

# Contents

<b>CHAPTER 1</b>	<b>WHAT LAW GOVERNS? .....</b>	<b>1-1</b>
1.1	What Law Governs? .....	1-1
1.1.1	Governing Law for Perfection and Priority .....	1-1
1.1.2	Governing Law for Other Issues. ....	1-5
1.2	Transactions with Native American Tribes. ....	1-5
<b>CHAPTER 2</b>	<b>OVERVIEW AND DEFINITIONS .....</b>	<b>2-1</b>
2.1	Security Interest .....	2-1
2.1.1	Purchase-Money Security Interests .....	2-1
2.1.1.1	Application of Payments .....	2-2
2.1.1.2	Treatment of Certain Purchase Money Security Interests in Vehicle Collateral in a Chapter 13 Bankruptcy Case .....	2-3
2.1.2	Agricultural Liens. ....	2-5
2.1.3	Consignments .....	2-5
2.2	Parties .....	2-6
2.3	Exclusions from Article 9. ....	2-7
2.4	Article 9 Collateral Categories .....	2-10
2.4.1	Intangible and “Semi-Tangible” Property .....	2-10
2.4.2	Tangible Personal Property — Goods .....	2-13
2.4.3	Investment Property .....	2-15
2.4.4	Supporting Obligation .....	2-15
2.4.5	Proceeds .....	2-15
2.5	Medium Neutral Terms. ....	2-16
2.6	Good Faith .....	2-17
2.7	Special Consumer and Maryland Rules .....	2-17
2.8	Managing Secured Transactions. ....	2-20
2.8.1	Due Diligence.....	2-20
2.8.1.1	The Purpose of Due Diligence.....	2-20
2.8.1.2	The Process of Due Diligence .....	2-21
2.8.2	Drafting Security Agreements and Related Documentation .....	2-24
2.8.2.1	Start with Good Forms. ....	2-24
2.8.2.2	The Security Agreement .....	2-25
2.8.2.3	The Pledge Agreement. ....	2-26
2.8.2.4	Financing Statements.....	2-26
2.8.2.5	Control Agreements.....	2-27
2.8.2.6	Bailee Waivers; Landlord Liens .....	2-27
2.8.2.7	Other Documents.....	2-28
2.8.2.8	Other Closing Considerations .....	2-28

## CONTENTS

2.9	2.8.2.9 Legal Opinions .....	2-29
2.9	Post-Closing Considerations .....	2-29
2.9.1	UCC Search .....	2-29
2.9.2	Continuation Statements .....	2-30
2.9.3	Intermittent Checking .....	2-30
<b>CHAPTER 3 CREATING A SECURITY INTEREST — ATTACHMENT — MAKING THE SECURED PARTY'S RIGHTS ENFORCEABLE AGAINST THE DEBTOR .....</b>		<b>3-1</b>
3.1	Elements of Attachment .....	3-1
3.1.1	Value .....	3-2
3.1.2	Rights in the Collateral .....	3-2
3.2	Security Agreement .....	3-3
3.3	Possession .....	3-4.1
3.4	Control .....	3-5
3.5	Attachment to Proceeds and Supporting Obligations .....	3-5
3.6	Attachment to Securities and Commodity Accounts .....	3-5
3.7	After-Acquired Property .....	3-5
3.8	Future Advances and Dragnet Clauses .....	3-6
3.9	Attachment of Security Interest to Lien Securing Right to Payment .....	3-6
3.9.1	Maryland Mortgage Assignments .....	3-7
3.10	Leases of Goods .....	3-9
<b>CHAPTER 4 PERFECTION .....</b>		<b>4-1</b>
4.1	General Rule: All Security Interests Must Be Perfected by Filing a Financing Statement .....	4-2
4.2	Exception 1: Filing a Financing Statement Doesn't Work at All .....	4-2
4.3	Exception 2: Filing a Financing Statement Is an Optional Method of Perfection .....	4-2
4.4	Exception 3: Automatic Perfection .....	4-2
4.5	Exception 4: Filing a Financing Statement Is Not Required for Security Interests in Property Subject to a Certificate of Title or Other Statute .....	4-4
4.5.1	Motor Vehicles and Boats .....	4-4
4.5.2	Ships .....	4-5
4.5.3	Aircraft .....	4-5
4.5.4	Intellectual Property .....	4-6
4.6	Exception 5: Filing a Financing Statement Is Not Required for Security Interests Perfected by Possession .....	4-8

