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Draft Model Law on Secured Transactions

Note by the Secretariat

Addendum

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Chapter IV. The registry system

Article 27. Establishment of a registry

A registry is established to give effect to the provisions of this Law relating to the registration of notices with respect to security rights.

Draft Model Registry-related Provisions¹

Section A. General rules

Article 1. Definitions and rules of interpretation

For the purposes of these Provisions:

(a) “Address” means: (i) a physical address or a post office box number, city, postal code and State; or (ii) an electronic address;

(b) “Amendment notice” means a notice submitted to the Registry in the prescribed registry notice form to modify information contained in a related registered notice;

(c) “Cancellation notice” means a notice submitted to the Registry in the prescribed registry notice form to cancel the effectiveness of the registration of all related registered notices;

(d) “Designated field” means the space on the prescribed registry notice form designated for entering a specified type of information;

(e) “Initial notice” means a notice submitted to the Registry in the prescribed registry notice form to achieve the third-party effectiveness of the security right to which the notice relates;

(f) “Notice” means an initial notice, an amendment notice and a cancellation notice;

[(g) “Registered notice” means a notice the information in which has been entered into the registry record;]

[(h)] “Registrant” means a person who submits a notice to the Registry;

[(i)] “Registration” means the entry of information contained in a notice into the registry record;

¹ The draft Model Registry-related Provisions are intended to take effect simultaneously with the enactment of the other provisions of the draft Model Law. They are presented as a separate component with their own internal numbering in order to give enacting States flexibility in their implementation. Depending on its drafting conventions, an enacting State may choose to: (a) incorporate all of the Provisions in its secured transactions law as a separate chapter (e.g., as chapter IV); (b) incorporate all of the Provisions in a separate statute or other type of legal instrument such as rules, regulations, orders, by-laws, proclamations, or the like by the authority designated under article 27 of these Provisions; or (c) incorporate some of the Provisions in its secured transactions law and the balance in a separate statute or other type of legal instrument.

[(j)] “Registration number” means the unique number assigned to an initial notice by the Registry and permanently associated with that notice and any related notice;

[(k)] “Registry” means the Registry established pursuant to article 27 of this Law; and

[(l)] “Registry record” means the information in all registered notices stored by the Registry. The registry record consists of the record that is publicly accessible (the public registry record) and the record that has been removed from the public registry record and archived (the registry archives).

Article 2. Grantor’s authorization for registration

1. Registration of an initial notice with respect to a security right in an asset of a grantor is ineffective unless authorized by that grantor in writing.
2. Registration of an amendment notice that adds encumbered assets [or increases the maximum amount for which the security right may be enforced]² or extends the period of effectiveness of the registration of a notice is ineffective unless authorized by the grantor in writing.
3. [With the exception of an amendment notice to add a transferee of an encumbered asset as a grantor in accordance with article 26 of these Provisions, registration]³ [Registration] of an amendment notice that adds a grantor is ineffective unless authorized by the additional grantor in writing.
4. Authorization may be given before or after the registration of an initial or amendment notice.
5. A written security agreement is sufficient to constitute authorization by the grantor for the registration of an initial or amendment notice covering the encumbered asset described in that security agreement.
6. The Registry may not require evidence of the existence of the grantor’s authorization.

Article 3. One notice sufficient for multiple security rights

The registration of a single notice may relate to security rights created by the grantor in favour of the secured creditor under one or more than one security agreement.

Article 4. Advance registration

A notice may be registered before the creation of a security right or the conclusion of a security agreement to which the notice relates.

² This provision will be necessary if the enacting State implements article 6, subparagraph 3 (d), of the draft Model Law.

³ This wording will be necessary if the enacting State implements option A or option B of article 26 of the draft Model Registry-related Provisions.

