

AN ACT

To amend sections 102.01, 103.63, 1309.102, 1309.105, 1309.307, 1309.311, 1309.316, 1309.317, 1309.326, 1309.406, 1309.408, 1309.502, 1309.503, 1309.507, 1309.515, 1309.516, 1309.518, 1309.521, and 1309.607 of the Revised Code to make changes to Ohio's Uniform Commercial Code and to provide that the Joint Legislative Ethics Committee is the appropriate ethics commission for matters relating to the public member appointees to the Constitutional Modernization Commission.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 102.01, 103.63, 1309.102, 1309.105, 1309.307, 1309.311, 1309.316, 1309.317, 1309.326, 1309.406, 1309.408, 1309.502, 1309.503, 1309.507, 1309.515, 1309.516, 1309.518, 1309.521, and 1309.607 of the Revised Code be amended to read as follows:

Sec. 102.01. As used in this chapter:

(A) "Compensation" means money, thing of value, or financial benefit. "Compensation" does not include reimbursement for actual and necessary expenses incurred in the performance of official duties.

(B) "Public official or employee" means any person who is elected or appointed to an office or is an employee of any public agency. "Public official or employee" does not include a person elected or appointed to the office of precinct, ward, or district committee member under section 3517.03 of the Revised Code, any presidential elector, or any delegate to a national convention. "Public official or employee" does not include a person who is a teacher, instructor, professor, or other kind of educator whose position does not involve the performance of, or authority to perform, administrative or supervisory functions.

(C) "Public agency" means the general assembly, all courts, any department, division, institution, board, commission, authority, bureau or

other instrumentality of the state, a county, city, village, or township, the five state retirement systems, or any other governmental entity. "Public agency" does not include a department, division, institution, board, commission, authority, or other instrumentality of the state or a county, municipal corporation, township, or other governmental entity that functions exclusively for cultural, educational, historical, humanitarian, advisory, or research purposes; that does not expend more than ten thousand dollars per calendar year, excluding salaries and wages of employees; and whose members are uncompensated. "Public agency" does not include the nonprofit corporation formed under section 187.01 of the Revised Code.

(D) "Immediate family" means a spouse residing in the person's household and any dependent child.

(E) "Income" includes gross income as defined and used in the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, interest and dividends on obligations or securities of any state or of any political subdivision or authority of any state or political subdivision, and interest or dividends on obligations of any authority, commission, or instrumentality of the United States.

(F) Except as otherwise provided in division (A) of section 102.08 of the Revised Code, "appropriate ethics commission" means:

(1) For matters relating to members of the general assembly, employees of the general assembly, employees of the legislative service commission, ~~and~~ candidates for the office of member of the general assembly, and public members appointed to the Ohio constitutional modernization commission under section 103.63 of the Revised Code, the joint legislative ethics committee;

(2) For matters relating to judicial officers and employees, and candidates for judicial office, the board of commissioners on grievances and discipline of the supreme court;

(3) For matters relating to all other persons, the Ohio ethics commission.

(G) "Anything of value" has the same meaning as provided in section 1.03 of the Revised Code and includes, but is not limited to, a contribution as defined in section 3517.01 of the Revised Code.

(H) "Honorarium" means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or similar gathering. "Honorarium" does not include ceremonial gifts or awards that have insignificant monetary value; unsolicited gifts of nominal value or trivial items of informational value; or earned income from any person, other than a legislative agent, for personal services that are customarily provided in

connection with the practice of a bona fide business, if that business initially began before the public official or employee conducting that business was elected or appointed to the public official's or employee's office or position of employment.

(I) "Employer" means any person who, directly or indirectly, engages an executive agency lobbyist or legislative agent.

(J) "Executive agency decision," "executive agency lobbyist," and "executive agency lobbying activity" have the same meanings as in section 121.60 of the Revised Code.

(K) "Legislation," "legislative agent," "financial transaction," and "actively advocate" have the same meanings as in section 101.70 of the Revised Code.

(L) "Expenditure" has the same meaning as in section 101.70 of the Revised Code when used in relation to activities of a legislative agent, and the same meaning as in section 121.60 of the Revised Code when used in relation to activities of an executive agency lobbyist.

Sec. 103.63. There is established an Ohio constitutional modernization commission consisting of thirty-two members. Twelve members shall be appointed from the general assembly as follows: three by the president of the senate, three by the minority leader of the senate, three by the speaker of the house of representatives, and three by the minority leader of the house of representatives. Not later than January 1, 2012, and every two years thereafter, the twelve general assembly members shall meet, organize, and elect two co-chairpersons, who shall be from different political parties. The members shall then, by majority vote, appoint twenty commission members, not from the general assembly. All appointments shall end on the first day of January of every even-numbered year, and the commission shall then be re-created in the manner provided above. Members may be reappointed. Vacancies on the commission shall be filled in the manner provided for original appointments.

The members of the commission shall serve without compensation, but each member shall be reimbursed for actual and necessary expenses incurred while engaging in the performance of the member's official duties. Membership on the commission does not constitute holding another public office. The joint legislative ethics committee is the appropriate ethics commission as described in division (F) of section 102.01 of the Revised Code for matters relating to the public members appointed to the Ohio constitutional modernization commission.

Sec. 1309.102. (A) As used in this chapter, unless the context requires otherwise:

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

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

(b) "Account" includes health-care insurance receivables.

(c) "Account" does not include (i) rights to payment evidenced by chattel paper or an instrument, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, or (vi) rights to payment for money or funds advanced or sold, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

(3) "Account debtor" means a person who is obligated on an account, chattel paper, or general intangible. "Account debtor" does not include a person who is obligated to pay a negotiable instrument, even if the instrument constitutes part of chattel paper.

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

(a) Authenticated by a secured party;

(b) Indicating the aggregate unpaid secured obligations as of a date not more than thirty-five days earlier or thirty-five days later than the date of the record; and

(c) Identifying the components of the obligations in reasonable detail.

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

(a) That secures payment or performance of an obligation for:

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

(ii) Rent on real property leased by a debtor in connection with its farming operation.

(b) That is created by statute in favor of a person who:

(i) In the ordinary course of business, furnished goods or services to a

debtor in connection with the debtor's farming operation; or

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

(c) Whose effectiveness does not depend on the person's possession of the personal property.

(6) "As-extracted collateral" means:

(a) Oil, gas, or other minerals that are subject to a security interest that:

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

(ii) Attaches to the minerals as extracted; or

(b) Accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which the debtor had an interest before extraction.

(7) "Authenticate" means:

(a) To sign; or

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

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

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

(10) "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.

(11)(a) "Chattel paper" means a record that evidences both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods.

As used in division (A)(11)(a) of this section, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of

the goods and includes a monetary obligation with respect to software used in the goods.

(b) If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.

(c) "Chattel paper" does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(12) "Collateral" means the property subject to a security interest or agricultural lien, including:

(a) Proceeds to which a security interest attaches;

(b) Accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(c) Goods that are the subject of a consignment.

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

(a) The claimant is an organization; or

(b) The claimant is an individual, and the claim:

(i) Arose in the course of the claimant's business or profession; and

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

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

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

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

(b) Traded on a foreign commodity board of trade, exchange, or market and is carried on the books of a commodity intermediary for a commodity customer.

