

CHAPTER 8270
SECRETARY OF STATE
UNIFORM COMMERCIAL CODE FILINGS

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8270.0010 APPLICABILITY.

This chapter applies to Uniform Commercial Code documents filed with a filing officer for purposes of creating a public record concerning the obligation of a debtor to a secured party or a taxpayer to a taxing authority.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0050 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the following words have the meanings given them.

Subp. 2. **Amendment.** "Amendment" means the document used to show a change in the information given on an original financing statement.

Subp. 3. **Assignment.** "Assignment" means the document used to show the transfer of all of a secured party's interest to another party.

Subp. 4. **Business records.** "Business records" means the information maintained by the Secretary of State concerning trademarks, service marks, assumed business names, corporations, limited partnerships, limited liability companies, and other business organizations.

Subp. 5. **Certification date.** "Certification date" is the date through which a response to an information request presents data concerning a debtor or taxpayer that has not lapsed or been terminated.

Subp. 6. **Continuation.** "Continuation" means the document used to extend the five-year life of a financing statement.

Subp. 7. **County recorder.** "County recorder" means the filing officer designated in each county to accept Uniform Commercial Code filings.

Subp. 8. **Filing.** A "filing" means a UCC document.

Subp. 9. **Filing office.** "Filing office" means either the Office of the County Recorder or the Office of the Secretary of State.

Subp. 10. **Filing officer.** "Filing officer" means the persons in the office of the County Recorder or the Secretary of State who are responsible for filing financing statements, statutory liens, and other UCC documents.

Subp. 11. **Financing statement.** "Financing statement" means the UCC document filed with a filing officer to perfect a security interest in collateral. It includes any subsequent filings.

Subp. 12. **Information request.** "Information request" means a written request made to a filing officer for information about a named debtor. An information request may seek either UCC document or tax lien information and will result in a printout of information and/or copies of UCC documents or tax liens which have been filed.

Subp. 13. **Lapsed filing.** "Lapsed filing" means a financing statement that has expired because a continuation has not been timely filed.

Subp. 14. **Original financing statement.** "Original financing statement" means the first document filed that perfects a security interest in collateral. It does not include any subsequent filing.

Subp. 15. **Partial assignment.** "Partial assignment" means an assignment of collateral that is specifically labeled as a partial assignment, sets forth the collateral to be assigned to the additional secured party, and results in more than one secured party of record.

Subp. 16. **Partial release.** "Partial release" means the document used to show that the secured party has relinquished its security interest in some of the previously specified collateral. The collateral to be released must be specified in the filing.

Subp. 17. **Record.** "Record" means all of the UCC documents concerning a specific obligation of the debtor to the secured party or the taxpayer to the taxing authority.

Subp. 18. **Search.** "Search" means an information request.

Subp. 19. **Secretary of State.** "Secretary of State" means the Minnesota Secretary of State.

Subp. 20. **Social security number.** "Social security number" means the identification number assigned to an individual by the Social Security Administration.

Subp. 21. **Statutory lien.** "Statutory lien" means a filing made to perfect an interest created by operation of law such as those liens found in Minnesota Statutes, chapter 514.

Subp. 22. **Tax lien.** "Tax lien" means a document evidencing an obligation owed by a taxpayer to a taxing authority.

Subp. 23. **Taxing authority.** "Taxing authority" means either the Internal Revenue Service or the Minnesota Department of Revenue.

Subp. 24. **Taxpayer identification number.** "Taxpayer identification number" means the number assigned to a business entity by the Internal Revenue Service.

Subp. 25. **Termination.** "Termination" means the document used to end the record created by the financing statement and all subsequent filings.

Subp. 26. **UCC.** "UCC" means the Uniform Commercial Code as adopted in Minnesota Statutes, chapter 336.

Subp. 27. **UCC-1.** "UCC-1" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as a financing statement.

Subp. 28. **UCC-3.** "UCC-3" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an amendment or assignment, partial release, or to continue or terminate an original financing statement.

