

70A-9a-316 Effect of change in governing law.

- (1) A security interest perfected pursuant to the law of the jurisdiction designated in Subsection 70A-9a-301(1) or 70A-9a-305(3) remains perfected until the earliest of:
 - (a) the time perfection would have ceased under the law of that jurisdiction;
 - (b) the expiration of four months after a change of the debtor's location to another jurisdiction; or
 - (c) the expiration of one year after a transfer of collateral to a person that thereby becomes a debtor and is located in another jurisdiction.
- (2) If a security interest described in Subsection (1) becomes perfected under the law of the other jurisdiction before the earliest time or event described in that subsection, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earliest time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.
- (3) A possessory security interest in collateral, other than goods covered by a certificate of title and as-extracted collateral consisting of goods, remains continuously perfected if:
 - (a) the collateral is located in one jurisdiction and subject to a security interest perfected under the law of that jurisdiction;
 - (b) thereafter the collateral is brought into another jurisdiction; and
 - (c) upon entry into the other jurisdiction, the security interest is perfected under the law of the other jurisdiction.
- (4) Except as otherwise provided in Subsection (5), a security interest in goods covered by a certificate of title which is perfected by any method under the law of another jurisdiction when the goods become covered by a certificate of title from this state remains perfected until the security interest would have become unperfected under the law of the other jurisdiction had the goods not become so covered.
- (5) A security interest described in Subsection (4) becomes unperfected as against a purchaser of the goods for value and is deemed never to have been perfected as against a purchaser of the goods for value if the applicable requirements for perfection under Subsection 70A-9a-311(2) or Section 70A-9a-313 are not satisfied before the earlier of:
 - (a) the time the security interest would have become unperfected under the law of the other jurisdiction had the goods not become covered by a certificate of title from this state; or
 - (b) the expiration of four months after the goods had become so covered.
- (6) A security interest in deposit accounts, letter-of-credit rights, or investment property which is perfected under the law of the bank's jurisdiction, the issuer's jurisdiction, a nominated person's jurisdiction, the securities intermediary's jurisdiction, or the commodity intermediary's jurisdiction, as applicable, remains perfected until the earlier of:
 - (a) the time the security interest would have become unperfected under the law of that jurisdiction; or
 - (b) the expiration of four months after a change of the applicable jurisdiction to another jurisdiction.
- (7) If a security interest described in Subsection (6) becomes perfected under the law of the other jurisdiction before the earlier of the time or the end of the period described in that subsection, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier of that time or the end of that period, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.
- (8) The following rules apply to collateral to which a security interest attaches within four months after the debtor changes its location to another jurisdiction:

- (a) A financing statement filed before the change pursuant to the law of the jurisdiction designated in Subsection 70A-9a-301(1) or 70A-9a-305(3) is effective to perfect a security interest in the collateral if the financing statement would have been effective to perfect a security interest in the collateral had the debtor not changed its location.
 - (b) If a security interest perfected by a financing statement that is effective under Subsection (8) (a) becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have been ineffective under the law of the jurisdiction designated in Subsection 70A-9a-301(1) or 70A-9a-305(3) or the expiration of the four-month period, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.
- (9) If a financing statement naming an original debtor is filed pursuant to the law of the jurisdiction designated in Subsection 70A-9a-301(1) or 70A-9a-305(3) and the new debtor is located in another jurisdiction, the following rules apply:
- (a) The financing statement is effective to perfect a security interest in collateral acquired by the new debtor before, and within four months after, the new debtor becomes bound under Subsection 70A-9a-203(4), if the financing statement would have been effective to perfect a security interest in the collateral had the collateral been acquired by the original debtor.
 - (b) A security interest perfected by the financing statement and which becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have been ineffective under the law of the jurisdiction designated in Subsection 70A-9a-301(1) or 70A-9a-305(3) or the expiration of the four-month period remains perfected thereafter. A security interest that is perfected by the financing statement but which does not become perfected under the law of the other jurisdiction before the earlier time or event becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

Amended by Chapter 225, 2013 General Session