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

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

(a) Is registered as a futures commission merchant under the federal commodities laws; or

(b) In the ordinary course of its business provides clearance or

settlement services for a board of trade that has been designated as a contract market pursuant to the federal commodities laws.

(18) "Communicate" means:

(a) To send a written or other tangible record;

(b) To transmit a record by any means agreed upon by the persons sending and receiving the record; or

(c) In the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to whom goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(a) The merchant:

(i) Deals in goods of that kind under a name other than the name of the person making delivery;

(ii) Is not an auctioneer; and

(iii) Is not generally known by its creditors to be substantially engaged in selling the goods of others;

(b) With respect to each delivery, the aggregate value of the goods is one thousand dollars or more at the time of delivery.

(c) The goods are not consumer goods immediately before delivery; and

(d) The transaction does not create a security interest that secures an obligation.

(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

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

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

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

(a) An individual incurs an obligation primarily for personal, family, or household purposes; and

(b) A security interest in consumer goods secures the obligation.

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

(26) "Consumer transaction" means a transaction in which: (a) an individual incurs an obligation primarily for personal, family, or household purposes, (b) a security interest secures the obligation, and (c) the collateral is held or acquired primarily for personal, family, or household purposes.

"Consumer transaction" includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement that:

(a) Identifies, by its file number, the initial financing statement to which it relates; and

(b) Indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(28) "Debtor" means:

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

(b) A seller of accounts, chattel paper, payment intangibles, or promissory notes; or

(c) A consignee.

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

(30) "Document" means a document of title or a receipt of the type described in division (B) of section 1307.201 of the Revised Code.

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

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

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

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

(a) Crops grown, growing, or to be grown, including:

(i) Crops produced on trees, vines, and bushes; and

(ii) Aquatic goods produced in aquacultural operations;

(b) Livestock, born or unborn, including aquatic goods produced in aquacultural operations;

(c) Supplies used or produced in a farming operation; or

(d) Products of crops or livestock in their unmanufactured states.

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

(36) "File number" means the number assigned to an initial financing statement under division (A) of section 1309.519 of the Revised Code.

(37) "Filing office" means an office designated in section 1309.501 of the Revised Code as the place to file a financing statement.

(38) "Filing-office rule" means a rule adopted under section 1309.526 of the Revised Code.

(39) "Financing statement" means a record composed of an initial financing statement and any filed record or records relating to the initial financing statement. For the purposes of this chapter, financing statements filed for recording with the secretary of state shall not be required to include social security or employer identification numbers.

(40) "Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying divisions (A) and (B) of section 1309.502 of the Revised Code. "Fixture filing" includes the filing of a financing statement covering goods of a transmitting utility that are or are to become fixtures.

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

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

(43) "Good faith" has the same meaning as in section 1301.201 of the Revised Code.

(44)(a) "Goods" means all things that are movable when a security interest attaches. "Goods" includes (i) fixtures, (ii) standing timber that is to be cut and removed under a conveyance or contract for sale, (iii) the unborn young of animals, (iv) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (v) manufactured homes.

(b) "Goods" also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (i) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (ii) by becoming the owner of the goods, a person acquires a right to use the program in connection with the goods.

(c) "Goods" does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. "Goods" does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction.

(45) "Governmental unit" means a subdivision, agency, department,

county, parish, municipal corporation, or other unit of the government of the United States, a state, or a foreign country. "Governmental unit" includes an organization having a separate corporate existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

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

(47)(a) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment.

(b) "Instrument" does not include (i) investment property, (ii) letters of credit, or (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(48) "Inventory" means goods, other than farm products, that:

(a) Are leased by a person as lessor;

(b) Are held by a person for sale or lease or to be furnished under a contract of service;

(c) Are furnished by a person under a contract of service; or

(d) Consist of raw materials, work in process, or materials used or consumed in a business.

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

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

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

(52) "Lien creditor" means:

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

(b) An assignee for benefit of creditors from the time of assignment;

(c) A trustee in bankruptcy from the date of the filing of the petition; or

(d) A receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one or more sections, that, in the traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is three hundred twenty or more square feet, and that is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained in the structure. "Manufactured home" includes any structure that meets all of the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States secretary of housing and urban development and complies with the standards established under Title 42 of the United States Code.

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

(a) That creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or

(b) In which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(55) "Mortgage" means a consensual interest in real property, including fixtures, that secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as debtor under division (D) of section 1309.203 of the Revised Code by a security agreement previously entered into by another person.

(57)(a) "New value" means (i) money, (ii) money's worth in property, services, or new credit, or (iii) release by a transferee of an interest in property previously transferred to the transferee.

(b) "New value" does not include an obligation substituted for another obligation.

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

(59)(a) "Obligor" means a person who, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other performance of the obligation.

(b) "Obligor" does not include issuers or nominated persons under a letter of credit.

(60) "Original debtor," except as used in division (C) of section 1309.310 of the Revised Code, means a person who, as debtor, entered into a security agreement to which a new debtor has become bound under

division (D) of section 1309.203 of the Revised Code.

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation.

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

(a) The spouse of the individual;

(b) A brother, brother-in-law, sister, or sister-in-law of the individual;

(c) An ancestor or lineal descendant of the individual or the individual's spouse; or

(d) Any other relative, by blood or marriage, of the individual or the individual's spouse who shares the same home with the individual.

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

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

(b) An officer or director of, or a person performing similar functions with respect to, the organization;

(c) An officer or director of, or a person performing similar functions with respect to, a person described in division (A)(63)(a) of this section;

(d) The spouse of an individual described in division (A)(63)(a), (b), or (c) of this section; or

(e) An individual who is related by blood or marriage to an individual described in division (A)(63)(a), (b), (c), or (d) of this section and shares the same home with the individual.

(64) "Proceeds," except as used in division (B) of section 1309.609 of the Revised Code, means the following property:

(a) Whatever is acquired upon the sale, lease, license, exchange, or other disposition of collateral;

(b) Whatever is collected on, or distributed on account of, collateral;

(c) Rights arising out of collateral;

(d) To the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to the collateral; or

(e) To the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to the collateral.

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

(66) "Proposal" means a record authenticated by a secured party that

includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to sections 1309.620, 1309.621, and 1309.622 of the Revised Code.

(67) "Public-finance transaction" means a secured transaction in connection with which:

(a) Debt securities are issued;

(b) All or a portion of the securities issued have an initial stated maturity of at least twenty years; and

(c) The debtor, obligor, secured party, account debtor or other person obligated on collateral, assignor or assignee of a secured obligation, or assignor or assignee of a security interest is a state or a governmental unit of a state.

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

(a) 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 that amends or restates the initial record;

(b) An organic record of a business trust consisting of the record initially filed with a state and any record filed with the state that 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

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

(69) "Pursuant to commitment," with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

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

~~(70)~~(71) "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 or organized 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.

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

- (a) The obligor's obligation is secondary; or
- (b) The obligor has a right of recourse with respect to an obligation secured by collateral against the debtor, another obligor, or property of either.