Section B. Access to registry services

Article 5. Conditions for access to registry services

1. Any person may submit a notice to the Registry, if that person:
 - (a) Uses the prescribed registry notice form; [and]
 - (b) Identifies itself in the prescribed manner[; and]
 - (c) Has paid or arranged to pay the prescribed fee].⁴
2. A person may submit an amendment or cancellation notice if that person also [satisfies the secure access requirements to be specified by the Registry].
3. Any person may submit a search request to the Registry, if that person:
 - (a) Uses the prescribed registry search request form[; and]
 - (b) Has paid or arranged to pay the prescribed fee].
4. If access is refused, the Registry must communicate the reason to the registrant or searcher without delay.

[Note to the Commission: The Commission may wish to consider whether article 5 should include a paragraph along the lines of article 6, paragraph 3, which could read along the following lines: "Except if a person does not comply with the requirements of paragraph 1 or 2, the Registry may not refuse access."]

Article 6. Rejection of the registration of a notice or a search request

1. The Registry must reject the registration of:
 - (a) A notice if no information or no legible information is entered in one or more of the mandatory designated fields; or
 - (b) An amendment notice to extend the period of effectiveness of the registration of a notice if it is not submitted within the period referred to in article 14, paragraph 2, of these Provisions.
2. The Registry must reject a search request if no information or no legible information is entered in at least one of the mandatory fields designated for entering a search criterion.
3. Except as provided in paragraph 1 or 2, the Registry may not reject the registration of a notice or a search request.
4. If the registration of a notice or a search request is rejected, the Registry must communicate the reason to the registrant or searcher without delay.

Article 7. Information about the registrant's identity and scrutiny of the form or contents of the notice by the Registry

1. The Registry must maintain information about the registrant's identity submitted in accordance with article 5, subparagraph 1(b), of these Provisions, and

⁴ The bracketed wording in this provision will be necessary if the enacting State implements option A of article 33 of the draft Model Registry-related Provisions.

must, upon request, provide that information to the person identified in a registered notice as the grantor.

2. The Registry may not require verification of the information about the registrant's identity submitted in accordance with article 5, subparagraph 1(b), of these Provisions.
3. The Registry may not scrutinize the form or content of a notice or a search request other than to the extent authorized in articles 5 and 6 of these Provisions.

Section C. Registration of a notice

Article 8. Information required in an initial notice

An initial notice must contain the following information in the relevant designated field:

(a) The identifier and address of the grantor [and any additional information that the enacting State may decide to require to be entered to assist in uniquely identifying the grantor] in accordance with article 9 of these Provisions;

(b) The identifier and address of the secured creditor or its representative in accordance with article 10 of these Provisions; [and]

(c) A description of the encumbered assets in accordance with article 11 of these Provisions;

[(d) The period of effectiveness of the registration in accordance with article 14 of these Provisions];⁵ [and]

[(e) A statement of the maximum amount for which the security right may be enforced.]⁶

Article 9. Grantor identifier

1. Where the person to be identified in an initial or amendment notice as the grantor is a natural person, the grantor identifier is the name of that person as it appears in [the relevant official document to be specified by the enacting State; if the enacting State specifies more than one document, it must designate the order in which each document should be used to determine that person's name].
2. [The enacting State should specify which components of the grantor's name determined in accordance with paragraph 1 must be entered in an initial or amendment notice].
3. [The enacting State should specify the manner in which the grantor's name is determined if the name is legally changed after the issuance of the relevant document referred to in paragraph 1.]

⁵ This provision will be necessary, if the enacting State implements option B or option C of article 14 of the draft Model Registry-related Provisions.

⁶ This provision will be necessary if the enacting State includes in its law article 6, subparagraph 3 (d), of the draft Model Law.

4. Where the person to be identified in an initial or amendment notice as the grantor is a legal person, the grantor identifier is the name of that person as it appears in [the relevant document, law or decree to be specified by the enacting State] constituting that person.
5. [The enacting State should specify whether additional information must be entered in an initial or amendment notice in special cases, such as where the grantor is subject to insolvency proceedings, a trustee, or a representative of the estate of a deceased person.]

