record.

Sec. 16. Section 554.9507, subsection 3, Code 2011, is amended to read as follows:

3. *Change in debtor's name.* If ~~a debtor so changes its~~ the name that a filed financing statement provides for a debtor becomes insufficient as the name of the debtor under section 554.9503, subsection 1, so that the financing statement becomes seriously misleading under section 554.9506:

a. the financing statement is effective to perfect a security interest in collateral acquired by the debtor before, or within four months after, the change filed financing statement becomes seriously misleading; and

b. the financing statement is not effective to perfect a

security interest in collateral acquired by the debtor more than four months after the ~~change~~ filed financing statement becomes seriously misleading, unless an amendment to the financing statement which renders the financing statement not seriously misleading is filed within four months after ~~the change~~ the financing statement became seriously misleading.

Sec. 17. Section 554.9515, subsection 6, Code 2011, is amended to read as follows:

6. *Transmitting utility financing statement.* If a debtor is a transmitting utility and a filed initial financing statement so indicates, the financing statement is effective until a termination statement is filed.

Sec. 18. Section 554.9516, subsection 2, paragraph c, subparagraph (2), unnumbered paragraph 1, Code 2011, is amended to read as follows:

in the case of an amendment or ~~correction~~ information statement, the record:

Sec. 19. Section 554.9516, subsection 2, paragraph c, subparagraph (3), Code 2011, is amended to read as follows:

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

Sec. 20. Section 554.9516, subsection 2, paragraph e, Code 2011, is amended to read as follows:

e. in the case of an initial financing statement or an amendment that provides a name of a debtor which was not previously provided in the financing statement to which the amendment relates, the record does not:

- (1) provide a mailing address for the debtor; or
 - (2) indicate whether the name provided as the name of the debtor is the name of an individual or an organization; ~~or~~
 - ~~(3) if the financing statement indicates that the debtor is an organization, provide:~~
 - ~~(a) a type of organization for the debtor;~~
 - ~~(b) a jurisdiction of organization for the debtor; or~~
 - ~~(c) an organizational identification number for the debtor~~
- ~~or indicate that the debtor has none;~~

Sec. 21. Section 554.9518, Code 2011, is amended to read as follows:

554.9518 Claim concerning inaccurate or wrongfully filed

record.

1. ~~Correction statement~~ Statement with respect to record indexed under person's name. A person may file in the filing office ~~a correction~~ an information statement with respect to a record indexed there under the person's name if the person believes that the record is inaccurate or was wrongfully filed.

2. ~~Sufficiency~~ Contents of correction statement under subsection 1. ~~A correction~~ An information statement under subsection 1 must:

a. identify the record to which it relates ~~by:~~

(1) by the file number assigned to the initial financing statement to which the record relates; and

(2) ~~if the correction statement relates to a record filed or recorded in a filing office described in section 554.9501, subsection 1, paragraph "a", the date and time that the initial financing statement was filed or recorded and the information specified in section 554.9502, subsection 2;~~

b. indicate that it is ~~a correction~~ an information statement; and

c. provide the basis for the person's belief that the record is inaccurate and indicate the manner in which the person believes the record should be amended to cure any inaccuracy or provide the basis for the person's belief that the record was wrongfully filed.

3. Statement by secured party of record. A person may file in the filing office an information statement with respect to a record filed there if the person is a secured party of record with respect to the financing statement to which the record relates and believes that the person that filed the record was not entitled to do so under section 554.9509, subsection 4.

4. Contents of statement under subsection 3. An information statement under subsection 3 must:

a. identify the record to which it relates by the file number assigned to the initial financing statement to which the record relates;

b. indicate that it is an information statement; and

c. provide the basis for the person's belief that the person that filed the record was not entitled to do so under section 554.9509, subsection 4.

~~3.~~ 5. Record not affected by correction information statement. The filing of ~~a correction~~ an information statement does not affect the effectiveness of an initial financing statement or other filed record.

Sec. 22. Section 554.9607, subsection 2, paragraph b, subparagraph (1), Code 2011, is amended to read as follows:

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

Sec. 23. Section 554.9625, subsection 3, Code 2011, is amended to read as follows:

3. *Persons entitled to recover damages — statutory damages in consumer goods transaction if collateral is consumer goods.* Except as otherwise provided in section 554.9628:

a. a person that, at the time of the failure, was a debtor, was an obligor, or held a security interest in or other lien on the collateral may recover damages under subsection 2 for its loss; and

b. if the collateral is consumer goods, a person that was a debtor or a secondary obligor at the time a secured party failed to comply with this part may recover for that failure in any event an amount not less than the credit service charge plus ten percent of the principal amount of the obligation or the time-price differential plus ten percent of the cash price.

