

355.9-312 Perfection of security interests in chattel paper, deposit accounts, documents, goods covered by documents, instruments, investment property, letter-of-credit rights, and money -- Perfection by permissive filing -- Temporary perfection without filing or transfer of possession.

- (1) A security interest in chattel paper, negotiable documents, instruments, or investment property may be perfected by filing.
- (2) Except as otherwise provided in KRS 355.9-315(3) and (4) for proceeds:
 - (a) A security interest in a deposit account may be perfected only by control under KRS 355.9-314;
 - (b) And except as otherwise provided in KRS 355.9-308(4), a security interest in a letter-of-credit right may be perfected only by control under KRS 355.9-314; and
 - (c) A security interest in money may be perfected only by the secured party's taking possession under KRS 355.9-313.
- (3) While goods are in the possession of a bailee that has issued a negotiable document covering the goods:
 - (a) A security interest in the goods may be perfected by perfecting a security interest in the document; and
 - (b) A security interest perfected in the document has priority over any security interest that becomes perfected in the goods by another method during that time.
- (4) While goods are in the possession of a bailee that has issued a nonnegotiable document covering the goods, a security interest in the goods may be perfected by:
 - (a) Issuance of a document in the name of the secured party;
 - (b) The bailee's receipt of notification of the secured party's interest; or
 - (c) Filing as to the goods.
- (5) A security interest in certificated securities, negotiable documents, or instruments is perfected without filing or the taking of possession for a period of twenty (20) days from the time it attaches to the extent that it arises for new value given under an authenticated security agreement.
- (6) A perfected security interest in a negotiable document or goods in possession of a bailee, other than one that has issued a negotiable document for the goods, remains perfected for twenty (20) days without filing if the secured party makes available to the debtor the goods or documents representing the goods for the purpose of:
 - (a) Ultimate sale or exchange; or
 - (b) Loading, unloading, storing, shipping, transshipping, manufacturing, processing, or otherwise dealing with them in a manner preliminary to their sale or exchange.
- (7) A perfected security interest in a certificated security or instrument remains perfected for twenty (20) days without filing if the secured party delivers the security certificate or instrument to the debtor for the purpose of:

- (a) Ultimate sale or exchange; or
 - (b) Presentation, collection, enforcement, renewal, or registration of transfer.
- (8) After the twenty (20) day period specified in subsection (5), (6), or (7) of this section expires, perfection depends upon compliance with this article.

Effective: July 1, 2001

History: Repealed and reenacted 2000 Ky. Acts ch. 408, sec. 52, effective July 1, 2001.
-- Amended 1996 Ky. Acts ch. 130, sec. 178, effective January 1, 1997 -- Amended
1986 Ky. Acts ch. 118, sec. 71, effective July 1, 1987. -- Amended 1982 Ky. Acts
ch. 199, sec. 2, effective July 15, 1982. -- Amended 1962 Ky. Acts ch. 83, sec. 8. --
Created 1958 Ky. Acts ch. 77, sec. 9-312.