

950 CMR: OFFICE OF THE SECRETARY OF THE COMMONWEALTH

950 CMR 140.00: PRACTICES AND PROCEDURES RELATIVE TO M.G.L. C. 106, ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE

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#### 140.01: Purpose

(1) 950 CMR 140.00 describes the practices and procedures of the Uniform Commercial Code Section of the Office of the Secretary of the Commonwealth relative to Revised Article 9 of the Uniform Commercial Code (UCC). They do not apply to a filing office in which mortgages or records of mortgages on real property are required to be filed or recorded.

(2) The duties and responsibilities of the filing officer with respect to the administration of the UCC are ministerial. In accepting for filing or refusing to file a UCC record pursuant to 950 CMR 140.00, the filing officer does none of the following:

- (a) Determine the legal sufficiency or insufficiency of a record.
- (b) Determine that a security interest in collateral exists or does not exist.
- (c) Determine that information in the record is correct or incorrect, in whole or in part.
- (d) Create a presumption that information in the record is correct or incorrect, in whole or in part.

#### 140.02: Definitions

For the purposes of 950 CMR 140.00 *et seq.*, the following words and abbreviations shall, unless the context otherwise indicates, have the following meanings:

Active Record means a UCC record that has been stored in the UCC information management system and indexed in, but not yet removed from, the searchable index.

Address means either:

- (a) street address, route number (may include box) or P.O. box number plus the city, state and zip code; or
- (b) an address that purports to be a mailing address outside the United States.

Amendment means a UCC record that purports to amend the information contained in a financing statement. Amendments include assignments, continuations and terminations.

Assignment is an amendment that purports to reflect an assignment of all or a part of a secured party's power to authorize an amendment to a financing statement.

Continuation means an amendment that purports to continue the effectiveness of a financing statement.

Electronic Transmission means any method accepted by the Secretary of the Commonwealth for the transmission by electronic format of financing statements, request for information or associated information.

File Number means the unique identifying information assigned to a UCC record by the filing officer for the purpose of identifying the record in the filing officer's information management system. For a filing made prior to February 19, 2001, the file number is an eight-digit number. The first two digits indicate the year the record was filed. For filings made on or after February 19, 2001, the file number is a 12-digit number. The file number includes three segments: the year of the filing expressed as a four-digit number, followed by a unique six-digit number and ending with a two-digit verification number assigned algorithmically (the "check digit").

140.02: continued

Filer means a person providing information in a Uniform Commercial Code record or information request, or a service provider who acts as a filer's representative in the filing process, but does not include a person responsible merely for the delivery of the document to the filing office, such as the postal service or a courier service.

Filing Office and Filing Officer mean the Office of the Secretary of the Commonwealth.

Filing Officer Statement means a statement entered into the filing office's UCC information management system to correct an error made by the filing officer.

Financing Statement means a record or records composed of an initial financing statement and any filed records relating to the initial financing statement.

Individual means a human being, or a decedent in the case of a debtor that is such decedent's estate.

Information Statement means a UCC record that indicates that a financing statement is inaccurate or wrongfully filed.

Initial Financing Statement means a financing statement containing the information required by M.G.L. c. 106, § 9-502, which, when filed, creates the initial record in the Uniform Commercial Code information management system. A UCC record that does not identify itself as an amendment or identify an initial financing statement to which it relates, as required by M.G.L. c. 106, § 9-512, 9-514 or 9-518 is an initial financing statement.

Lapse Date means the same date of the same month in the fifth year after filing or in the relevant subsequent fifth anniversary if a timely continuation statement has been filed. If the initial financing statement indicates that it is filed with respect to public finance or manufactured home transaction, the lapse date is the same day of the month in the 30<sup>th</sup> year after filing. In the case of a leap year, the relevant anniversary date for a February 29<sup>th</sup> filing date shall be March 1<sup>st</sup> in the fifth or 30<sup>th</sup> year following the date of filing. The last day on which a continuation may be filed is the date upon which the financing statement lapses. A lapse date is calculated for each initial financing statement unless the debtor is indicated to be a transmitting utility.