Sec. 24. NEW SECTION. 554.9801 **Effective date.** The amendments to this Article, as enacted in this Act, take effect on July 1, 2013.

Sec. 25. NEW SECTION. 554.9802 **Savings clause.**

1. *Pre-effective-date transactions or liens.* Except as otherwise provided in this part, this Act applies to a transaction or lien within its scope, even if the transaction or lien was entered into or created before July 1, 2013.

2. *Pre-effective date proceedings.* This Act does not affect an action, case, or proceeding commenced before July 1, 2013.

Sec. 26. NEW SECTION. 554.9803 **Security interest perfected before effective date.**

1. *Continuing perfection: perfection requirements satisfied.* A security interest that is a perfected security interest immediately before July 1, 2013, is a perfected security interest under this Article, as amended by this Act, if on July 1, 2013, the applicable requirements for attachment and perfection under this Article, as amended by this Act, are satisfied without further action.

2. *Continuing perfection: perfection requirements not satisfied.* Except as otherwise provided in section 554.9805, if immediately before July 1, 2013, a security interest is a perfected security interest, but the applicable requirements for perfection under this Article, as amended by this Act, are

not satisfied on July 1, 2013, the security interest remains perfected thereafter only if the applicable requirements for perfection under this Article, as amended by this Act, are satisfied within one year after July 1, 2013.

Sec. 27. NEW SECTION. 554.9804 Security interest unperfected before effective date.

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

1. without further action, on July 1, 2013, if the applicable requirements for perfection under this Article, as amended by this Act, are satisfied before or on July 1, 2013; or

2. when the applicable requirements for perfection are satisfied if the requirements are satisfied after July 1, 2013.

Sec. 28. NEW SECTION. 554.9805 Effectiveness of action taken before effective date.

1. *Pre-effective-date filing effective.* The filing of a financing statement before July 1, 2013, is effective to perfect a security interest to the extent the filing would satisfy the applicable requirements for perfection under this Article, as amended by this Act.

2. *When pre-effective-date filing becomes ineffective.* This Act does not render ineffective an effective financing statement that, before July 1, 2013, is filed and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in this Article, as it existed before July 1, 2013. However, except as otherwise provided in subsections 3 and 4 and section 554.9806, the financing statement ceases to be effective:

a. if the financing statement is filed in this state, at the time the financing statement would have ceased to be effective had this Act not taken effect; or

b. if the financing statement is filed in another jurisdiction, at the earlier of:

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

(2) June 30, 2018.

3. *Continuation statement.* The filing of a continuation statement on or after July 1, 2013, does not continue the effectiveness of a financing statement filed before July 1, 2013. However, upon the timely filing of a continuation statement on or after July 1, 2013, and in accordance with

the law of the jurisdiction governing perfection as provided in this Article, as amended by this Act, the effectiveness of a financing statement filed in the same office in that jurisdiction before July 1, 2013, continues for the period provided by the law of that jurisdiction.

4. *Application of subsection 2, paragraph "b", subparagraph (2) to transmitting utility financing statement.* Subsection 2, paragraph "b", subparagraph (2) applies to a financing statement that, before July 1, 2013, is filed against a transmitting utility and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in this Article, as it existed before July 1, 2013, only to the extent that this Article, as amended by this Act, provides that the law of a jurisdiction other than the jurisdiction in which the financing statement is filed governs perfection of a security interest in collateral covered by the financing statement.

5. *Application of Part 5.* A financing statement that includes a financing statement filed before July 1, 2013, and a continuation statement filed on or after July 1, 2013, is effective only to the extent that the financing statement satisfies the requirements of Part 5, as amended by this Act, for an initial financing statement. A financing statement that indicates that the debtor is a decedent's estate indicates that the collateral is being administered by a personal representative within the meaning of section 554.9503, subsection 1, paragraph "b", as amended by this Act. A financing statement that indicates that the debtor is a trust or is a trustee acting with respect to property held in trust indicates that the collateral is held in a trust within the meaning of section 554.9503, subsection 1, paragraph "c", as amended by this Act.

Sec. 29. NEW SECTION. 554.9806 When initial financing statement suffices to continue effectiveness of financing statement.