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

- (a) A person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;
- (b) A person that holds an agricultural lien;
- (c) A consignor;
- (d) A person to whom accounts, chattel paper, payment intangibles, or promissory notes have been sold;
- (e) A trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or
- (f) A person who holds a security interest arising under section 1302.42, 1302.49, 1302.85, 1304.20, 1305.18, or 1310.54 of the Revised Code.

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

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

- (a) To deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or
- (b) To cause the record or notification to be received within the time that it would have been received if properly sent under division (A)(74)(a) of this section.

~~(75)~~(76) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. "Software" does not include a computer program that is included in the definition of goods.

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

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

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

~~(79)~~(80) "Termination statement" means an amendment of a financing statement that:

(a) Identifies, by its file number, the initial financing statement to which it relates; and

(b) Indicates either that it is a termination statement or that the identified financing statement is no longer effective.

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

(a) Operating a railroad, subway, street railway, or trolley bus;

(b) Transmitting communications electrically, electromagnetically, or by light;

(c) Transmitting goods by pipeline or sewer; or

(d) Transmitting or producing and transmitting electricity, steam, gas, or water.

(B) Other definitions applying to this chapter are:

(1) "Applicant" has the same meaning as in section 1305.01 of the Revised Code.

(2) "Beneficiary" has the same meaning as in section 1305.01 of the Revised Code.

(3) "Broker" has the same meaning as in section 1308.01 of the Revised Code.

(4) "Certificated security" has the same meaning as in section 1308.01 of the Revised Code.

(5) "Check" has the same meaning as in section 1303.03 of the Revised Code.

(6) "Clearing corporation" has the same meaning as in section 1308.01 of the Revised Code.

(7) "Contract for sale" has the same meaning as in section 1302.01 of the Revised Code.

(8) "Control" with respect to a document of title, has the same meaning as in section 1307.106 of the Revised Code.

(9) "Customer" has the same meaning as in section 1304.01 of the Revised Code.

(10) "Entitlement holder" has the same meaning as in section 1308.01 of

the Revised Code.

(11) "Financial asset" has the same meaning as in section 1308.01 of the Revised Code.

(12) "Holder in due course" has the same meaning as in section 1303.32 of the Revised Code.

(13) "Issuer," with respect to a letter of credit or letter-of-credit right, has the same meaning as in section 1305.01 of the Revised Code.

(14) "Issuer," with respect to a security, has the same meaning as in section 1308.08 of the Revised Code.

(15) "Issuer," with respect to a document of title, has the same meaning as in section 1307.102 of the Revised Code.

(16) "Lease," "lease agreement," "lease contract," "leasehold interest," "lessee," "lessee in ordinary course of business," "lessor," and "lessor's residual interest" have the same meanings as in section 1310.01 of the Revised Code.

(17) "Letter of credit" has the same meaning as in section 1305.01 of the Revised Code.

(18) "Merchant" has the same meaning as in section 1302.01 of the Revised Code.

(19) "Negotiable instrument" has the same meaning as in section 1303.03 of the Revised Code.

(20) "Nominated person" has the same meaning as in section 1305.01 of the Revised Code.

(21) "Note" has the same meaning as in section 1303.03 of the Revised Code.

(22) "Proceeds of a letter of credit" has the same meaning as in section 1305.13 of the Revised Code.

(23) "Prove" has the same meaning as in section 1303.01 of the Revised Code.

(24) "Sale" has the same meaning as in division (A)(11) of section 1302.01 of the Revised Code.

(25) "Securities account" has the same meaning as in section 1308.51 of the Revised Code.

(26) "Securities intermediary," "security," "security certificate," "security entitlement," and "uncertificated security" have the same meanings as in section 1308.01 of the Revised Code.

(C) In addition, Chapter 1301. of the Revised Code contains general definitions and principles of construction and interpretations applicable throughout this chapter.

Sec. 1309.105. (A) 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.

(B) A system satisfies division (A) of this section if the record or records comprising the chattel paper are created, stored, and assigned in such a manner that:

(A)(1) A single authoritative copy of the record or records exists that is unique, identifiable, and, except as otherwise provided in divisions ~~(D)~~(B)(4), ~~(E)~~(5), and ~~(F)~~(6) of this section, unalterable;

~~(B)~~(2) The authoritative copy identifies the secured party as the assignee of the record or records;

~~(C)~~(3) The authoritative copy is communicated to and maintained by the secured party or its designated custodian;

~~(D)~~(4) Copies or ~~revisions~~ amendments that add or change an identified assignee of the authoritative copy may be made only with the ~~participation~~ consent of the secured party;

~~(E)~~(5) 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)~~(6) Any ~~revision~~ amendment of the authoritative copy is readily identifiable as an authorized or unauthorized ~~revision~~.

Sec. 1309.307. (A) As used in this section, "place of business" means a place where a debtor conducts the debtor's affairs.

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

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

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

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

(C) Division (B) of this section applies only if a debtor's residence, place of business, or chief executive office, as applicable, is located in a jurisdiction whose law generally requires information concerning the existence of a nonpossessory security interest to be made generally available in a filing, recording, or registration system as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. If division (B) of this section does not apply, the debtor is located in the District of Columbia.

(D) A person that ceases to exist, have a residence, or have a place of business continues to be located in the jurisdiction specified by divisions (B)

and (C) of this section.

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

(F) Except as otherwise provided in division (I) of this section, a registered organization that is organized under the law of the United States and a branch or agency of a bank that is not organized under the law of the United States or a state are located:

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

(2) 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

(3) In the District of Columbia, if neither division (F)(1) nor (2) of this section applies.

(G) A registered organization continues to be located in the jurisdiction specified by division (E) or (F) of this section notwithstanding:

(1) The suspension, revocation, forfeiture, or lapse of the registered organization's status in its jurisdiction of organization; or

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

(H) The United States is located in the District of Columbia.

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

(J) A foreign air carrier under the "Federal Aviation Act of 1958," 49 U.S.C. 40102, as amended, is located at the designated office of the agent upon which service of process may be made on behalf of the carrier.

(K) This section applies only for the purposes of sections 1309.301 to 1309.342 of the Revised Code.

Sec. 1309.311. (A) Except as otherwise provided in division (D) of this section, the filing of a financing statement is not necessary or effective to perfect a security interest in property subject to:

(1) A statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt division (A) of section 1309.310 of the Revised Code;

(2) Chapters 1547., 1548., 4505., 4519., and 5309. of the Revised Code;

(3) A ~~certificate of title~~ statute of another jurisdiction that 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.

(B) Compliance with the requirements of a statute, regulation, or treaty described in division (A) of this section for obtaining priority over the rights of a lien creditor is equivalent to the filing of a financing statement under this chapter. Except as otherwise provided in division (D) of this section, section 1309.313, and divisions (D) and (E) of section 1309.316 of the Revised Code for goods covered by a certificate of title, a security interest in property subject to a statute, regulation, or treaty described in division (A) of this section may be perfected only by compliance with those requirements, and a security interest so perfected remains perfected notwithstanding a change in the use or transfer of possession of the collateral.