4.7	Exception 6: Filing a Financing Statement Is Not Required for Security Interests Perfected by Control. . . . .	4-10
4.8	Exception 7: Temporary Perfection . . . . .	4-10
<b>CHAPTER 5 FINANCING STATEMENT MECHANICS . . . . .</b>		<b>5-1</b>
5.1	What Kinds of Records Are Filed? . . . . .	5-1
5.2	Where to File? . . . . .	5-1
5.3	Contents of a “Sufficient” Financing Statement. . . . .	5-2
5.3.1	Multiple Secured Parties. . . . .	5-4
5.4	Debtor’s Name Rules . . . . .	5-5
5.4.1	Registered Organizations . . . . .	5-5
5.4.2	Decedent’s Estates . . . . .	5-7
5.4.3	Trusts . . . . .	5-8
5.4.4	Individual Debtors . . . . .	5-8
5.5	How to Describe Collateral . . . . .	5-9
5.6	When Filing Office Can Reject Filings . . . . .	5-10
5.7	Mistakes . . . . .	5-12
5.8	Who Can File? . . . . .	5-12
5.8.1	Initial Financing Statements . . . . .	5-12.1
5.8.2	Amendments . . . . .	5-13
5.9	Duration of Financing Statements . . . . .	5-15
5.10	Continuation Statements. . . . .	5-15
5.11	Termination Statements . . . . .	5-16
5.12	The Filing Office . . . . .	5-16.1
5.13	Inaccurate or Wrongfully Filed Records . . . . .	5-17
5.14	Filing Office Indexing Errors . . . . .	5-18
5.15	Maintenance and Destruction of Records. . . . .	5-19
5.16	Information from Filing Office. . . . .	5-19
5.17	Fee . . . . .	5-19
5.18	Filing Office Rules . . . . .	5-19
5.19	Recordation Tax . . . . .	5-20
5.20	Wrongfully Filed Termination Statements. . . . .	5-20
5.21	Article 9 Searching and Filing Practices . . . . .	5-21
5.22	UCC Insurance Policies Generally. . . . .	5-22
5.22.1	UCC Insurance Policies for Commercial Lenders . . . . .	5-23
5.22.2	UCC Insurance Policies for Buyers . . . . .	5-24
5.22.3	UCC Insurance Policy Endorsements. . . . .	5-25
<b>CHAPTER 6 PREVAILING AGAINST OTHERS . . . . .</b>		<b>6-1</b>
6.1	General Rules of Priority among Creditors . . . . .	6-1
6.2	Exceptions to the “First to File or Perfect” Rule . . . . .	6-2
6.2.1	Control Prevails over Filing . . . . .	6-2
6.2.2	Some Security Interests Perfected by Possession or Control Prevail over Security Interests in	