Legible means a communication which may be understood. It is not limited to refer only to written expressions on paper: it requires a machine-readable transmission for electronic transmissions and an otherwise readily decipherable transmission in other cases.

Online Access means access to the Uniform Commercial Code information management system and those programs associated with the viewing, searching, and remote filing functions of the Uniform Commercial Code information management system by a remote data connection.

Organization means a legal person who is not an individual as defined in 950 CMR 140.02.

Secured Party of Record means, with respect to a financing statement, a person whose name is provided as the name of a secured party or a representative of the secured party in an initial financing statement that has been filed. If an initial financing statement is filed under M.G.L. c. 106, § 9-514(a), the assignee named in the initial financing statement is the secured party of record with respect to the financing statement. If an amendment of a financing statement which provides the name of a person as a secured party or a representative of a secured party is filed under M.G.L. c. 106, § 9-514(b), the assignee named in the amendment is a secured party of record. A secured party of record includes a person who has been a secured party of record where an amendment has been filed purporting to delete them as a secured party of record.

140.02: continued

Termination means an amendment intended to indicate either that it is a termination statement or that the related financing statement is no longer effective with respect to the secured party authorizing the termination.

Through Date means the latest date and time for which all records have been entered into the Uniform Commercial Code information management system.

UCC means the Uniform Commercial Code as enacted in Massachusetts and in effect from time to time.

UCC Information Management System means the integrated data and imaging system maintained by the Office of the Secretary of the Commonwealth.

XML means Extensible Markup Language.

XML Record means a UCC record transmitted from a filer to the filing officer as provided in 950 CMR 140.44.

140.03: Singular and Plural Forms

Singular nouns shall include the plural form and plural nouns shall include the singular, unless the context otherwise requires.

140.04: Place to File

(1) The filing office is the office for filing UCC records relating to all types of collateral except timber to be cut, as extracted collateral as defined in M.G.L. c. 106, § 9-102(a)(6) and when the relevant financing statement is filed as a fixture filing, goods which are or are to become fixtures. Regardless of the nature of the collateral, the filing office is the office for filing all UCC records where the debtor is a transmitting utility.

(2) Records may be mailed or delivered to the filing office at:

Secretary of Commonwealth  
UCC Division  
One Ashburton Place, Room 1711  
Boston, MA 02108-1512.

If the record is mailed or delivered, the envelope must clearly identify the type of record enclosed. If an envelope does not clearly identify the type of document enclosed, or is submitted to any other area of the office or to any district office, the record will not be considered received until received by the UCC Division.

140.05: Office Hours

Although the filing office maintains regular office hours (8:45 A.M. to 5:00 P.M., Monday through Friday, except holidays), it receives transmissions electronically and by facsimile 24 hours per day, 365 days per year, except for scheduled maintenance and unscheduled interruptions of service. Electronic communications may be retrieved and processed periodically (but no less often than once each day the filing office is open for business).

140.06: UCC Record Delivery; Time of Filing

UCC records may be tendered for filing at the filing office as follows:

(1) Personal or Courier Delivery at the Filing Office's Street Address. The time of filing for a UCC record delivered in person or by courier delivery to the filing offices is, notwithstanding the time of delivery, the earlier of the time the financing statement is accepted for filing or the next close of business following the time of delivery. A UCC record delivered after regular business hours or on a day the filing office is not open for business will have a filing time no later than the close of business on the next day the filing office is open for business.

140.06: continued

(2) Postal Service Delivery to the Filing Office's Mailing Address. The time of filing for a UCC record delivered by this method is, notwithstanding the time of delivery, the time the document is accepted for filing but no later than the close of business the day after the filing office receives the record. If a UCC record is delivered after regular business hours or on a day the filing office is not open for business, the time for filing will be calculated from the time the filing office is next open for business.

(3) Facsimile Delivery to the Filing Office's Fax Filing Telephone Number. The file time for a UCC record delivered by this method is, notwithstanding the time of delivery, the earlier of the time the UCC record is accepted for filing or the next close of business following the time of delivery. A UCC record delivered after regular business hours or on a day the filing office is not open for business will have a filing time no later than the close of business on the next day the filing office is open for business.