(C) Except as otherwise provided in division (D) of this section and divisions (D) and (E) of section 1309.316 of the Revised Code, duration and renewal of perfection of a security interest perfected by compliance with the requirements prescribed by a statute, regulation, or treaty described in division (A) of this section are governed by the statute, regulation, or treaty. In other respects, the security interest is subject to this chapter.

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

Sec. 1309.316. (A) A security interest perfected pursuant to the law of the jurisdiction designated in division (A) of section 1309.301 or division (C) of section 1309.305 of the Revised Code remains perfected until the earliest of:

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

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

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

(B) If a security interest described in division (A) of this section becomes perfected under the law of the other jurisdiction before the earliest time or event described in that division, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before that earliest time or event, it becomes unperfected and is

deemed never to have been perfected as against a purchaser of the collateral for value.

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

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

(2) Thereafter, the collateral is brought into another jurisdiction; and

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

(D) Except as otherwise provided in division (E) of this section, a security interest in goods covered by a certificate of title that is perfected by any method under the law of another jurisdiction when the goods become covered by a certificate of title from this state remains perfected until the security interest would have become unperfected under the law of the other jurisdiction had the goods not become so covered.

(E) A security interest described in division (D) of this section becomes unperfected as against a purchaser of the goods for value and is deemed never to have been perfected as against a purchaser of the goods for value if the applicable requirements for perfection under division (B) of section 1309.311 or section 1309.313 of the Revised Code are not satisfied before the earlier of:

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

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

(F) A security interest in deposit accounts, letter-of-credit rights, or investment property that is perfected under the law of the bank's jurisdiction, the issuer's jurisdiction, a nominated person's jurisdiction, the securities intermediary's jurisdiction, or the commodity intermediary's jurisdiction, as applicable, remains perfected until the earlier of:

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

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

(G) If a security interest described in division (F) of this section becomes perfected under the law of the other jurisdiction before the earlier of the time or the end of the period described in that division, it remains perfected thereafter. If the security interest does not become perfected under

the law of the other jurisdiction before the earlier of that time or the end of that period, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

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

(1) A financing statement filed before the change pursuant to the law of the jurisdiction designated in division (A) of section 1309.301 or division (C) of section 1309.305 of the Revised Code 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.

(2) If a security interest perfected by a financing statement that is effective under division (H)(1) of this section 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 division (A) of section 1309.301 or division (C) of section 1309.305 of the Revised Code 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.

(I) If a financing statement naming an original debtor is filed pursuant to the law of the jurisdiction designated in division (A) of section 1309.301 or division (C) of section 1309.305 of the Revised Code and the new debtor is located in another jurisdiction, the following rules apply:

(1) 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 division (D) of section 1309.203 of the Revised Code, 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.

(2) A security interest perfected by the financing statement and that 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 division (A) of section 1309.301 or division (C) of section 1309.305 of the Revised Code or the expiration of the four-month period remains perfected thereafter. A security interest that is perfected by the financing statement but that 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. 1309.317. (A) A security interest or agricultural lien is subordinate to the rights of:

(1) A person entitled to priority under section 1309.322 of the Revised Code; and

(2) Except as otherwise provided in division (E) of this section, a person who becomes a lien creditor before the earlier of the time:

(a) The security interest or agricultural lien is perfected; or

(b) One of the conditions specified in division (B)(3) of section 1309.203 of the Revised Code is met and a financing statement covering the collateral is filed.

(B) Except as otherwise provided in division (E) of this section, a buyer, other than a secured party, of tangible chattel paper, tangible documents, goods, instruments, or a certificated security certificate 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.

(C) Except as otherwise provided in division (E) of this section, a lessee of goods takes free of a security interest or agricultural lien if the lessee gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(D) 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~~ 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.

(E) Except as otherwise provided in sections 1309.320 and 1309.321 of the Revised Code, if a person files a financing statement with respect to a purchase money security interest before or within twenty days after the debtor receives delivery of the collateral, the security interest takes priority over the rights of a buyer, lessee, or lien creditor that arise between the time the security interest attaches and the time of filing.

Sec. 1309.326. (A) Subject to division (B) of this section, a security interest that is created by a new debtor that 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 would be ineffective to perfect the security interest but for the application of division (D)(1) of section 1309.316 of the Revised Code or section 1309.508 of the Revised Code in collateral in

~~which a new debtor has or acquires rights~~ is subordinate to a security interest in the same collateral that is perfected other than by such a filed financing statement ~~that is effective solely under section 1309.508 of the Revised Code.~~

(B) Sections 1309.301 to 1309.342 of the Revised Code determine the priority among conflicting security interests in the same collateral perfected by filed financing statements ~~that are effective solely under section 1309.508 described in division (A) of the Revised Code~~ this section. 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. 1309.406. (A) Subject to divisions (B) to (I) of this section, an account debtor on an account, chattel paper, or payment intangible may discharge its obligation by paying the assignor until, but not after, the account debtor receives a notification, authenticated by the assignor or the assignee, that the amount due or to become due has been assigned and that payment is to be made to the assignee. After receipt of the notification, the account debtor may discharge its obligation by paying the assignee and may not discharge the obligation by paying the assignor.

(B) Subject to division (H) of this section, notification under division (A) of this section is not effective:

(1) If the notification does not reasonably identify the rights assigned;

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

(3) At the option of an account debtor, if the notification notifies the account debtor to make less than the full amount of any installment or other periodic payment to the assignee, even if:

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

(b) A portion has been assigned to another assignee; or

(c) The account debtor knows that the assignment to that assignee is limited.

(C) Subject to division (H) of this section, if requested by the account debtor, an assignee shall seasonably furnish reasonable proof that the assignment has been made. Unless the assignee complies, the account debtor may discharge its obligation by paying the assignor, even if the account debtor has received a notification under division (A) of this section.

(D) Except as otherwise provided in division (E) of this section and sections 1309.407 and 1310.31 of the Revised Code, and subject to division (H) of this section, a term in an agreement between an account debtor and an assignor or in a promissory note is ineffective to the extent that it:

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

(2) Provides that the assignment or transfer or the creation, attachment, perfection, or enforcement of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the account, chattel paper, payment intangible, or promissory note.

(E) Division (D) of this section does not apply to the sale of a payment intangible or promissory note, other than a sale pursuant to a disposition under section 1309.610 of the Revised Code or an acceptance of collateral under section 1309.620 of the Revised Code.

(F) Except as provided in sections 1309.407 and 1310.31 of the Revised Code and subject to divisions (H) and (I) of this section, a rule of law, statute, or regulation that prohibits, restricts, or requires the consent of a government, governmental body or official, or account debtor to the assignment or transfer of, or creation of a security interest in, an account or chattel paper is not effective to the extent that the rule of law, statute, or regulation:

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

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

(G) Subject to division (H) of this section, an account debtor may not waive or vary its option under division (B)(3) of this section.

(H) This section is subject to law other than this chapter that establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

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

(J) Divisions (D) and (F) of this section do not apply to:

(1) A claim or right to receive compensation for injuries or sickness as described in section 104(a)(1) or (2) of the Internal Revenue Code, as amended; or

(2) A claim or right to receive benefits under a special needs trust as described in the "Omnibus Budget Reconciliation Act of 1993," 107 Stat. 312, 42 U.S.C. 1396p(d)(4), as amended.