Article 10. Secured creditor identifier

1. Where the person to be identified in an initial or amendment notice as the secured creditor is a natural person, the secured creditor identifier is the name of that person as it appears in [the relevant official document to be specified by the enacting State; if the enacting State specifies more than one document, it must designate the order in which each document should be used to determine that person's name].
2. Where the person to be identified in an initial or amendment notice as the secured creditor is a legal person, the secured creditor identifier is the name of that person as it appears in [the relevant document, law or decree to be specified by the enacting State] constituting that person.
3. [The enacting State should specify whether additional information must be entered in an initial or amendment notice in special cases, such as where the secured creditor is subject to insolvency proceedings, a trustee, or a representative of the estate of a deceased person.]

Article 11. Description of encumbered assets

1. The assets encumbered or to be encumbered must be described in an initial or amendment notice in a manner that reasonably allows their identification.
2. A description that indicates that the encumbered assets consist of all of the grantor's movable assets, or of all of the grantor's movable assets within a particular category, satisfies the standard in paragraph 1.

Article 12. Language of information in a notice

1. With the exception of the names and addresses of the grantor and the secured creditor or its representative, the information contained in an initial or amendment notice must be expressed in [the language or languages to be specified by the enacting State].
2. The information contained in an initial or amendment notice must be expressed in the character set prescribed and publicized by the Registry.

Article 13. Time of effectiveness of the registration of a notice

1. The registration of an initial or amendment notice is effective from the date and time when the information in the notice is entered into the registry record so as to be accessible to searchers of the public registry record.

2. The Registry must enter information in an initial or amendment notice into the public registry record without delay after the notice is submitted and in the order in which each notice is submitted.

3. The Registry must record the date and time when the information in an initial or amendment notice is entered into the registry record so as to be accessible to searchers of the public registry record.

Option A⁷

4. The registration of a cancellation notice is effective from the date and time when the information in the notice to which it relates is no longer accessible to searchers of the public registry record.

Option B⁸

4. The registration of a cancellation notice is effective from the date and time when the information in the notice is entered into the registry record so as to be accessible to searchers of the public registry record.

Option A⁹

5. The Registry must record the date and time when the information in the initial or amendment notice to which a cancellation notice relates is no longer accessible to searchers of the public registry record.

Option B¹⁰

5. The Registry must record the date and time when the information in a cancellation notice is entered into the registry record so as to be accessible to searchers of the public registry record.

Article 14. Period of effectiveness of the registration of a notice

Option A

1. The registration of an initial notice is effective for [a period of time to be specified by the enacting State].

2. The period of effectiveness of the registration of an initial notice may be extended within [a period of time to be specified by the enacting State] before its expiry by the registration of an amendment notice providing for an extension.

3. The period of effectiveness of the registration of an initial notice may be extended more than once.

⁷ This provision will be necessary, if the enacting State implements option A or option B of article 21 of the draft Registry-related Provisions.

⁸ This provision will be necessary, if the enacting State implements option C or option D of article 21 of the draft Registry-related Provisions.

⁹ This provision will be necessary, if the enacting State implements option A of paragraph 4 of this article.

¹⁰ This provision will be necessary, if the enacting State implements option B of paragraph 4 of this article.

4. The registration of an amendment notice in accordance with paragraph 2 extends the period of effectiveness for the period referred to in paragraph 1 beginning from the time the current period would have expired if the amendment notice had not been registered.

Option B

1. The registration of an initial notice is effective for the period of time indicated by the registrant in the designated field of the notice.

2. The period of effectiveness of the registration of an initial notice may be extended at any time before its expiry by the registration of an amendment notice that indicates in the designated field a new period.

3. The period of effectiveness of the registration of an initial notice may be extended more than once.

4. The registration of an amendment notice in accordance with paragraph 2 extends the period of effectiveness for the period indicated in the amendment notice beginning from the time the current period would have expired if the amendment notice had not been registered.

Option C

1. The registration of an initial notice is effective for the period of time indicated by the registrant in the designated field of the notice, not exceeding [a maximum period of time to be specified by the enacting State].

