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If no application for a certificate of title is applied for in State B, then pursuant to U.C.C. § 9-303 the law of State A continues to govern. State A's U.C.C. § 9-311(a)(2) will continue to look to the certificate of title law of State A. Consequently, the security interest remains perfected as long as State A's certificate of title law continues to apply.

2. Pursuant to subsection (d), a secured party whose security interest is perfected by a filed financing statement will generally have three years to perfect pursuant to this act. Perfection under this act requires that the owner apply for a certificate of title and that the application note the security interest. *See* Sections 7 and 15. If the owner fails to make such an application, the secured party may face the prospect of becoming unperfected. However, a well-drafted security agreement will require the debtor to assist the secured party in perfecting the security interest or in maintaining perfection. Moreover, in the security agreement the debtor may have appointed the secured party to act as the debtor's agent or attorney in fact for this purpose. In such a case, the secured party would be authorized to apply for a certificate of title.

**SECTION 29. REPEALS.** The following acts and parts of acts are repealed:

[add legislative note]

**SECTION 30. EFFECTIVE DATE.** This [act] takes effect ....

DRAFT