(K) Divisions (D), (F), and (J) of this section apply only to a security interest created on or after July 1, 2001. Nothing in this section shall supersede the provisions of sections 2323.58 to 2323.587 of the Revised Code. This section shall be interpreted consistently with sections 2323.58 to 2323.587 of the Revised Code.

Sec. 1309.408. (A) Except as otherwise provided in division (B) of this section, a term in a promissory note or in an agreement between an account debtor and a debtor that relates to a health-care-insurance receivable or a general intangible, including a contract, permit, license, or franchise, and which term prohibits, restricts, or requires the consent of the person obligated on the promissory note or the account debtor to, the assignment or transfer of, or creation, attachment, or perfection of a security interest in, the promissory note, health-care-insurance receivable, or general intangible, is not effective to the extent that the term:

(1) Would impair the creation, attachment, or perfection of a security interest; or

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

(B) Division (A) 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 1309.610 of the Revised Code or an acceptance of collateral under section 1309.620 of the Revised Code.

(C) A rule of law, statute, or regulation that prohibits, restricts, or requires the consent of a government, governmental body or official, person obligated on a promissory note, or account debtor to the assignment or transfer of, or creation of a security interest in, a promissory note, health-care-insurance receivable, or general intangible, including a contract, permit, license, or franchise between an account debtor and a debtor, is not effective to the extent that the rule of law, statute, or regulation:

(1) Would impair the creation, attachment, or perfection of a security

interest; or

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

(D) To the extent that a term in a promissory note or in an agreement between an account debtor and a debtor that relates to a health-care-insurance receivable or general intangible or a rule of law, statute, or regulation described in division (C) of this section would be effective under law other than this chapter but is ineffective under division (A) or (C) of this section, the creation, attachment, or perfection of a security interest in the promissory note, health-care-insurance receivable, or general intangible:

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

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

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

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

(5) Does not entitle the secured party to use, assign, possess, or have access to any trade secrets or confidential information of the person obligated on the promissory note or the account debtor; and

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

(E) Divisions (A) and (C) of this section do not apply to:

(1) A claim or right to receive compensation for injuries or sickness as described in section 104(a)(1) or (2) of the Internal Revenue Code as amended; or

(2) A claim or right to receive benefits under a special needs trust as described in the "Omnibus Budget Reconciliation Act of 1993," 107 Stat. 312, 42 U.S.C. 1396p(d)(4), as amended.

(F) Divisions (A), (C), and (E) of this section apply only to a security

interest created on or after July 1, 2001. Nothing in this section shall supersede the provisions of sections 2323.58 to 2323.587 of the Revised Code. This section shall be interpreted consistently with sections 2323.58 to 2323.587 of the Revised Code.

Sec. 1309.502. (A) Subject to division (B) of this section, a financing statement is sufficient only if it:

- (1) Provides the name of the debtor;
- (2) Provides the name of the secured party or a representative of the secured party; and

(3) Indicates the collateral covered by the financing statement.

(B) Except as otherwise provided in division (B) of section 1309.501 of the Revised Code, to be sufficient, a financing statement that covers as-extracted collateral or timber to be cut, or that is filed as a fixture filing and covers goods that are or are to become fixtures, shall satisfy division (A) of this section and also:

- (1) Indicate that it covers this type of collateral;
- (2) Indicate that it is to be filed in the real property records;
- (3) Provide a description of the real property to which the collateral is related sufficient to give constructive notice of a mortgage under the laws of this state if the description were contained in a record of the mortgage of the real property; and

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

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

- (1) The record indicates the goods or accounts that it covers;
- (2) The goods are or are to become fixtures related to the real property described in the record, or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut;
- (3) The record satisfies the requirements for a financing statement contained in this section ~~other than an indication, but:~~

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

(b) 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 division (A)(4) of section 1309.503 of the Revised Code applies; and

(4) The record is duly recorded.

(D) A financing statement may be filed before a security agreement is

made or a security interest otherwise attaches.

Sec. 1309.503. (A) A financing statement sufficiently provides the name of the debtor:

(1) ~~If Except as otherwise provided in division (A)(3) of this section, if the debtor is a registered organization or 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 that shows the debtor to have been organized which purports to state, amend, or restate the registered organization's name;~~

(2) ~~If Subject to division (F) of this section, 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 collateral is an estate being administered by a personal representative;~~

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

(a) ~~Provides, as the name specified of the debtor;~~

(i) ~~If the organic record of the trust specifies a name for the trust in its organic documents or, if no, the name is specified, provides; or~~

(ii) ~~If the organic record of the trust does not specify a name for the trust, the name of the settlor and additional information sufficient to distinguish the debtor from other trusts having one or more of the same settlors or testator; and~~

(b) ~~Indicates, in the debtor's name or otherwise, that the debtor is a trust or is a trustee acting with respect to property In a separate part of the financing statement;~~

(i) ~~If the name is provided in accordance with division (A)(3)(a)(i) of this section, indicates that the collateral is held in a trust; or~~

(ii) ~~If the name is provided in accordance with division (A)(3)(a)(ii) of this section, 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.~~

(4) ~~Subject to division (G) of this section, if the debtor is an individual to whom this state has issued a driver's license or identification card that has not expired, only if the financing statement provides the name of the~~

individual that is indicated on the driver's license or identification card;

(5) If the debtor is an individual to whom division (A)(4) of this section 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

(6) In other cases:

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

(b) 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.

(B) A financing statement that provides the name of the debtor in accordance with division (A) of this section is not rendered ineffective by the absence of:

(1) A trade name or other name of the debtor; or

(2) Unless required under division (A)(4)(b) of this section, names of partners, members, associates, or other persons comprising the debtor.

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

(D) Failure to indicate the representative capacity of a secured party or representative of a secured party does not affect the sufficiency of a financing statement.

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

(F) 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 division (A)(2) of this section.

(G) If this state has issued to an individual more than one driver's license or identification card of a kind described in division (A)(4) of this section, the one that was issued most recently is the one to which division (A)(4) of this section refers.

(H) As used in this section, "name of the settlor or testator" means:

(1) 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 that purports to state, amend, or restate the settlor's name; or

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

Sec. 1309.507. (A) A filed financing statement remains effective with

respect to collateral that is sold, exchanged, leased, licensed, or otherwise disposed of and in which a security interest or agricultural lien continues, even if the secured party knows of or consents to the disposition.

(B) Except as otherwise provided in division (C) of this section and section 1309.508 of the Revised Code, a financing statement is not rendered ineffective if, after the financing statement is filed, the information provided in the financing statement becomes seriously misleading under section 1309.506 of the Revised Code.

(C) 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 division (A) of section 1309.503 of the Revised Code so that the financing statement becomes seriously misleading under section 1309.506 of the Revised Code:

(1) 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

(2) 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 that renders the financing statement not seriously misleading is filed within four months after the change financing statement became seriously misleading.