(4) Electronic Transmission using the Filing Office's Authorized Transmission Standards. The file time for a UCC record delivered by this method, notwithstanding the time of delivery, is the time the record is accepted for filing but no later than the next close of business following the time of delivery. A UCC record delivered after regular business hours or on a day the filing office is not open for business will have a filing time no later than the close of business on the next day the filing office is open for business. Electronic mail cannot be used for filing UCC records or for requesting searches of the records of financing statements.

(5) UCC Search Requests. UCC search requests may be delivered to the filing office by any of the means by which UCC documents may be delivered to the filing office.

140.07: Forms

The forms authorized in M.G.L. c. 106, § 9-521(a) and (b) and any amendments thereto and forms prescribed by the filing office shall be acceptable by the filing office. Other forms will not be accepted.

Copies of these forms are available on the Office of the Secretary of the Commonwealth's website at: [www.sec.state.ma.us/cor](http://www.sec.state.ma.us/cor).

140.08: Fees

(1) Filing Fee. The fee for filing and indexing an initial financing statement or other record is \$20.00 for up to two debtor names. The fee for each additional debtor name is \$20.00.

(2) UCC Search Fee. The fee for a response to a request for information is \$10.00 for a listing of all filings pertaining to a particular debtor.

(3) UCC Search-copies Fee. The fee for a response to a request for information is \$30.00 for a listing pertaining to a particular debtor with up to 15 pages of copies attached; each additional copied page shall be assessed a \$1.00 fee.

(4) Expedited Service Fee. An expedited service fee will also be assessed on all electronic transactions by the payment processing vendor.

140.09: Methods of Payment

(1) Filing fees and fees for public records may be paid by the following methods:

(a) In Person: by cash, personal or cashier's check or money order

(b) By Mail: personal or cashier's check or money order

(c) By Electronic Transmission or Facsimile: by MasterCard, Visa, electronic funds transfer or debit card.

140.09: continued

- (2) (a) Personal checks, cashier's checks and money orders must be made payable to the Commonwealth of Massachusetts and shall be accepted for payment if they are for an amount equal to or greater than the cost of the service and are drawn on a bank acceptable to the filing office or if the drawer is acceptable to the filing office. The filing office recommends a separate check for each record submitted.
- (b) Payment by MasterCard, Visa or debit card shall be accepted by the filing office for electronic or telefacsimile transactions. Filers shall provide the State Secretary with the following information:
1. The card number;
  2. The expiration date of the card;
  3. The name of the approved card issuer;
  4. The name of the person or entity to whom the card was issued; and
  5. The billing address for the card.
- (c) Payment by electronic funds transfer under National Automated Clearing House Association (NACHA) Rules from filers who have entered into appropriate NACHA-approved arrangement for those transfers and who authorize the relevant transfer pursuant to those rules will be accepted only for facsimile and electronic transmissions.
- (3) Payment will not be deemed tendered until the issuer or agent has confirmed to the filing office that payment will be forthcoming.

140.10: Overpayment and Underpayment Policies

- (1) Overpayment – Monies paid in excess of the cost of the service requested will not be refunded.
- (2) Underpayment – Upon receipt of a document with an insufficient fee, the filing office shall reject the record and return the fee.

140.11: UCC Record Availability

The following methods are available for obtaining copies of UCC records and copies of data from the UCC information management system.

- (1) Individually Identified Records. Copies of individually identified UCC records are available in the following forms:
- (a) Paper
  - (b) PDF files
- (2) Bulk Copies of Records. Bulk copies of UCC records filed on or after February 19, 2001 are available in a PDF format on CD-ROM.
- (3) Data from the Information Management System. A list of available data elements from the UCC information management system, and the file layout of the data elements, is available from the filing officer upon request. Data from the information management system is available as follows:
- (a) Full Extract – a bulk data extract of information from the UCC information management system is available on a monthly basis in weekly increments. The cost is \$4,800 per year or \$100 per week. Images are available on a monthly basis for an additional \$1,200 per year or \$150 per month.
  - (b) The UCC information management system is available on the Internet at: [www.sec.state.ma.us/cor](http://www.sec.state.ma.us/cor).

