

336.9-105 MS 1998 [Repealed, 2000 c 399 art 1 s 140]

336.9-105 CONTROL OF ELECTRONIC CHATTEL PAPER.

(a) **General rule: control of electronic chattel paper.** A secured party has control of electronic chattel paper 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.

(b) **Specific facts giving control.** A system satisfies subsection (a) if the record or records comprising the chattel paper are created, stored, and assigned in such a manner that:

(1) a single authoritative copy of the record or records exists which is unique, identifiable, and, except as otherwise provided in paragraphs (4), (5), and (6), unalterable;

(2) the authoritative copy identifies the secured party as the assignee of the record or records;

(3) the authoritative copy is communicated to and maintained by the secured party or its designated custodian;

(4) copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the secured party;

(5) each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(6) any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

History: 2000 c 399 art 1 s 5; 2011 c 31 art 1 s 2,16

NOTE: The amendment to this section by Laws 2011, chapter 31, article 1, section 2, is effective July 1, 2013. Laws 2011, chapter 31, article 1, section 16.