2. The period of effectiveness of the registration of an initial notice may be extended within [a period of time to be specified by the enacting State] before its expiry by the registration of an amendment notice that indicates in the designated field a new period not exceeding the maximum period of time referred to in paragraph 1.

3. The period of effectiveness of the registration of an initial notice may be extended more than once.

4. The registration of an amendment notice in accordance with paragraph 2 extends the period of effectiveness for the period specified in the amendment notice beginning from the time the current period would have expired if the amendment notice had not been registered.

Article 15. Obligation to send a copy of a registered notice

1. Without delay after the registration of a notice, the Registry must send to the person identified in the notice as the secured creditor at its address set forth in the notice a copy of the information in the registered notice, indicating:

(a) The date and time recorded by the Registry in accordance with article 13, paragraph 3, of these Provisions; and

(b) The registration number assigned to the initial notice by the Registry in accordance with article 28, paragraph 1, of these Provisions.

2. Within [a period to be specified by the enacting State] after the person identified in a registered notice as the secured creditor receives a copy of the

information in the notice in accordance with paragraph 1, that person must send it to the person identified in the notice as the grantor:

- (a) At the address set forth in the notice; or
 - (b) If that person knows that the address has changed, at the most recent address known to that person or an address reasonably available to that person.
3. The failure of a person to comply with its obligation in accordance with paragraph 2 does not affect the effectiveness of the registration of the related notice.
 4. A person that fails to comply with its obligation in accordance with paragraph 2 is liable to the person identified in the notice as the grantor only for [a nominal amount to be specified by the enacting State] and any actual loss or damage proven to have resulted from that failure.

Section D. Registration of an amendment or cancellation notice

Article 16. Right to register an amendment or cancellation notice

1. Subject to paragraph 2, only the person identified in a registered initial notice as the secured creditor may register an amendment or cancellation notice relating to that notice.
2. After registration of an amendment notice changing the person identified in an initial or amendment notice as the secured creditor, only the person identified in the amendment notice as the new secured creditor may register an amendment or cancellation notice.

Article 17. Information required in an amendment notice

1. An amendment notice must contain in the relevant designated field:
 - (a) The registration number of the initial notice to which it relates; and
 - (b) The information to be added or changed.
2. An amendment notice may modify one or more than one item of information in the notice to which it relates.

Article 18. Global amendment of secured creditor information

Option A

A person may register a single amendment notice to amend its identifier, its address or both, in multiple registered notices in which that person is identified as the secured creditor.

Option B

The Registry must amend the identifier, address or both of a person identified as the secured creditor in multiple registered notices upon the request of that person.

Article 19. Information required in a cancellation notice

A cancellation notice must contain in the relevant designated field the registration number of the initial notice to which it relates.

Article 20. Compulsory registration of an amendment or cancellation notice

1. The secured creditor must register an amendment notice deleting encumbered assets described in a registered notice if:

(a) The grantor has not authorized the registration of a notice in relation to those assets and the secured creditor knows that the grantor will not authorize that registration; or

(b) The security agreement to which the registered notice relates has been revised to release those assets from the security right and the grantor has not otherwise authorized the registration of a notice covering those assets.

[2. The secured creditor must register an amendment notice reducing the maximum amount specified in a registered notice if:

(a) The grantor has authorized the registration of a notice only in the reduced amount and the secured creditor knows that the grantor will not authorize the registration the registration of a notice in the higher amount; or

(b) The security agreement to which the registered notice relates has been revised to reduce the maximum amount specified in that agreement and the grantor has not otherwise authorized the registration of a notice in that amount.]¹¹

[3]. The secured creditor must register a cancellation notice if:

(a) The registration of the initial notice was not authorized by the grantor:
and

(i) The secured creditor knows that the grantor will not authorize the registration of the initial notice; or

(ii) The grantor requests the registration of the cancellation notice in accordance with paragraph 5;

(b) The registration of the initial notice was authorized by the grantor but the authorization has been withdrawn and no security agreement has been concluded; or

(c) The security right to which the initial notice relates has been extinguished.