## CONTENTS

Chattel Paper and Instruments Perfected	
Earlier by Filing .....	6-2
6.2.3     The Purchase-Money Security Interest	
Super-priority .....	6-4
6.2.4     Future Advances .....	6-5
6.3     Transferees of Collateral.....	6-6
6.4     Buyers.....	6-6.1
6.5     Licensees and Lessees in Ordinary Course of Business.....	6-7
6.6     Rights under Articles 3, 7 and 8 .....	6-8
6.7     Possessory Statutory Liens.....	6-8
6.8     Priority of Security Interest in Fixtures .....	6-9
6.8.1     Secured Party versus Secured Party .....	6-9
6.8.2     Secured Party versus Real Estate Claimant .....	6-10
6.8.2.1     Exception 1: Purchase-Money Priority .....	6-10
6.8.2.2     Exception 2: First to Record .....	6-10
6.8.2.3     Exception 3: Removable Goods and Domestic Appliances .....	6-11
6.8.2.4     Exception 4: Judicial Liens .....	6-11
6.8.2.5     Exception 5: Manufactured Homes .....	6-12
6.8.2.6     Subordination of Purchase-Money Security Interest in Fixtures to Construction Mortgage .....	6-12
6.8.2.7     Priority Based on Consent .....	6-12
6.8.3     Crops.....	6-12
6.8.4     As-Extracted Collateral .....	6-12.1
6.9     Accessions .....	6-13
6.10    Commingled Goods .....	6-13
6.11    Contractual Subordination .....	6-13
6.12    Federal Tax Lien.....	6-14
6.12.1     Where to Search .....	6-14
6.12.2     Rules for Priority of Security Interests Relating to Certain After-Acquired Property and Future Advances .....	6-15
6.12.2.1     Future Advances .....	6-15
6.12.2.2     After-Acquired Property .....	6-17
6.12.3     Purchase Money Collateral. ....	6-18
6.12.4     Inventory.....	6-18
6.12.5     Proceeds .....	6-19
6.12.6     Nonjudicial Foreclosure Sales .....	6-20
6.12.7 <i>Spearing Tool</i> .....	6-20
6.13    Federal Statutes .....	6-21

6.13.1	Perishable Agricultural Commodities Act (PACA) – Perishable Agricultural Commodity Trusts: 7 U.S.C. §§ 499e et seq . . . . .	6-21
6.13.2	Packers and Stockyards Act (PSA) – Livestock and Poultry Trusts: 7 U.S.C. §§ 196 and 197. . . . .	6-22
6.13.3	Food Security Act of 1985 (FSA) – Farm Product Sales: 7 U.S.C. § 1631 . . . . .	6-22
6.13.4	Agricultural Market Transition Act (AMTA) – Sugarcane and Beets: 7 U.S.C. § 7284(d) . . . . .	6-23
6.13.5	Fair Labor Standards Act (FLSA) – Hot Goods: 29 U.S.C. § 215(a)(1). . . . .	6-23
<b>CHAPTER 7 PARTICULAR TYPES OF COLLATERAL . . . . .</b>		<b>7-1</b>
7.1	Investment Property . . . . .	7-1
7.1.1	Stock Options and Warrants . . . . .	7-5
7.2	Deposit Accounts . . . . .	7-5
7.3	Letter-of-Credit Rights . . . . .	7-8
7.4	Commercial Tort Claims. . . . .	7-9
7.5	Agricultural Liens. . . . .	7-10
7.6	Software . . . . .	7-12
7.7	Motor Vehicles . . . . .	7-13
7.8	Electronic Chattel Paper . . . . .	7-15
7.9	Intellectual Property . . . . .	7-16
7.9.1	Patents . . . . .	7-17
7.9.2	Trademarks and Service Marks . . . . .	7-17
7.9.3	Copyrights . . . . .	7-18
7.10	Agricultural Collateral . . . . .	7-18
7.10.1	Types of Agricultural Collateral . . . . .	7-19
7.10.2	Financing Statement Filing Location . . . . .	7-20
7.10.3	Priority Issues for Agricultural Collateral . . . . .	7-20
7.11	Bailed Goods Covered by Documents . . . . .	7-21
7.12	Documents of Title . . . . .	7-22
7.13	Electronic Documents of Title . . . . .	7-22
7.14	Government Permits and Licenses – Liquor Licenses . . . . .	7-24
7.15	Limited Liability Company Interests . . . . .	7-25
7.16	Assignment of Mortgage-Secured Promissory Notes . . . . .	7-28
7.17	“As-extracted collateral” – Oil, Gas and Minerals . . . . .	7-28
7.18	Rolling Stock . . . . .	7-30
7.19	Manufactured Homes . . . . .	7-30
7.20	Tax Refunds . . . . .	7-31
<b>CHAPTER 8 PROCEEDS . . . . .</b>		<b>8-1</b>
8.1	General Rule — Continuation of Security Interest in Original Collateral and Proceeds . . . . .	8-1

