

MEMORANDUM

TO: NEW JERSEY LAW REVISION COMMISSION

FROM: JOHN M. CANNEL, EXECUTIVE DIRECTOR

DATED: FEBRUARY 7, 2011

RE: PROPOSED PROJECT; UCC9 REVISIONS

In July 2010, The National Commission on Uniform State Laws approved revisions to Article 9 of the Uniform Commercial Code.

Most of the changes proposed are small and technical. However, the requirement as to the name of the debtor may be important.

The most significant changes are:

- 9-102 Definitions (small changes and clarifications)
- 9-105 Control of Electronic Chattel Paper (clarification)
- 9-307 Location of Debtor (clarification of location of registered organizations)
- 9-316 Effect in Change of Governing Law (rule for 4 month period after debtor changes location)
- 9-326 Priority of Security Interests Created by New Debtor (clarification)
- 9-406 and 9-408 Restrictions of Assignment of Accounts and Promissory Notes (exception to exception to invalidity of restrictions)
- 9-502 Record of Mortgage as Filing Statement (clarification)
- 9-503 Name of Debtor and Secured Party (provisions as to trustees, debtors that are a registered organizations and limitations as to the name of individuals; with alternatives)
- 9-507 Effect of Change of Name of Debtor (provision as to when change of name limits enforceability)
- 9-516 Effectiveness of Filing (provisions as to name of debtor)
- 9-518 Claim Concerning Inaccurate Record (provisions on correction statements with alternatives)
- 9-521 Form of Financing Statement (provision limiting name of debtor)
- 9-607 Collection and Enforcement by Secured Party (clarification as to security that is part of mortgage)

In addition, there are many changes to the Official Comments where there is no change proposed to statutory language. While these may be important, we have not addressed them here.