Subp. 29. **UCC-11.** "UCC-11" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an information request concerning a particular debtor.

Subp. 30. **UCC-12.** "UCC-12" is a designation used by the Secretary of State to identify the form approved pursuant to chapter 8260 for use as an information request concerning a particular taxpayer.

Subp. 31. **UCC document.** "UCC document" means a financing statement, statutory lien, or any subsequent filing such as an amendment, assignment, partial assignment, continuation, partial release, or termination.

Subp. 32. **Work day.** "Work day" means a weekday that is not a federal holiday, a state holiday as defined in Minnesota Statutes, section 645.44, subdivision 5, or a county holiday declared by a county's board of commissioners. Work day does not include a weekday when government offices have been closed due to a weather or other emergency.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0100 PLACE OF FILING.

Nothing in this chapter changes the filing requirements of Minnesota Statutes, section 336.9-401.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18-SR 1753*

8270.0105 DETERMINATION OF PLACE OF FILING.

Financing statements may be filed at the Office of the County Recorder or with the Secretary of State as directed in Minnesota Statutes, section 336.9-401.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0110 FILINGS AFFECTING REAL ESTATE.

Nothing in this chapter changes the filing requirements for financing statements to be recorded in the mortgage records of the Office of the County Recorder.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0115 RECORDING IN MULTIPLE FILING OFFICES.

To record a financing statement in more than one filing office, multiple financing statements and fees are required. If a secured party wishes to record a financing statement in more than one filing office, the secured party may either file a new financing statement or a copy of the previously filed financing statement in each filing office. If a copy is used, it is a nonstandard filing in the new filing office and the appropriate fee is due. The date of filing in each filing office is the date the filing is made in that office, not the date of the original filing. The date of perfection for each financing statement will be determined according to Minnesota Statutes, section 336.9-303.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0200 DATABASE.

Subpart 1. Creation of database. A centralized database containing information on all UCC documents filed in Minnesota is created in Saint Paul. The database is housed on a computer operated by the Secretary of State.

Subp. 2. Changes in database. The Secretary of State shall make appropriate programming changes in or additions to the database and screens for the central database to reflect any changes to the Minnesota statutes. In addition, the Secretary of State shall program the system to automatically remove lapsed financing statements from the active record that are five years old and that have not been continued.

Subp. 3. Maintenance of database. The Secretary of State shall maintain the central database and communications network between the filing offices. The Secretary of State is responsible for the cost of maintaining the computer and the equipment used in its filing office. Each county, through its recorder, is responsible for the cost of maintaining the equipment in the county recorder's filing office by providing the supplies required to operate the equipment in the filing office.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0205 UNAUTHORIZED ENTRY.

Subpart 1. Generally. The Secretary of State shall develop a security system with varying levels of access to the central database which protects the system against unauthorized entry. This will be accomplished by the development of a computer security system that meets industry standards and implemented in cooperation with all filing officers.

Subp. 2. Security measures. Security measures adopted by the Secretary of State are confidential and may be disclosed only to the extent required to provide filing officers and their employees access to the central database and to ensure their cooperation with the security system.

Subp. 3. Cooperative security. All filing officers and their staff shall cooperate with any request made by the Secretary of State to further the security and integrity of the central database.

Subp. 4. Periodic review. The staff of the Secretary of State shall regularly review and analyze access levels and system controls of the users of the central database and take every prudent precaution to ensure that unauthorized entry or use does not occur.

Subp. 5. **Notice of entry.** If unauthorized entry or use has occurred, the Secretary of State shall notify all filing officers of the occurrence and take the appropriate steps to prevent a recurrence of the breach of security.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0210 DATA ENTRY.

Subpart 1. **Generally.** Each filing officer must enter data received on UCC documents filed in the filing office into the central database through the terminal located in the filing office. The filing officer is responsible for entry of the UCC documents received and accepted at the filing office.

Subp. 2. **Manner of entry.** Entry of information will be made by the filing officer into the terminal via alphabetical and numerical representations made on the appropriate data entry screens and transmitted via the communications network to the central database.