## CONTENTS

8.2	Twenty-Day Automatic Perfection for Proceeds .....	8-1
8.3	How a Security Interest in Proceeds Remains Perfected for More than 20 Days .....	8-2
8.4	Priority in Proceeds .....	8-3
<b>CHAPTER 9     CHANGES AFTER CLOSING.....</b>		<b>9-1</b>
9.1	Secured Party Changes .....	9-1
9.2	Debtor's Location Changes .....	9-2
9.3	Collateral Location Changes .....	9-3
9.4	Location of Bank, Issuer, Nominated Person, Securities Intermediary or Commodity Intermediary Changes.....	9-3
9.5	Financing Statements and Changes .....	9-4
9.5.1	Debtor's Name Changes .....	9-4
9.5.2	New Debtors .....	9-4
9.6	"Double Debtors" .....	9-5
9.7	Goods Covered by Certificates of Title .....	9-6
<b>CHAPTER 10    THIRD PARTIES — ACCOUNT                 DEBTORS.....</b>		<b>10-1</b>
10.1	Account Debtors .....	10-1
10.2	Terms Restricting Assignment .....	10-3
10.2.1	Accounts, Chattel Paper and Security Assignments of Payment Intangibles and Promissory Notes .....	10-3
10.2.2	Health-Care-Insurance Receivables, Certain General Intangibles, Including Contracts, Permits, Licenses and Franchises, and Sales of Payment Intangibles and Promissory Notes .....	10-4
10.2.3	Assignment of Letter-of-Credit Rights.....	10-5
<b>CHAPTER 11    ENFORCEMENT.....</b>		<b>11-1</b>
11.1	Options .....	11-1
11.2	Waiver and Variance of Debtor's and Obligor's Rights and Secured Party's Duties .....	11-2
11.3	Unknown Debtor or Secondary Obligor .....	11-3
11.4	"Commercially Reasonable" .....	11-3
11.5	Fixtures .....	11-4
11.6	Collection and Enforcement of Collateral Consisting of Rights to Payment .....	11-4
11.7	Application of Proceeds of Collection and Enforcement of Collateral Consisting of Rights to Payment .....	11-5
11.8	Repossession .....	11-6
11.9	Disposition of Collateral.....	11-6

11.10	Notices before Disposition . . . . .	11-8
11.10.1	Additional Notice Requirements as a Consequence of Federal Tax Liens . . . . .	11-9
11.11	Forms of Notice . . . . .	11-10
11.11.1	Non-consumer-goods Transactions . . . . .	11-10
11.11.2	Consumer-goods Transactions . . . . .	11-11
11.12	Application of Proceeds . . . . .	11-12
11.13	Accounting . . . . .	11-13
11.14	Transferees of Collateral . . . . .	11-13
11.15	Transfers to Secondary Obligors . . . . .	11-14
11.16	Transfer Statement . . . . .	11-14
11.17	Acceptance of Collateral in Full or Partial Satisfaction of Obligation — Strict Foreclosure . . . . .	11-15
11.18	Mandatory Disposition of Consumer Goods . . . . .	11-17
11.19	Right of Redemption . . . . .	11-17
11.20	Receivership Remedies . . . . .	11-18
<b>CHAPTER 12 SECURED PARTY'S OBLIGATIONS . . . . .</b>		<b>12-1</b>
12.1	Care of Collateral . . . . .	12-1
12.2	Release Account Debtor . . . . .	12-1
12.3	Duty to Provide Information . . . . .	12-2
12.4	Obligation to Terminate . . . . .	12-3
12.5	Penalties for Failure to Comply with These Obligations . . . . .	12-4
<b>CHAPTER 13 PENALTIES AGAINST SECURED PARTIES . . . . .</b>		<b>13-1</b>
13.1	Damages . . . . .	13-1
13.2	Rebuttable Presumption Rule . . . . .	13-2
13.3	Insider Dispositions . . . . .	13-2
<b>CHAPTER 14 EVALUATING A WORKOUT SITUATION: ISSUES AND OPTIONS . . . . .</b>		<b>14-1</b>
14.1	Non-litigation vs. Litigation . . . . .	14-1
14.1.1	Bankruptcy Issues to Consider . . . . .	14-1
14.1.2	Prepackaged Plans . . . . .	14-2
14.1.3	Bankruptcy as a Vehicle for Asset Sales . . . . .	14-2
14.2	Basic Workout Elements . . . . .	14-3
14.3	Audit of Key Loan Documentation Prior to Enforcement or Negotiation . . . . .	14-4
14.4	Bankruptcy as Affirmative Strategy . . . . .	14-5
14.4.1	Pros of Bankruptcy . . . . .	14-5
14.4.2	Cons of Bankruptcy . . . . .	14-5
14.4.3	Debtor in Possession Financing . . . . .	14-6
14.5	Avoiding Liability to Borrower in Workouts . . . . .	14-7