Sec. 1309.515. (A) Except as otherwise provided in divisions (B), (E), (F), and (G) of this section, a filed financing statement is effective for a period of five years after the date of filing.

(B) Except as otherwise provided in divisions (E), (F), and (G) of this section, an initial financing statement filed in connection with a public-finance transaction or manufactured-home transaction is effective for a period of thirty years after the date of filing if it indicates that it is filed in connection with a public-finance transaction or manufactured-home transaction.

(C) The effectiveness of a filed financing statement lapses on the expiration of the period of its effectiveness unless, before the lapse, a continuation statement is filed pursuant to division (D) of this section. Upon lapse, a financing statement ceases to be effective, and any security interest or agricultural lien that was perfected by the financing statement becomes unperfected, unless the security interest is perfected otherwise. If the security interest or agricultural lien becomes unperfected upon lapse, it is deemed never to have been perfected as against a purchaser of the collateral for value.

(D) A continuation statement may be filed only within six months before the expiration of the five-year period specified in division (A) or the thirty-year period specified in division (B) of this section, whichever is applicable.

(E) Except as provided in section 1309.510 of the Revised Code, upon timely filing of a continuation statement, the effectiveness of the initial financing statement continues for a period of five years commencing on the day on which the financing statement would have become ineffective in the absence of the filing. Upon the expiration of the five-year period, the financing statement lapses in the same manner as provided in division (C) of this section, unless, before the lapse, another continuation statement is filed pursuant to division (D) of this section. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the initial financing statement.

(F) 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.

(G) A record of a mortgage that is effective as a financing statement filed as a fixture filing under division (C) of section 1309.502 of the Revised Code remains effective as a financing statement filed as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real property.

Sec. 1309.516. (A) Except as provided in division (B) of this section, communication of a record to a filing office and tender of the filing fee or acceptance of the record by the filing office constitutes filing.

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

(1) The record is not communicated by a method or medium of communication authorized by the filing office;

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

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

(a) In the case of an initial financing statement, the record does not provide a name for the debtor;

(b) In the case of an amendment or ~~correction~~ information statement, the record:

(i) Does not identify the initial financing statement as required by section 1309.512 or 1309.518 of the Revised Code, as applicable; or

(ii) Identifies an initial financing statement whose effectiveness has lapsed under section 1309.515 of the Revised Code.

(c) 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 that was not provided previously in the financing statement to which the record relates, the record does not identify the debtor's ~~last name~~ surname; or

(d) In the case of a record filed in the filing office described in division (A)(1) of section 1309.501 of the Revised Code, the record does not provide a sufficient description of the real property to which it relates.

(4) In the case of an initial financing statement or an amendment that adds a secured party of record, the record does not provide a name and mailing address for the secured party of record;

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

(a) Provide a mailing address for the debtor; or

(b) Indicate whether the name provided as the name of the debtor is the name of an individual or an organization; ~~or~~

~~(c) If the financing statement indicates that the debtor is an organization, provide:~~

~~(i) A type of organization for the debtor; or~~

~~(ii) A jurisdiction of organization for the debtor.~~

(6) In the case of an assignment reflected in an initial financing statement under division (A) of section 1309.514 of the Revised Code or an amendment filed under division (B) of section 1309.514 of the Revised Code, the record does not provide a name and mailing address for the assignee.

(7) In the case of a continuation statement, the record is not filed within the six-month period prescribed by division (D) of section 1309.515 of the Revised Code; or

(8) The secretary of state refuses to accept the record for filing or recording in compliance with division (A) of section 111.24 of the Revised Code.

(C) For purposes of division (B) of this section:

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

(2) A record that does not indicate that it is an amendment or identify an initial financing statement to which it relates, as required by section 1309.512, 1309.514, or 1309.518 of the Revised Code, is an initial financing statement.

(D) A record that is communicated to the filing office with tender of the

filing fee, but that the filing office refuses to accept for a reason other than one specified in division (B) of this section, is effective as a filed record except as against a purchaser of the collateral that gives value in reasonable reliance upon the absence of the record from the files.

Sec. 1309.518. (A) 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.

(B) ~~A correction~~ An information statement under division (A) of this section must:

(1) Identify the record to which it relates by:

(a) The file number assigned to the initial financing statement to which the record relates; and

(b) If the ~~correction~~ information statement relates to a record filed in a filing office described in division (A)(1) of section 1309.501 of the Revised Code, the date and time that the initial financing statement was filed and the information specified in division (B) of section 1309.502 of the Revised Code;

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

(3) 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.

(C) 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 division (D) of section 1309.509 of the Revised Code.

(D) An information statement under division (C) of this section must:

(1) Identify the record to which it relates by:

(a) The file number assigned to the initial financing statement to which the record relates; and

(b) If the information statement relates to a record filed in a filing office described in division (A)(1) of section 1309.501 of the Revised Code, the date and time that the initial financing statement was filed and the information specified in division (B) of section 1309.502 of the Revised Code;

(2) Indicate that it is an information statement; and

(3) Provide the basis for the person's belief that the person that filed the record was not entitled to do so under division (D) of section 1309.509 of

the Revised Code.

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

Sec. 1309.521. (A) A filing office that accepts written records may not refuse to accept a written initial financing statement in the following form and format except for a reason prescribed in division (B) of section 1309.516 of the Revised Code:

UCC FINANCING STATEMENT

Follow instructions (front and back) carefully.

A. Name and phone of contact at filer (optional)

.....

B. Send acknowledgment to: (name and address)

.....

.....

The above space is for filing office use only.

1. DEBTOR'S EXACT FULL LEGAL NAME

(Insert only one debtor name [1a or 1b]. Do not abbreviate or combine names. If completing 1b, insert the debtor's name exactly as it appears on the debtor's current driver's license or identification card issued by this state, if one exists.)

1a. Organization's name

or

1b. Individual's last name First name

Middle name Suffix

1c. Mailing address

City State Postal code Country

Additional information regarding organization debtor

1d. Type of organization

1e. Jurisdiction of organization

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME

(Insert only one debtor name [2a or 2b]. Do not abbreviate or combine names. If completing 2b, insert the debtor's name exactly as it appears on the debtor's current driver's license or identification card issued by this state, if one exists.)

2a. Organization's name

or

2b. Individual's last name First name

Middle name Suffix

2c. Mailing address

City State Postal code Country

Additional information regarding organization debtor

2d. Type of organization

2e. Jurisdiction of organization

3. SECURED PARTY'S NAME (or name of total assignee of assignor

S/P). Insert only one secured party name (3a or 3b).

3a. Organization's name

or

3b. Individual's last name First name

Middle name Suffix

3c. Mailing address

City State Postal code Country

4. This FINANCING STATEMENT covers the following collateral:

.....

.....

.....

.....

5. ALTERNATIVE DESIGNATION (if applicable):

☐ Lessee/lessor ☐ Consignee/consignor ☐ Bailee/bailor☐ Seller/buyer ☐ Ag. lien ☐ Non-UCC filing6. ☐ This FINANCING STATEMENT is to be filed [for record]

(or

recorded) in the REAL ESTATE RECORDS. Attach addendum

.....

[if applicable].