Subp. 3. **Ability to modify.** A filing officer may add or modify information in the database only when supported by a UCC document filed in the filing officer's office. No modification of the records of another filing office is permitted.

Subp. 4. **Writing required.** Entry or modification of a central database record may only be made after receipt by the filing officer of a UCC document from the secured party or its authorized representative that shows the information to be entered into the central database.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0215 ENTRY DEADLINE.

For the purpose of uniformity and the ability to accurately state the availability of filed information, it is the goal of all filing officers to have data entered into the central database by noon on the first work day following the filing date. The computer generated search certificate must identify filing offices that have not met this goal.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0220 CERTIFICATION DATE.

Each filing office must change the certification date after each day's filings are entered.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0225 FILING A FINANCING STATEMENT.

Subpart 1. **Generally.** Upon receipt of an original financing statement, a filing officer shall determine if the debtor name is legible and can be indexed. If the debtor name is legible, an identification number is listed for each debtor name, and the correct filing fee has been submitted with the original financing statement, the filing officer shall accept the UCC document for filing.

Subp. 2. **Individual debtor name.** The name of an individual debtor shall be presented on the original financing statement with the last name first. The filing officer shall index the original financing statement according to the name presented in the last name area.

Subp. 3. **Business debtor name.** If the debtor name is a business name, it shall be shown on the original financing statement as it appears on the registration papers filed with the Office of the Secretary of State. If the business debtor is the only debtor name on an original financing statement, only the business name area on the UCC-1 form should be used.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0230 MODIFYING A FINANCING STATEMENT.

Subpart 1. **Generally.** Upon the filing of an amendment, assignment, partial assignment, partial release, continuation, or termination, the filing officer shall modify the data in

the central database so that it matches the information presented on the filing. Only one function shall be presented on a single UCC-3 form. The code that represents the type of filing made must be entered by the filing officer into the central database.

Subp. 2. Continuation. To file a continuation statement, the UCC-3 form must be completed to show:

- A. the continuation box checked;
- B. the original financing statement file number;
- C. the original date of filing; and
- D. all the debtor and secured party information of record which includes the social security or taxpayer identification number for the debtor and an address for the debtor and the secured party. The correct filing fee must accompany the continuation.

One continuation statement will be accepted for filing on an original financing statement in the six months prior to the time of expiration. Multiple continuation statements from separate secured parties on the same financing statement will not be accepted.

Subp. 3. Assignment. To file an assignment, the UCC-3 form must be completed to show:

- A. the assignment box checked;
- B. the original financing statement file number;
- C. the original date of filing;
- D. all the debtor and secured party information of record and an address for the debtor and the secured party; and
- E. the new secured party's name and address in the appropriate area. The correct filing fee must accompany the assignment.

Subp. 4. Partial assignment. To file a partial assignment, the UCC-3 form must be completed to show:

- A. the partial assignment box checked;
- B. the original financing statement file number;
- C. the original date of filing;
- D. all the debtor and secured party information of record and an address for the debtor and the secured party;
- E. the additional secured party information in the appropriate area; and
- F. a description of the collateral assigned in the appropriate area. The correct filing fee must accompany the partial assignment.

After a partial assignment has been filed, any of the secured parties can amend, assign, continue, or file a partial release to the original financing statement.

Subp. 5. Amendment. To file an amendment, the UCC-3 form must be completed to show:

- A. the appropriate amendment box checked;
- B. the original financing statement file number;
- C. the original date of filing;
- D. all the debtor and secured party information of record and an address for the debtor and the secured party; and
- E. the amended information clearly identified in the appropriate area. If debtor names are added, an identification number of each debtor must be listed as part of the amendment. The correct filing fee must accompany the amendment.

Subp. 6. Partial release. To file a partial release, the UCC-3 form must be completed to show:

- A. the partial release box checked;
- B. the original financing statement file number;
- C. the original date of filing;
- D. all the debtor and secured party information of record and an address for the debtor and the secured party; and

E. a description of the collateral to be released in the appropriate area. The correct filing fee must accompany the partial release.