## CONTENTS

14.5.1	Pre-negotiation Agreement . . . . .	14-7
14.5.2	Breach of Contract . . . . .	14-7
14.5.3	Implied Covenants of Good Faith and Fair Dealing . . . . .	14-8
14.5.4	Equitable Subordination . . . . .	14-9
14.5.4.1	General Heading . . . . .	14-9
14.5.4.2	Claims against Insiders . . . . .	14-9
14.5.4.3	Claims against Non-insiders . . . . .	14-10
14.5.4.4	Non-insiders That Exert Undue Control . . . . .	14-10
14.5.4.5	Protection by Adherence to Loan Documents . . . . .	14-12
14.5.5	Breach of Fiduciary Duty . . . . .	14-12
14.5.6	Tortious Interference with Contractual Relations and Corporate Governance . . . . .	14-13
14.5.7	RICO . . . . .	14-13
14.5.8	Fraud . . . . .	14-14
14.5.9	Negligent Misrepresentation . . . . .	14-15
14.5.10	Securities Fraud . . . . .	14-15
14.5.10.1	Borrower as Plaintiff . . . . .	14-15
14.5.10.2	Broad Definition of Security . . . . .	14-15
14.5.10.3	Elements . . . . .	14-16
14.5.11	Duress . . . . .	14-16
14.5.12	Intentional Infliction of Emotional Distress . . . . .	14-16
14.5.13	Prima Facie Tort . . . . .	14-17
14.5.14	Suggestions to Avoid Liability . . . . .	14-17
14.6	Avoiding Liability to Other Trade Creditors and Lenders . . . . .	14-19
14.6.1	Misrepresentation and Subordination . . . . .	14-19
14.6.2	Marshalling of Collateral or Guarantees . . . . .	14-20
14.6.3	Protective Measures with Respect to Other Lenders . . . . .	14-20
14.6.4	Avoiding Liability to Employees and Labor Unions . . . . .	14-21
14.6.4.1	Never Pay Employees Directly . . . . .	14-21
14.6.4.2	Never Fund Net Payroll . . . . .	14-21
14.6.4.3	Important Facts in Dealing with Unionized Borrower . . . . .	14-22
14.6.4.4	Special Treatment of Collective Bargaining Agreements in Bankruptcy . . . . .	14-22
14.6.4.5	Special Treatment of Retirees' Benefits in Bankruptcy . . . . .	14-22
14.6.4.6	Protection . . . . .	14-23
14.6.5	Avoiding Liability to Governmental Agencies . . . . .	14-23