[4.] The secured creditor may not charge or accept a fee or expense for complying with its obligation in accordance with subparagraph 1(a), [2(a)] or 3(a) and (b).

[5.] If the conditions set out in paragraph 1, 2 or 3 have been met, the grantor may request the secured creditor in writing, reasonably identifying itself and the related initial or amendment notice to register the appropriate amendment or cancellation notice and the secured creditor may not charge or accept any fee or expense for complying with the grantor's request.

¹¹ This provision will be necessary if the enacting State includes in its law article 6, subparagraph 3 (d), of the draft Model Law.

[6.] If the secured creditor does not comply with the grantor's request made in accordance with paragraph 5 within [a short period of time to be specified by the enacting State] after its receipt, the grantor may seek an order for the registration of an amendment or cancellation notice through [a summary judicial or administrative procedure to be specified by the enacting State].

[7.] Where an order for the registration of an amendment or cancellation notice is issued in accordance with paragraph 6 the Registry must register the notice without delay [upon receipt of a request] with a copy of the relevant order] [upon the issuance of the relevant order].

**Article 21. Effectiveness of the registration of an amendment or
cancellation notice not authorized by the secured creditor**

Option A

The registration of an amendment or cancellation notice is effective regardless of whether it is authorized by the person entitled to register an amendment or cancellation notice in accordance with article 16 of these Provisions.

Option B

1. Subject to paragraph 2, the registration of an amendment or cancellation notice is effective regardless of whether it is authorized by the person entitled to register an amendment or cancellation notice in accordance with article 16 of these Provisions.

2. The unauthorized registration of an amendment or cancellation notice does not affect the priority of the security right to which the notice relates as against the right of a competing claimant which arose before the registration and over which the security right had priority before the registration.

Option C

The registration of an amendment or cancellation notice is ineffective unless authorized by the person entitled to register an amendment or cancellation notice in accordance with article 16 of these Provisions.

Option D

1. Subject to paragraph 2, the registration of an amendment or cancellation notice is ineffective unless authorized by the person entitled to register an amendment or cancellation notice in accordance with article 16 of these Provisions.

2. The unauthorized registration of an amendment or cancellation notice is effective against a competing claimant whose right was acquired in reliance on a search of the registry record made after the registration of the amendment or cancellation notice, provided that the competing claimant did not have knowledge that the registration was unauthorized at the time it acquired its right.

Section E. Searches

Article 22. Search criteria

A search of the public registry record may be conducted according to:

- (a) The identifier of the grantor; or
- (b) The registration number of the initial notice.

Article 23. Search results

1. Upon submission of a search request, the Registry must provide a search result that indicates the date and time when the search was performed and:

Option A

- (a) Sets forth all information in each registered notice that contains information matching the search criterion exactly; or
- (b) Indicates that no registered notice contains information matching the search criterion exactly.

Option B

- (a) Sets forth all information in each registered notice that contains information matching the search criterion:
 - (i) Exactly; or
 - (ii) Where the search criterion is the grantor identifier, closely [under criteria to be specified by the enacting State];
 - (b) Indicates that no registered notice contains information matching the search criterion:
 - (i) Exactly; or
 - (ii) Where the search criterion is the grantor identifier, closely [under criteria to be specified by the enacting State].
2. Upon request by a searcher, the Registry must issue an official search certificate setting out the search result and certifying that it was issued by the Registry.
3. A written search result that purports to have been issued by the Registry is proof of its contents in the absence of evidence to the contrary.

Section F. Errors and post-registration changes

Article 24. Registrant errors in required information

1. An error in the grantor identifier entered in an initial or amendment notice does not render the registration of the notice ineffective if the information in the notice would be retrieved by a search of the public registry record using the grantor's correct identifier as the search criterion.