Subp. 7. **Termination.** To file a termination, the UCC-3 form must be completed to show:

A. the termination box checked;

B. the original financing statement file number;

C. the original date of filing;

D. all the debtor and secured party information of record and an address for the debtor and the secured party; and

E. the signature of every secured party of record. If the termination is presented in a nonstandard form or format, the correct filing fee must accompany the filing.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0235 PROCEDURES MANUAL.

Data entry standards and procedures and search procedures are prescribed in the UCC Procedures Manual authored and published by the Secretary of State's office. The manual, dated 1988, and all subsequent amendments to it are incorporated by reference and are not subject to frequent change. It is available from the Computer Services Section, Office of the Secretary of State, 180 State Office Building, 100 Constitution Avenue, Saint Paul, MN 55155-1299. It is also available at the State Law Library.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0240 INFORMATION RETRIEVAL.

Subpart 1. **Generally.** Each filing officer shall have the computer capability to retrieve information stored in the central database. The database is accessed through a telecommunications network and by using the menu presented. Information retrieved from the central database is printed in the form of a search certificate which contains all information in the central database for the debtor name which is selected by the filing officer to be certified.

Subp. 2. **Retrieval of information.** All filing officers must retrieve information on a requested debtor from the central database upon receipt of an information request. All filing officers must issue a certificate from the central database in response to each information request. When a filing officer's tax liens are entered in the central database, it must be used to respond to tax lien information requests. All filing officers whose tax liens are entered into the central database must issue a certificate from the central database in response to each tax lien information request.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0245 INDEX.

Subpart 1. **Security interests.** The central database shall serve as the index of all security interests as required by Minnesota Statutes, section 336.9-403, subsection (4).

Subp. 2. **Statutory liens.** The central database is the index of all statutory liens that have been entered into it.

Subp. 3. **Tax liens.** The central database is the index of all federal and state tax liens filed with the Secretary of State and with any county recorder whose tax liens have been entered into the central database.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0255 REMOVAL AND DESTRUCTION OF UCC DOCUMENTS.

Subpart 1. **Removal.** A filing officer may remove lapsed or terminated UCC documents from the officer's records one year after the date of lapse or termination.

Subp. 2. **Destruction.** UCC documents that have been removed from the files of the filing officer may be destroyed.

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Subp. 3. **Retention schedules.** Each filing officer has the ability, unless otherwise directed by statute, to adopt procedures for the retention of UCC documents according to Minnesota Statutes, section 138.17. The procedures may include the storage of UCC documents on microfilm, microfiche, or other media as permitted by law and may establish a schedule for the retention of paper copies of UCC documents.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0260 BUSINESS RECORDS.

Subpart 1. **Generally.** The Secretary of State maintains information about business and corporate filings for the state of Minnesota. The information found in these records is stored in a computer that is operated and maintained by the Secretary of State and that is accessible to all filing officers via the communications network.

Subp. 2. **View-only access.** View-only access of these records is available to the filing officers and their customers.

Subp. 3. **No interpretation.** No interpretation by a filing officer of information contained in the business records is binding on the Secretary of State.

Subp. 4. **Business filing requirements.** The filing requirements for business records are determined by the appropriate statute and not by this chapter.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0265 IDENTIFICATION OF PARTIES.

The identification number for each debtor, whether the social security number of an individual debtor or the federal taxpayer identification number of a business debtor, may be used by a requesting party to specify a particular debtor when making an information request.

If it becomes possible to search the central database for secured party information, the secretary may adopt an identification procedure for secured parties.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*

8270.0270 CONVERSION OF RECORDS.

Conversion of UCC documents or tax liens will occur in a manner agreed to by the county recorder, the Secretary of State, and any other appropriate parties. Data entry will be done in the manner described in parts 8270.0210 and 8270.0235, if data entry is required by the conversion.

Statutory Authority: *MS s 14.06; 336.9-403; 336.9-411*

History: *18 SR 1753*