14.6.5.1	Hot Goods . . . . .	14-23
14.6.5.2	Dealing with Actions by Environmental Protection Agency . . . . .	14-24
14.6.6	Dealing with Problems in Disclosure of Credit and Deposit Information . . . . .	14-24
14.6.6.1	General Duties Regarding Disclosure of Information to Third Parties . . . . .	14-24
14.6.6.2	Offering Information Creates Certain Duties . . . . .	14-25
14.6.6.3	Conflicting Claims . . . . .	14-25
14.6.6.4	Implement Procedures . . . . .	14-26
14.6.6.5	Risks of Commitment Letters . . . . .	14-26
<b>CHAPTER 15</b>	<b>FORMS . . . . .</b>	<b>15-1</b>
FORM 15-1	Article 9 Collateral List for Security Agreement — 9-108 (Commercial Credit) . . . . .	15-1
FORM 15-2	Article 9 Collateral List — 9-108 (Consumer Credit) . . . . .	15-2
FORM 15-3	Sample Due Diligence Request (Long Form Request) . . . . .	15-3
FORM 15-4	Perfection Certificate . . . . .	15-15
FORM 15-5	Bailee Waiver . . . . .	15-19
FORM 15-6	Landlord Waiver . . . . .	15-24
FORM 15-7	Closing Checklist . . . . .	15-32
FORM 15-8	Secured Party's Release of Control over Deposit Account — 9-208(b)(1) . . . . .	15-36
FORM 15-9	Secured Party's Release of Securities Intermediary/Commodity Intermediary — 9-208(b)(4) . . . . .	15-37
FORM 15-10	Secured Party's Release of Control over Letter-of-Credit Right — 9-208(b)(5) . . . . .	15-38
FORM 15-11	Debtor's Request for an Accounting — 9-210(a)(2) . . . . .	15-39
FORM 15-12	Debtor's Request Regarding a List of Collateral — 9-210(a)(3) . . . . .	15-40
FORM 15-13	Debtor's Request Regarding a Statement of Account — 9-210(a)(4) . . . . .	15-41
FORM 15-14	Secured Party's Accounting — 9-210(b)(1) . . . . .	15-42
FORM 15-15	Secured Party's Response to Debtor's Request Regarding a List of Collateral — 9-210(b)(2) . . . . .	15-43
FORM 15-16	Secured Party's Response to Debtor's Request Regarding a Statement of Account — 9-210(b)(2) . . . . .	15-44

## CONTENTS

FORM 15-17	Secured Party's Response to Debtor's Request Regarding a List of Collateral When Secured Party Claims an Interest in All of a Particular Type of Collateral Owned by the Debtor — 9-210(c) . . . . .	15-45
FORM 15-18	Notice of Exclusive Control of Securities Account . . . . .	15-46
FORM 15-19	Notice of Disposition of Consumer-Goods — 9-614 . . . . .	15-47
FORM 15-20	Notice of Disposition of Non-consumer-Goods — 9-613 . . . . .	15-49
FORM 15-21	Secured Party's Request for Consent of Issuer or Nominated Person to Assignment of Letter-of-Credit Proceeds and Issuer or Nominated Person's Consent — 9-107 . . . . .	15-50
FORM 15-22	Exclusion of Warranties by Secured Party Selling Collateral — 9-610 . . . . .	15-51
FORM 15-23	Notice of Purchase-Money Security Interest in Inventory — 9-324(b) . . . . .	15-51
FORM 15-24	Notice to Bailee in Possession of Goods Who Has Issued a Non-negotiable Document Covering the Goods — 9-312(d) . . . . .	15-52
FORM 15-25	Consent of Owner of Real Property to Creation of Security Interest in Fixtures — 9-334(f) . . . . .	15-53
FORM 15-26	Notice from Consignor to Secured Party — 9-324(b) . . . . .	15-54
FORM 15-27	Waiver of Disposition Notification — 9-602(7), 9-611, 9-624(a) . . . . .	15-55
FORM 15-28	Mandatory Disposition of Consumer-Goods — Agreement of Debtor and Secondary Obligor to Longer Period of Time — 9-620(e) and (f) . . . . .	15-56
FORM 15-29	Assignment and Security Agreement of Lawsuit Proceeds . . . . .	15-57
FORM 15-30	Description of Commercial Tort Claim for Purposes of Security Agreement and Financing Statement — 9-108, 9-504, 9-203(b)(3)(A) . . . . .	15-60
FORM 15-31	Grant of Security Interest in Deposit Account to Depository Bank to Include in Deposit Account Signature Card — 9-203(b)(3)(D) . . . . .	15-60
FORM 15-32	Secured Party's Proposal to Accept Collateral in Full Satisfaction of Debt — 9-620 . . . . .	15-61
FORM 15-33	Secured Party's Proposal to Accept Collateral in Partial Satisfaction of Debt — 9-620 . . . . .	15-62