[2. An error in the grantor identifier entered in an initial or amendment notice does not render the registration of the notice ineffective if the information in the notice would be retrieved as a close match [under criteria to be specified by the enacting State] by a search of the public registry record using the grantor's correct identifier as the search criterion, unless the error would seriously mislead a reasonable searcher.]¹²

[3.] An error in the grantor identifier that renders the registration of notice ineffective with respect to that grantor in accordance with paragraph 1 or 2 does not render the registration of the notice ineffective with respect to other grantors correctly identified in the notice.

[4.] An error in information required to be entered in an initial or amendment notice other than the grantor's identifier does not render the registration ineffective unless the error would seriously mislead a reasonable searcher.

[5.] An error in the description of an encumbered asset that renders the registration of a notice ineffective with respect to that asset in accordance with paragraph 4 does not render the registration of the notice ineffective with respect to other encumbered assets sufficiently described in the notice.

[6.] Notwithstanding paragraph 4, an error in the period of effectiveness of registration¹³ [or the maximum amount for which the security right may be enforced]¹⁴ entered in an initial or amendment notice, does not render the registration of the notice ineffective, except to the extent it seriously misled third parties that relied on the erroneous information in the registered notice.

[Note to the Commission: The Commission may wish to consider the words "except to the extent it seriously misled third parties that relied on the information set out in the notice" in paragraph 6. As explained in the Registry Guide (see paras. 215 and 217-220), as a practical matter, third-party searchers may not be misled or prejudiced by reliance on an erroneous indication of the duration of registration or an erroneous indication of the maximum amount in a registered notice (see Registry Guide, paras. 215 and 217-220). For example, if the period of effectiveness stated in the notice was too long, third-party searchers would not be prejudiced, as they would still have been alerted to the fact that a security right might exist (although the grantor would have the right to have the record corrected). If the period of effectiveness was too short, again third-party searchers would not be prejudiced, as the registration would lapse at the end of the specified period and the security right would no longer be effective against third parties, unless the registration was renewed before the lapse.]

Article 25. Post-registration change of grantor identifier

1. Subject to paragraph 2, if the grantor's identifier changes after a notice is registered, the security right to which the notice relates remains effective against

¹² This provision will be necessary if the enacting State implements option B of article 23 of the draft Model Registry-related Provisions.

¹³ This provision will be necessary, if the enacting State implements option B or option C of article 14 of the draft Model Registry-related Provisions.

¹⁴ This provision will be necessary, if the enacting State implements article 8, subparagraph (e), of the draft Model Registry-related Provisions.

third parties and retains the priority it had over the rights of competing claimants before the change.

2. If the grantor's identifier changes after a notice is registered, and the secured creditor does not register an amendment notice adding the new identifier of the grantor before the expiry of [a short period of time to be specified by the enacting State] after the change, the security right to which the notice relates is:

(a) Ineffective against a person to whom the grantor sells or otherwise transfers, leases or licenses the encumbered asset after the change in the grantor's identifier and before the registration of the amendment notice; and

(b) Subordinate to a security right created by the grantor that is made effective against third parties during the period referred to in subparagraph (a).

Article 26. Post-registration transfer of an encumbered asset

Option A

1. Subject to paragraph 2, if a security right in an encumbered asset has been made effective against third parties by registration of a notice and the encumbered asset is sold or otherwise transferred to a transferee that acquires its rights subject to the security right in accordance with article 32 of this Law, the security right remains effective against third parties and retains the priority it had over the rights of competing claimants before the transfer.

2. If an encumbered asset is sold or otherwise transferred in the circumstances referred to in paragraph 1, and the secured creditor does not register an amendment notice adding the transferee, or, in the case of successive transfers, the most recent transferee, as a new grantor before the expiry of [a period of time to be specified by the enacting State] after the transfer, the security right is:

(a) Ineffective against the right of a person to whom the transferee sells or otherwise transfers, leases or licenses the encumbered asset after the transfer and before the registration of the amendment notice; and

(b) Subordinate to a security right created by the transferee that is made effective against third parties during the period referred to in subparagraph (a).

