

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 701

Short Title: Authorize UCC Fee.

(Public)

Sponsors: Senator Johnson.

Referred to: Finance.

April 6, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE A FEE FOR FILING A UCC TERMINATION
3 STATEMENT.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 25-9-404 reads as rewritten:

6 "**§ 25-9-404. Termination statement.**

7 (1) If a financing statement covering consumer goods is filed on or after July 1,
8 1976, then within 30 days after there is no outstanding secured obligation and no
9 commitment to make advances, incur obligations or otherwise give value, the secured
10 party must file with each filing officer with whom the financing statement was filed a
11 termination statement to the effect that he no longer claims a security interest under the
12 financing statement, which shall be identified by file number and also by the most
13 current file number if any continuation was filed. In other cases whenever there is no
14 outstanding secured obligation and no commitment to make advances, incur obligations
15 or otherwise give value, the secured party must file with each filing officer with whom
16 the financing statement was filed, a termination statement to the effect that he no longer
17 claims a security interest under the financing statement, which shall be identified by file
18 number and also by the most current file number if any continuation was filed. A
19 termination statement signed by a person other than the secured party of record must be
20 accompanied by a separate written statement of assignment signed by the secured party
21 of record and complying with subsection (2) of G.S. 25-9-405, including payment of the
22 required fee. If the affected secured party fails to file such a termination statement as
23 required by this subsection within 30 days, he shall be liable to the debtor for one

1 hundred dollars (\$100.00), and in addition for any loss caused to the debtor by such
2 failure.

3 (2) On presentation to the filing officer of such a termination statement, he must
4 note it in the Uniform Commercial Code index and also, if the financing statement is
5 subject to subsection (5) of G.S. 25-9-402, in the real estate index. If he has received the
6 termination statement in duplicate, he shall return one copy of the termination statement
7 to the secured party to show the time of receipt thereof. If the filing officer has a
8 microfilm or other photographic record of the financing statement and of any related
9 continuation statements, statement of assignment and statement of release, he may
10 remove the originals from the files at any time after receipt of the termination statement,
11 or if he has no such microfilm or other photographic record, he may remove them from
12 the files at any time after one year after receipt of the termination statement. The
13 termination statement shall then remain in the file for such period of time as the
14 financing statement or a continuation statement would be effective under the five-year
15 life provided in G.S. 25-9-403, and then may be destroyed.

16 (3) ~~There shall be no fee charged for termination statements.~~ The fee for filing a
17 termination statement is eight dollars (\$8.00)."

18 Sec. 2. This act becomes effective January 1, 1994.