

## MEDIA ADVISORY

### [A.S. Pratt & Sons Publishes Revised Edition of Clarks' The Law of Secured Transactions Under the Uniform Commercial Code](#)

*Now provides in-depth analysis of 2010 UCC Article 9 amendments*

(Austin, TX - January 25, 2011) A.S. Pratt & Sons, a premier publisher of financial and legal resources, is pleased to announce the new, extensively revised Third Edition of Barkley and Barbara Clark's authoritative treatise, [The Law of Secured Transactions Under the Uniform Commercial Code](#). In this new Third Edition, the treatise has been updated from top to bottom, including all the latest case law.

This revised edition highlights the 2010 amendments to Article 9 - the first changes in more than a decade. These new amendments, which will be introduced in all the state legislatures beginning this year, contain some important reforms in the law of secured transactions, including a resolution of the "individual debtor name" problem that has plagued secured creditors and the courts.

"Even though the effective date of the 2010 amendments is 2013, the amendments are relevant now," explains author Barkley Clark. "Courts will begin applying them to current cases because the amendments clarify the intention of the drafters of the UCC in areas that were unclear before. For example, the amendments clarify the proper treatment of 'hybrid chattel paper' that could come up in disputes before 2013. In addition, attorneys drafting new documents for secured loans can make good use of the 2010 amendments right now, to protect their clients through all the future years of the loan."

The Third Edition of [The Law of Secured Transactions Under the Uniform Commercial Code](#) provides a detailed analysis of all the 2010 amendments to Article 9, including:

- **Individual Debtor Names.** The 2010 amendments to Article 9 dramatically change the rules governing the sufficiency of individual debtor names on financing statements. State legislatures are given two alternatives, both focusing on driver's license names. Under the first alternative, the financing statement **must** use the debtor's name exactly as it appears on his or her driver's license; this is called the "only-if" approach. Under the second alternative, the driver's license name is **sufficient but not necessary**; this is called the "safe-harbor" approach. The Clarks explain all the fine points of the new rules and why they think legislators should adopt the only-if alternative.
- **Post-filing Changes in Debtor's Status.** The 2010 amendments include new rules that protect secured lenders by increasing the likelihood that (1) a security interest will be perfected in collateral acquired by the debtor after the debtor relocates to another state and (2) a security interest in collateral acquired by a new debtor (i.e., a successor entity) will be perfected by a secured party who filed a financing statement against the original debtor.

- **Certificate of Title Transactions.** Over the years, there has been substantial litigation on whether a security interest in a motor vehicle is perfected if the lien is not noted on the formal certificate of title, but by an act such as delivery of the application to the issuing agency. The new amendments broaden the statutory definition of “certificate of title” to cover these situations. Also, the amendments authorize state agencies to maintain “electronic certificates of title” on which liens may be noted. These amendments make certificate of title laws mesh better with Article 9.
- **Control of Electronic Chattel Paper.** The new amendments facilitate technological changes such as the move toward electronic chattel paper. The amendments provide that a secured party has control of electronic chattel paper for perfection purposes 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.” This language sets forth a new test for “control,” to the benefit of secured creditors.
- **New Financing Statement and Amendment Forms.** The 2010 amendments include new forms for financing statements and amendments (for termination, assignment, continuation and party information changes). The forms have been modified to reflect the experience of filing offices with the existing forms.
- **Modification of Official Comments.** In addition to amending a number of UCC sections, the 2010 amendments include many modifications to the Official Comments, in order to aid practitioners and the courts. In some cases, these modifications may sharply criticize judicial decisions that have come down on important issues under Article 9.

*[The Law of Secured Transactions Under the Uniform Commercial Code](#)* has been the leading guide on secured lending for over 25 years. Barkley Clark and Barbara Clark continue to provide trusted legal analysis of trends and developments from the courts, Congress, and regulators to the financial services industry. **For more information, please visit [www.aspratt.com/UCC](http://www.aspratt.com/UCC).**

### **About the Authors**

Barkley Clark is well known as a national authority on commercial and financial services law. He is a partner in the law firm of Stinson Morrison Hecker LLP. He advises financial institutions and businesses around the country on a variety of UCC and federal banking law issues, including payment systems, secured transactions, and sales. He is listed in Best Lawyers in America. He is a graduate of Amherst College and Harvard Law School. During a teaching career spanning 35 years, he has taught commercial law at the University of Kansas School of Law, Georgetown Law Center, George Washington University, and the University of Virginia School of Law. His publications are relied on by practicing attorneys and bankers throughout the financial services industry and are frequently cited by federal and state courts. He has served as a special adviser to the Federal Reserve Board, the Commissioners on Uniform State Laws, and state legislatures around the country.

Barbara Clark is a former federal prosecutor and commercial litigator with over 25 years' experience. She is a partner in the Commercial Law Institute, Greenwood, Virginia. Ms. Clark is a graduate of Hamilton College and the University of Maryland School of Law. She has been a partner in private practice specializing in commercial litigation and has represented financial institutions before federal and state regulators. One of Ms. Clark's areas of special interest is financial fraud and risk management. She is a co-author (with Barkley Clark) of [The Law of Bank Deposits, Collections and Credit Cards](#), [The Law of Secured Transactions Under the UCC](#), and [Clarks' Guide to Electronic Check Collection](#). Ms. Clark has also co-authored (with Barkley Clark and Mark Hargrave) [Compliance Guide to Payment Systems](#), and is a co-editor (with Mr. Clark) of two monthly newsletters—one on secured transactions and the other on bank deposits and payments.

### **About A.S. Pratt & Sons**

A.S. Pratt & Sons, an imprint of Sheshunoff Information Services, is a Washington, D.C. based publisher that has been providing information and analysis to the financial services industry since 1867. A.S. Pratt books, periodicals, web-based resources, and training conferences focus on providing interpretive guidance to help financial services professionals with legal and compliance issues. Our authors are among the most recognized legal writers in the country, and our publications cover all major areas of commercial law, including e-commerce, privacy and data security, fraud, financial institutions law and regulation, payment systems, lender liability, bankruptcy, secured transactions, and mortgage lending.

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**For more information, or to purchase a copy of the revised edition, please visit [www.aspratt.com/UCC](http://www.aspratt.com/UCC) or contact:**

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