3. A security right in intellectual property that has been made effective against third parties by registration of a notice remains effective against third parties and retains its priority notwithstanding a transfer of the encumbered asset covered by the notice.

Option B

1. Subject to paragraph 2, if a security right in an encumbered asset has been made effective against third parties by registration of a notice and the encumbered asset is sold or otherwise transferred to a transferee that acquires its rights subject to the security right in accordance with article 32 of this Law, the security right remains effective against third parties and retains the priority it otherwise has over the rights of competing claimants before the transfer.

2. If an encumbered asset is sold or otherwise transferred in the circumstances referred to in paragraph 1, and the secured creditor does not register an amendment

notice adding the transferee or, in the case of successive transfers, the most recent transferee, as a new grantor before the expiry of [enacting State to specify a period of time] after the secured creditor acquires knowledge of the transfer, the security right is:

(a) Ineffective against the right of a person to whom the transferee sells or otherwise transfers, leases or licenses the encumbered asset after the secured creditor acquires knowledge of the transfer and before it registers the amendment notice; and

(b) Subordinate to a security right granted by the transferee that is made effective against third parties in the period referred to in subparagraph (a).

3. A security right in intellectual property that has been made effective against third parties by registration of a notice remains effective against third parties and retains its priority notwithstanding a transfer of the encumbered asset covered by the notice.

Option C

A security right in an encumbered asset that was made effective against third parties by registration of a notice remains effective against third parties and retains whatever priority it otherwise has over the rights of competing claimants notwithstanding that the encumbered asset is sold or otherwise transferred by the grantor to a transferee that acquires its right subject to the security right in accordance with article 32 of this Law.

Section G. Organization of the Registry and the registry record

Article 27. Appointment of the registrar

The [the appropriate authority to be specified by the enacting State] is authorized to appoint and dismiss the registrar, and determine the registrar's duties and monitor their performance.

Article 28. Organization of information in the registry record

1. The Registry must assign a registration number to an initial notice and organize the registry record so that all registered amendment and cancellation notices that contain that number are associated with the initial notice in the registry record.

2. The Registry must organize the registry record so that the information in a registered initial notice and in any associated registered notice can be retrieved:

Option A¹⁵

As an exact match by a searcher of the registry record that uses the correct identifier of the grantor as the search criterion.

¹⁵ This provision will be necessary, if the enacting State implements option A of article 23, paragraph 1, of the draft Model Registry-related Provisions.

Option B¹⁶

As an exact match or as a close match by a searcher of the registry record that uses the correct identifier of the grantor as the search criterion.

Option A¹⁷

3. The Registry must organize the registry record so that a person may register a single amendment notice to amend its identifier, address or both in multiple registered notices in which that person is identified as the secured creditor.

Option B¹⁸

3. The Registry must organize the registry record so that it may amend the identifier, address or both of a person identified as the secured creditor in multiple registered notices upon the request of that person.

4. Upon registration of an amendment or cancellation notice, the Registry may not amend or remove information contained in any associated registered notice from the registry record.

Article 29. Integrity of information in the registry record

1. Except as provided in articles 30 and 31 of these Provisions, the Registry may not amend or remove information contained in a registered notice from the registry record.

2. The Registry must preserve all information contained in the registry record and reconstruct the registry record in the event of loss or damage.

Article 30. Removal of information from the public registry record and archival**Option A**

1. The Registry must remove information in a registered notice from the public registry record upon the expiry of the period of effectiveness of the registration of a notice in accordance with article 14 or upon the registration of a cancellation notice in accordance with article 19 or 20 of these Provisions.¹⁹

Option B

1. The Registry must remove information in a registered notice from the public registry record upon the expiry of the period of effectiveness of the registration of a notice in accordance with article 14 of these Provisions.²⁰

¹⁶ This provision will be necessary, if the enacting State implements option B of article 23, paragraph 1, of the draft Model Registry-related Provisions.

¹⁷ This provision will be necessary, if the enacting State implements option A of article 18 of the draft Model Registry-related Provisions.