FORM 15-34	Secured Party's Notice That Strict Foreclosure Has Occurred .....	15-63
FORM 15-35	Secured Party's Notice That Partial Strict Foreclosure Has Occurred. ....	15-64
FORM 15-36	Governing Law Choices .....	15-64
FORM 15-37	Application of Payments.....	15-65
FORM 15-38	Bailee Acknowledgment That It Holds Possession of Collateral for Secured Party's Benefit — 9-313(c).....	15-65
FORM 15-39	Notice of Assignment to Include on Chattel Paper or an Instrument — 9-330(a)(2)....	15-66
FORM 15-40	Notice to Include on Chattel Paper Financing Statement That Purchase of Chattel Paper from Debtor Would Violate the Rights of the Secured Party — 9-330(b) .....	15-66
FORM 15-41	Notice to Account Debtor of Assignment of Account — 9-406 .....	15-67
FORM 15-42	Notice of Assignment — 9-406 .....	15-68
FORM 15-43	Agreement of Account Debtor Not to Assert Claims and Defenses Against Assignee of Account — 9-403(b).....	15-69
FORM 15-44	No Offset Agreement — 9-404.....	15-69
FORM 15-45	Secured Party's Release of Account Debtor — 9-209(b). ....	15-71
FORM 15-46	Proof Offered by Assignee That Account Has Been Assigned — 9-406(c).....	15-72
FORM 15-47	Secured Party Affidavit in Recordable Form Regarding Default — 9-607(b).....	15-73
FORM 15-48	Instruction by Secured Party to Bank to Pay out Deposit Account Collateral after Default — 9-607(a)(5) .....	15-74
FORM 15-49	Transfer Statement — 9-619.....	15-75
FORM 15-50	Notice to Secured Party of a Claim or Interest in the Collateral — 9-611(c)(3)(A) .....	15-76
FORM 15-51	Demand by Subordinate Secured Party for Proceeds — 9-608(a)(1)(C), 9-615(a)(3)(A).....	15-76
FORM 15-52	Demand by Secured Party of Proof of Subordinate Interest — 9-608(a)(2), 9-615(b) .....	15-77
FORM 15-53	Federal Trade Commission Holder-in-Due-Course Notice .....	15-78
FORM 15-54	Deficiency/Surplus Explanation — 9-616 .....	15-78
FORM 15-55	Security Agreement (Consumer).....	15-80
FORM 15-56	Security Agreement (Corporate Debtor).....	15-91

## CONTENTS

FORM 15-57	Pledge Agreement (Certificated Security) . . . . .	15-121
FORM 15-58	Guaranty Security Agreement (Corporate Guarantor) . . . . .	15-128
FORM 15-59	Investment Property Control Agreement (Joint Control, no withdrawals or distributions of dividends) . . . . .	15-160
FORM 15-60	Investment Property Control Agreement (Exclusive Creditor Control) . . . . .	15-163
FORM 15-61	Investment Property Security Agreement (Joint Control) . . . . .	15-167
FORM 15-62	Investment Property Security Agreement (Exclusive Creditor Control) . . . . .	15-174
FORM 15-63	Deposit Account Control Agreement (Joint Control) . . . . .	15-183
FORM 15-64	Model Form of Deposit Account Control Agreement (ABA — Business Law Section — Joint Task Force on Deposit Account Control Agreements) . . . . .	15-186
FORM 15-65	Deposit Account Control Agreement (Exclusive Creditor Control) . . . . .	15-212
FORM 15-66	Guaranty Agreement (Corporate Guarantor) . . . . .	15-215
FORM 15-67	Promissory Note (Commercial) . . . . .	15-232
FORM 15-68	Subordination Agreement . . . . .	15-242
FORM 15-69	Deposit Account Security Agreement and Control Agreement (Short Form, no waiver of setoff by Depository) . . . . .	15-252
FORM 15-70	Loan and Security Agreement (Commercial Loan) . . . . .	15-255
FORM 15-71	Pledge Agreement (Certificates of Deposit that are “instruments”) . . . . .	15-291
FORM 15-72	Repossession Manual . . . . .	15-297
FORM 15-73	Comparison of UCC Part 6 and the Credit Laws . . . . .	15-341
FORM 15-74	UCC Financing Statement . . . . .	15-356
FORM 15-75	UCC Financing Statement Addendum . . . . .	15-358
FORM 15-76	UCC Financing Statement Amendment . . . . .	15-360
FORM 15-77	UCC Financing Statement Amendment Addendum . . . . .	15-362
FORM 15-78	UCC Financing Statement Additional Party . . . . .	15-364
FORM 15-79	UCC Financing Statement Amendment Additional Party . . . . .	15-366
FORM 15-80	Information Statement . . . . .	15-368
FORM 15-81	Assignment of Mortgages (Blanket) . . . . .	15-370