1. *Initial financing statement in lieu of continuation statement.* The filing of an initial financing statement in the office specified in section 554.9501 continues the effectiveness of a financing statement filed before July 1, 2013, if:

a. the filing of an initial financing statement in that office would be effective to perfect a security interest under this Article, as amended by this Act;

b. the pre-effective-date financing statement was filed in an office in another state; and

c. the initial financing statement satisfies subsection 3.

2. *Period of continued effectiveness.* The filing of an initial financing statement under subsection 1 continues the effectiveness of the pre-effective-date financing statement:

a. if the initial financing statement is filed before July 1, 2013, for the period provided in section 554.9515, as it existed before July 1, 2013, with respect to an initial financing statement; and

b. if the initial financing statement is filed on or after July 1, 2013, for the period provided in section 554.9515, as amended by this Act, with respect to an initial financing statement.

3. *Requirements for initial financing statement under subsection 1.* To be effective for purposes of subsection 1, an initial financing statement must:

a. satisfy the requirements of Part 5, as amended by this Act, for an initial financing statement;

b. identify the pre-effective-date financing statement by indicating the office in which the financing statement was filed and providing the dates of filing and file numbers, if any, of the financing statement and of the most recent continuation statement filed with respect to the financing statement; and

c. indicate that the pre-effective-date financing statement remains effective.

Sec. 30. NEW SECTION. 554.9807 Amendment of pre-effective-date financing statement.

1. "*Pre-effective-date financing statement*". In this section, "*pre-effective-date financing statement*" means a financing statement filed before July 1, 2013.

2. *Applicable law.* On or after July 1, 2013, a person may add or delete collateral covered by, continue or terminate the effectiveness of, or otherwise amend the information provided in, a pre-effective-date financing statement only in accordance with the law of the jurisdiction governing perfection as provided in this Article, as amended by this Act. However, the effectiveness of a pre-effective-date financing statement also may be terminated in accordance with the law of the jurisdiction in which the financing statement is filed.

3. *Method of amending: general rule.* Except as otherwise provided in subsection 4, if the law of this state governs

perfection of a security interest, the information in a pre-effective-date financing statement may be amended on or after July 1, 2013, only if:

a. the pre-effective-date financing statement and an amendment are filed in the office specified in section 554.9501;

b. an amendment is filed in the office specified in section 554.9501 concurrently with, or after the filing in that office of, an initial financing statement that satisfies section 554.9806, subsection 3; or

c. an initial financing statement that provides the information as amended and satisfies section 554.9806, subsection 3, is filed in the office specified in section 554.9501.

4. Method of amending: continuation. If the law of this state governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement may be continued only under section 554.9805, subsections 3 and 5, or section 554.9806.

5. Method of amending: additional termination rule. Whether or not the law of this state governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement filed in this state may be terminated on or after July 1, 2013, by filing a termination statement in the office in which the pre-effective-date financing statement is filed, unless an initial financing statement that satisfies section 554.9806, subsection 3, has been filed in the office specified by the law of the jurisdiction governing perfection as provided in this Article, as amended by this Act, as the office in which to file a financing statement.

Sec. 31. NEW SECTION. 554.9808 Person entitled to file initial financing statement or continuation statement.

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

1. the secured party of record authorizes the filing; and
2. the filing is necessary under this part:

a. to continue the effectiveness of a financing statement filed before July 1, 2013; or

b. to perfect or continue the perfection of a security interest.

Sec. 32. NEW SECTION. 554.9809 Priority.

This Act determines the priority of conflicting claims to collateral. However, if the relative priorities of the claims

were established before July 1, 2013, this Article, as it existed before July 1, 2013, determines priority.

Sec. 33. CODE EDITOR DIRECTIVE. Section 554.9316, Code 2011, is amended by striking from the headnote the words "Continued perfection of security interest following change in governing law." and inserting in lieu thereof the words "Effect of change in governing law."

Sec. 34. REPEAL. Sections 554.9701 through 554.9710, Code 2011, are repealed.

Sec. 35. REPEAL. Sections 554.9801 through 554.9809 are repealed effective July 1, 2019.

Sec. 36. GENERAL SAVINGS PROVISION. The repeals of sections 554.9701 through 554.9710, and sections 554.9801 through 554.9809 in this Act are subject to the application of section 4.13, relating to general savings provisions.

Sec. 37. EFFECTIVE DATE. This Act takes effect July 1, 2013.

KRAIG PAULSEN
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2321, Eighty-fourth General Assembly.

W. CHARLES SMITHSON
Chief Clerk of the House

Approved _____, 2012

TERRY E. BRANSTAD
Governor