7. Check to REQUEST SEARCH REPORT(S) on debtor(s)

[ADDITIONAL FEE] [optional]

☐ All debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

.....

.....

UCC FINANCING STATEMENT ADDENDUM

Follow instructions (front and back) carefully.

9. NAME OF FIRST DEBTOR (1a OR 1b) ON RELATED FINANCING STATEMENT

9a. Organization's name

or

9b. Individual's last name First name

Middle name Suffix

10. MISCELLANEOUS

.....

.....
 The above space is for filing office use only.

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME
 (Insert only one name [11a or 11b]. Do not abbreviate or combine names. If completing 11b, insert the debtor's name exactly as it appears on the debtor's current driver's license or identification card issued by this state, if one exists.)

11a. Organization's name

or

11b. Individual's last name First name

Middle name Suffix

11c. Mailing address

City State Postal code Country

Additional information regarding organization debtor

11d. Type of organization

11e. Jurisdiction of organization

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR
S/P'S NAME

(Insert only one name [12a or 12b].)

12a. Organization's name

or

12b. Individual's last name First name

Middle name Suffix

12c. Mailing address

City State Postal code Country

13. This FINANCING STATEMENT covers ☐ timber to be cut or

☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. DESCRIPTION OF REAL ESTATE:

.....

15. Name and address of a RECORD OWNER of above-described real

estate (if debtor does not have a record interest):

.....

16. Additional collateral description:

.....

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to
 property held in trust or ☐ Decedent's estate

18. Check only if applicable and check only one box.

☐ Debtor is a transmitting utility

☐ Filed in connection with a manufactured-home transaction -
 effective 30 years

☐ Filed in connection with a public-finance transaction -
 effective 30 years

(B) A filing office that accepts written records may not refuse to accept
 a written record in the following form and format except for a reason
 prescribed in division (B) of section 1309.516 of the Revised Code:

UCC FINANCING STATEMENT AMENDMENT

Follow instructions (front and back) carefully.

A. Name and phone of contact at filer (optional)

.....

B. Send acknowledgment to: (name and address)

.....

.....
 The above space is for filing office use only.

1a. INITIAL FINANCING STATEMENT FILE NUMBER

.....

1b. ☐ This financing statement amendment is to be filed [for
 record] (or recorded) in the real estate records.

2. ☐ TERMINATION: Effectiveness of the financing statement
 identified above is terminated with respect to security interest(s) of
 the secured party authorizing this termination statement.

3. ☐ CONTINUATION: Effectiveness of the financing statement
 identified above with respect to security interest(s) of the secured
 party authorizing this continuation statement is continued for the
 additional period provided by applicable law.

4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item
 7a or 7b and address of assignee in item 7c; and also give name of
 assignor in item 9.

5. AMENDMENT (PARTY INFORMATION): This amendment

affects ☐ Debtor

or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☐ CHANGE name and/or address. Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c.

☐ DELETE name. Give record name to be deleted in item 6a or 6b.

☐ ADD name. Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. Organization's name

or

6b. Individual's last name First name

Middle name Suffix

7. CHANGED (NEW) OR ADDED INFORMATION:

(If completing 7b and the amendment affects a debtor, insert the debtor's name exactly as it appears on the debtor's current driver's license or identification card issued by this state, if one exists.)

7a. Organization's name

or

7b. Individual's last name First name

Middle name Suffix

7c. Mailing address

City State Postal code Country

Additional information regarding organization debtor

7d. Type of organization

7e. Jurisdiction of organization

8. AMENDMENT (COLLATERAL CHANGE). Check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire

☐ restated collateral description, or describe collateral

☐ assigned.

.....

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT

(name of assignor, if this is an assignment). If this is an

amendment authorized by a debtor that adds collateral or adds the authorizing debtor, or if this is a termination authorized by a debtor, check here [] and enter name of debtor authorizing this amendment.

9a. Organization's name

or

9b. Individual's last name First name

Middle name Suffix

10. OPTIONAL FILER REFERENCE DATA

.....
UCC FINANCING STATEMENT AMENDMENT ADDENDUM

Follow instructions (front and back) carefully.

11. INITIAL FINANCING STATEMENT FILE NUMBER (same as item 1a

on amendment form)

12. NAME OF PARTY

AUTHORIZING

THIS AMENDMENT (same as item 9

on amendment form)

12a. Organization's name

.....

or

12b. Individual's last name

.....

First name

Middle name Suffix ...

The above space is for filing office use only.

13. Use this space for additional information.

.....

.....

.....

.....
Sec. 1309.607. (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 1309.315 of the Revised Code;

(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 perfected by control under division (A)(1) of section 1309.104 of the Revised Code, may apply the balance of the deposit account to the obligation secured by the deposit account; and

(5) If it holds a security interest in a deposit account perfected by control under division (A)(2) or (3) of section 1309.104 of the Revised Code, may instruct the bank to pay the balance of the deposit account to or for the benefit of the secured party.

(B) If necessary to enable a secured party to exercise the right of a debtor to enforce a mortgage nonjudicially under division (A)(3) of this section, the secured party may record in the office in which a record of the mortgage is recorded:

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

(2) The secured party's sworn affidavit in recordable form stating that:

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

(b) The secured party is entitled to enforce the mortgage nonjudicially.

(C) A secured party shall proceed in a commercially reasonable manner if the secured party:

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

(2) Is entitled to charge back uncollected collateral or otherwise to full or limited recourse against the debtor or a secondary obligor.

(D) A secured party may deduct from the collections made pursuant to division (C) of this section reasonable expenses of collection and enforcement, including reasonable attorney's fees and legal expenses incurred by the secured party.

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

SECTION 2. That existing sections 102.01, 103.63, 1309.102, 1309.105, 1309.307, 1309.311, 1309.316, 1309.317, 1309.326, 1309.406, 1309.408, 1309.502, 1309.503, 1309.507, 1309.515, 1309.516, 1309.518, 1309.521, and 1309.607 of the Revised Code are hereby repealed.

SECTION 3. (A) Except as otherwise provided in Sections 3 through 8 of this act, this act applies to a transaction or lien within its scope, even if the transaction or lien was entered into or created before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect.

(B) This act does not affect an action, case, or proceeding commenced before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect.

SECTION 4. (A) A security interest that is a perfected security interest immediately before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect is a perfected security interest under Chapter 1309. of the Revised Code as amended by this act if, when Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, the applicable requirements for attachment and perfection under Chapter 1309. of the Revised Code as amended by this act are satisfied without further action.

(B) Except as otherwise provided in Section 5 of this act, if, immediately before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, a security interest is a perfected security interest, but the applicable requirements for perfection under Chapter 1309. of the Revised Code as amended by this act are not satisfied when Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, the security interest remains perfected thereafter only if the applicable requirements for perfection under Chapter 1309. of the Revised Code as amended by this act are satisfied within one year after Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect.

A security interest that is an unperfected security interest immediately before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect becomes a perfected security interest:

(1) Without further action, when Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect if the applicable requirements for perfection under Chapter 1309. of the Revised Code as amended by this act are satisfied before or at that

time; or

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

SECTION 5. (A) The filing of a financing statement before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect is effective to perfect a security interest to the extent the filing would satisfy the applicable requirements for perfection under Chapter 1309. of the Revised Code as amended by this act.