¹⁸ This provision will be necessary, if the enacting State implements option B of article 18 of the draft Model Registry-related Provisions.

¹⁹ This provision will be necessary if a State implements option A or B of article 21 of the draft Model Registry-related Provisions.

²⁰ This provision will be necessary if a State implements option C or D of article 21 of the draft Model Registry-related Provisions.

2. Except as provided in paragraph 1, the Registry may not remove information contained in a registered notice from the public registry record.
3. The Registry must archive information removed from the public registry record in accordance with paragraph 1 for [a period of time to be specified by the enacting State that is at least co-extensive with its prescription period for rights arising from a security agreement under contract or property law] in a manner that enables the information to be retrieved by the Registry in accordance with article 28 of these Provisions.

Article 31. Correction of errors made by the Registry

1. Without delay after discovering that [it made an error or omission in entering into the public registry record the information contained in a notice submitted for registration or]²¹ erroneously removed from the public registry record information contained in a registered notice, the Registry must

Option A

[register a notice to correct the error or omission, or] restore the erroneously removed information, and send a copy of the information in the registered notice to the person identified in the notice as the secured creditor.

Option B

inform the person identified in the registered notice as the secured creditor so as to enable that person to [register a notice to correct the error or omission or] restore the erroneously removed information.

Option A

2. The registration of a notice referred to in paragraph 1 is effective as of the time the information in the notice becomes accessible to searchers of the public registry record.

Option B

2. The registration of a notice referred to in paragraph 1 is effective as of the time the information in the notice becomes accessible to searchers of the public registry record.
3. Notwithstanding paragraph 1, the security right to which the notice relates has the priority it would otherwise have had over the right of a competing claimant but for [the Registry's error or omission or] the Registry's erroneous removal of the information.

Option C

The registration of a notice referred to in paragraph 1 is effective as of the time it would have been effective if [the error or omission had never been made or] the information had never been erroneously removed.

²¹ The bracketed wording in this provision will be necessary if a State has a Registry that is not fully electronic.

Option D

1. The registration of a notice referred to in paragraph 1 is effective as of the time it would have been effective if [the error or omission had never been made or] the information had never been erroneously removed.
2. Notwithstanding paragraph 1, the security right to which the notice relates is subordinate to the right of a competing claimant that acquired a right in the encumbered asset in reliance on a search of the public registry record made before the notice was registered, provided the competing claimant did not have knowledge of [the error or omission or] the erroneous removal of the information at the time it acquired its right.

Article 32. Limitation of liability of the Registry**Option A**

1. Any liability that the Registry may have in accordance with other law is limited to loss or damage caused by:
 - (a) An error or omission in a search result issued to a searcher or in a copy of information in a registered notice sent to a secured creditor in accordance with article 15, paragraph 1; [and]
 - (b) [An error or omission in entering or failing to enter information in a notice submitted to the Registry into the public registry record or] the erroneous removal of information in the registered notice from the public registry record;
 - (c) The failure of the Registry to send a copy of the registered notice to the person identified in the notice as the secured creditor in accordance with article 15, paragraph 1, and article 31, paragraph 1, of these Provisions; and
 - (d) The provision of false or misleading information to a registrant or searcher.
2. Any liability that a State may have in accordance with paragraph 1 is limited to [a maximum amount to be specified by the enacting State].

Option B

Any liability that the Registry may have in accordance with other law for loss or damage caused by an error or omission in the administration or operation of the Registry is limited to [a maximum amount to be specified by the enacting State].

Option C

The Registry is not liable for loss or damage caused to a person by an error or omission in the administration or operation of the Registry.

Article 33. Registry fees**Option A**

1. Fees may be charged for [the Registry services and in the amounts to be specified by the enacting State].

2. The [authority to be specified by the enacting State pursuant to article 27 of these Provisions] may modify the fee schedule from time to time.
3. The Registry must publicize the fee schedule.
4. The Registry may enter into an account agreement with any person to facilitate the registration process, including the payment of registry fees.

Option B

The Registry may not charge any fee for its services.