FORM 15-82	Assignment of Beneficial Interest in Deeds of Trust .....	15-371
FORM 15-83	Continuation Financing Statement Legend — 9-706(c) .....	15-373
FORM 15-84	Construction Deed of Trust, Assignment of Rents and Security Agreement — 9-502(c) .....	15-373
FORM 15-85	Financing Statement Legend — Disclosing Debtor Agreement Not to Grant Junior Security Interests in Collateral — 9-331 .....	15-411
FORM 15-86	Waiver of Right to Redeem — 9-624(c) .....	15-412
FORM 15-87	Secured Party's Disclaimer of an Interest in Collateral or Obligations — 9-210(d) and (e) .....	15-412
FORM 15-88	Article 9 Collateral List for Financing Statement — 9-504 (Commercial Credit) .....	15-413
FORM 15-89	State of Maryland Land Instrument Intake Sheet (AOC-CC-300(6/95)) .....	15-415
FORM 15-90	Authorization to File Financing Statement or Amendment .....	15-424
FORM 15-91	Notice of Purchase-Money Security Interest in Livestock — 9-324(b) .....	15-425
FORM 15-92	Equipment Lease .....	15-426
FORM 15-93	Legal Opinion — Attachment and Perfection .....	15-437
FORM 15-94	Intercreditor Agreement (Segregation of Collateral) .....	15-442
FORM 15-95	Basic Workout Checklists for Auditing Documents .....	15-451
FORM 15-96	Agreement for Voluntary Surrender of Collateral .....	15-461
FORM 15-97	Response to Creditor's Payoff Request .....	15-466
FORM 15-98	Trademark Collateral Assignment and Security Agreement .....	15-467
FORM 15-99	Copyright Collateral Assignment and Security Agreement .....	15-476
FORM 15-100	Patent Collateral Assignment and Security Agreement .....	15-484
FORM 15-101	Loan Purchase Agreement (Minimal Warranties) .....	15-491
FORM 15-102	Methods of Perfection by Article 9 Collateral Category .....	15-499
FORM 15-103	Methods of Perfection Chart by Principal Collateral Types .....	15-501

## CONTENTS

FORM 15-104	Subordination Agreement (Obligations and Collateral) .....	15-507
FORM 15-105	Solvency Certificate (Short Form) .....	15-520
FORM 15-106	Solvency Certificate (Long Form) .....	15-521
FORM 15-107	Aircraft Security Agreement (International Interests) .....	15-523
FORM 15-108	Oil and Gas Lease .....	15-540
FORM 15-109	Coal Option and Lease Agreement .....	15-553
FORM 15-110	Consent to Lease and Assignment of Royalties .....	15-559
FORM 15-111	Application to IRS for Consent to Sale of Property Free and Clear of Tax Liens .....	15-560
FORM 15-112	Security Agreement (Lawsuit Proceeds Collateral) .....	15-563
FORM 15-113	Affidavit Manufactured Home Severed from Real Property .....	15-573
FORM 15-114	Affidavit Manufactured Home Converted to Real Property .....	15-575
FORM 15-115	Security Agreement (Crops) .....	15-576
FORM 15-116	Security Agreement (Livestock) .....	15-586
FORM 15-117	Crop Lien Waiver .....	15-595
FORM 15-118	Individual Person Debtor – Name Certificate .....	15-596
FORM 15-119	Model Intellectual Property Security Agreement [Text of Model Form, without Extensive Footnotes] .....	15-598
FORM 15-120	UCC Affidavit Regarding Financing Statement .....	15-640

## INDICES

Table of Maryland Laws .....	INDEX-1
Table of Cases .....	INDEX-20
Subject Index .....	INDEX-31
Forms Index .....	INDEX-45