(B) This act does not render ineffective an effective financing statement that, before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, is filed and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in Chapter 1309. of the Revised Code as it existed before amendment. However, except as otherwise provided in Section 6 of this act and divisions (C) and (D) of this section, the financing statement ceases to be effective:

(1) If the financing statement is filed in this state, at the time the financing statement would have ceased to be effective had Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, not taken effect; or

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

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

(b) June 30, 2018.

(C) The filing of a continuation statement after Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect does not continue the effectiveness of a financing statement filed before those sections, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect. However, upon the timely filing of a continuation statement after those sections, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect and in accordance with the law of the jurisdiction governing perfection as provided in Chapter 1309. of the Revised Code as amended by this act, the effectiveness of a financing statement filed in the same office in that jurisdiction before those sections, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect continues for the period provided by the law of that jurisdiction.

(D) Division (B)(2)(b) of this section applies to a financing statement that, before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, is filed against a transmitting utility and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in Chapter 1309. of the Revised Code as it existed before amendment, only to the extent that Chapter 1309. of the Revised Code 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.

(E) A financing statement that includes a financing statement filed before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect and a continuation statement filed after those sections, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect is effective only to the extent that it satisfies the requirements of sections 1309.501 to 1309.529 of the Revised Code 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 division (A)(2) of section 1309.503 of the Revised Code 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 division (A)(3) of section 1309.503 of the Revised Code as amended by this act.

SECTION 6. (A) The filing of an initial financing statement in the office specified in section 1309.501 of the Revised Code continues the effectiveness of a financing statement filed before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect if:

(1) The filing of an initial financing statement in that office would be effective to perfect a security interest under Chapter 1309. of the Revised Code as amended by this act;

(2) The pre-effective-date financing statement was filed in an office in another state; and

(3) The initial financing statement satisfies division (C) of this section.

(B) The filing of an initial financing statement under division (A) of this section continues the effectiveness of the pre-effective-date financing statement:

(1) If the initial financing statement is filed before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, for the period provided in section 1309.515 of the Revised Code as it existed before amendment with respect to an initial financing statement; and

(2) If the initial financing statement is filed after Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, for the period provided in section 1309.515 of the Revised Code as amended by this act with respect to an initial financing statement.

(C) To be effective for purposes of division (A) of this section, an initial financing statement must:

(1) Satisfy the requirements of sections 1309.501 to 1309.529 of the Revised Code as amended by this act for an initial financing statement;

(2) 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

(3) Indicate that the pre-effective-date financing statement remains effective.

SECTION 7. (A) In this section, "pre-effective-date financing statement" means a financing statement filed before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect.

(B) After Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, 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 Chapter 1309. of the Revised Code 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.

(C) Except as otherwise provided in division (D) of this section, if the law of this state governs perfection of a security interest, the information in a pre-effective-date financing statement may be amended after Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect only if:

(1) The pre-effective-date financing statement and an amendment are filed in the office specified in section 1309.501 of the Revised Code;

(2) An amendment is filed in the office specified in section 1309.501 of the Revised Code concurrently with, or after the filing in that office of, an initial financing statement that satisfies division (C) of Section 6 of this act; or

(3) An initial financing statement that provides the information as amended and satisfies division (C) of Section 6 of this act is filed in the office specified in section 1309.501 of the Revised Code.

(D) 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 divisions (C) and (E) of Section 5 of this act or Section 6 of this act.

(E) 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 after Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect 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 division (C) of Section 6 of this act has been filed in the office specified by the law of the jurisdiction governing perfection as provided in Chapter 1309. of the Revised Code as amended by this act as the office in which to file a financing statement.

A person may file an initial financing statement or a continuation statement under Sections 3 through 8 of this act if:

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

(2) The filing is necessary under Sections 3 through 8 of this act:

(a) To continue the effectiveness of a financing statement filed before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect; or

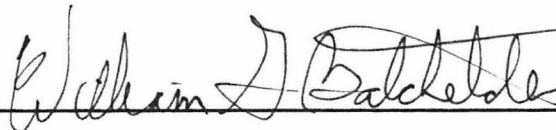
(b) To perfect or continue the perfection of a security interest.

SECTION 8. This act determines the priority of conflicting claims to collateral. However, if the relative priorities of the claims were established before Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, take effect, Chapter 1309. of the Revised Code as it existed before amendment determines priority.

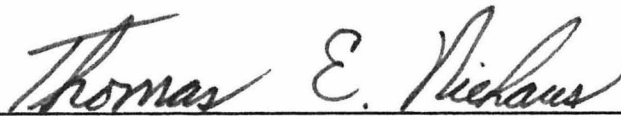
SECTION 9. Sections 1 through 8 of this act, except for sections 102.01 and 103.63 of the Revised Code as amended by this act, shall take effect on July 1, 2013.

Sub. S. B. No. 208

129th G.A.



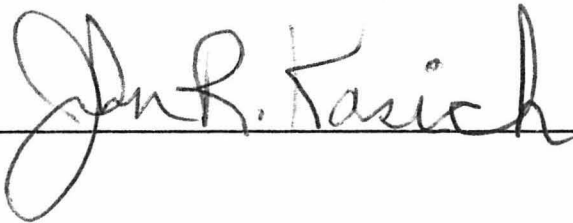
Speaker _____ of the House of Representatives.



President _____ of the Senate.

Passed March 28, 2012

Approved APRIL 2, 2012



Governor.

Sub. S. B. No. 208

129th G.A.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Mark C. Flanders

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
3rd day of April, A. D. 2012.

Joe Huston

Secretary of State.

File No. 94

Effective Date July 3, 2012

File No. 94

(129th General Assembly)
(Substitute Senate Bill Number 208)

AN ACT

To amend sections 102.01, 103.63, 1309.102, 1309.105, 1309.307, 1309.311, 1309.316, 1309.317, 1309.326, 1309.406, 1309.408, 1309.502, 1309.503, 1309.507, 1309.515, 1309.516, 1309.518, 1309.521, and 1309.607 of the Revised Code to make changes to Ohio's Uniform Commercial Code and to provide that the Joint Legislative Ethics Committee is the appropriate ethics commission for matters relating to the public member appointees to the Constitutional Modernization Commission.

Introduced by

Senators Obhof, Kearney

Cosponsors: Senators Bacon, Beagle, Jones, Sawyer, Schiavoni, Wagoner, Coley, Daniels, Faber, Hughes, Lehner, Manning, Oelslager, Patton
Representatives Bulp, Szollosi, Slaby, Terhar, Letson, Antonio, Baker, Beck, Blair, Brenner, Carney, Dovilla, Duffey, Foley, Garland, Hall, Hayes, Murray, Rose
Speaker Batchelder

Passed by the Senate,

December 13, 2011

Passed by the House of Representatives,

March 28, 2012

*Filed in the office of the Secretary of State at
Columbus, Ohio, on the*

3rd day of April, A. D. 2012

Jon Huston
Secretary of State.

Concurred in House
amendments
March 28, 2012.