140.12: New Practices and Technologies

The filing officer is authorized to adopt practices and procedures to accomplish receipt, processing maintenance, retrieval and transmission of, and remote access to, M.G.L. c. 106, Article 9 filing data by means of electronic, voice, optical and/or other technologies, and, without limiting the foregoing, to maintain and operate, in addition to or in lieu of a paper-based system, a non-paper-based M.G.L. c. 106, Article 9 filing system utilizing any of such technologies.

## Acceptance and Refusal of Documents

### 140.13: File Time

A UCC record is filed at the time provided in 950 CMR 140.06; provided that the filing is not rejected pursuant to M.G.L. c. 106, § 9-516 and 950 CMR 140.14.

### 140.14: Grounds for Refusal of UCC Record

The following grounds are the sole grounds for the filing office's refusal to accept a UCC document for filing:

(1) Debtor Name and Address. An initial financing statement or an amendment that purports to add the name of a debtor not previously provided shall be refused if the record fails to legibly indicate:

- (a) whether each named debtor (or each added debtor in the case of an amendment) is an individual or an organization;
- (b) a name and street address for each debtor; or
- (c) if the debtor is an individual, the surname field.

If the record contains more than one debtor name or street address and some names or street addresses are missing or illegible, the filing officer shall index the legible name and street address pairings, and provide a notice to the filer containing the file number of the record, identification of the debtor name(s) that was (were) indexed, and a statement that debtors with illegible or missing names or street addresses were not indexed.

(2) Secured Party Name and Address. An initial financing statement, an amendment that purports to add a secured party of record, or an assignment, shall be refused if the record fails to legibly indicate:

- (a) whether each secured party or assignee is an individual or an organization; or
- (b) a secured party or assignee name and street address for each secured party or assignee;

If the document contains more than one secured party (or assignee) name or street address and some names or street addresses are missing or illegible, the filing office shall index the legible name and street address pairings and provide notice to the filer containing the file number of the document, identification of the secured party or assignee names that were indexed, and a statement that secured parties with illegible or missing names or street addresses were not indexed.

(3) Lack of Identification of Initial Financing Statement. A UCC record other than an initial financing statement shall be refused if the document does not provide a file number of a financing statement in the UCC information management system that has not lapsed and to which it relates.

(4) Lack of Identification of UCC Amendment. A UCC record that purports to amend the party information included in a financing statement must indicate whether the amendment affects either the debtor or the secured party of record and whether the amendment changes the name and/or street address, deletes a name or adds a name, in box 5 of the form authorized in M.G.L. c. 106, § 9-521(b).

(5) Timeliness of Continuation. A continuation shall be refused if it is not received during the six-month period concluding on the day upon which the related financing statement would lapse.

- (a) First Day Permitted. The first day on which a continuation may be filed is the date of the month corresponding to the date upon which the financing statement would lapse, six months preceding the month in which the financing statement would lapse. If there is no such corresponding date during the sixth month preceding the month in which the financing statement would lapse, the first day on which a continuation may be filed is the last day of the sixth month preceding the month in which the financing statement would lapse, although filing by certain means may not be possible on such date if the filing office is not open on such date.

140.14: continued

- (b) Last Day Permitted. The last day on which a continuation may be filed is the date upon which the financing statement lapses.
- (6) Multiple Actions on Amendment not allowed. Each individual financing statement and amendment form shall include only one filing action.
- (7) Means or Manner of Communication. UCC records communicated to the filing office by a means of communication or in a manner not authorized or decipherable by the filing officer shall be refused.
- (8) Fee. A document shall be refused if the document is accompanied by less than the full filing fee, in accordance with 950 CMR 140.09.

140.15: Grounds not Warranting Refusal

The following are examples of defects that do not constitute grounds for refusal to accept a record. They are not a comprehensive enumeration of defects outside the scope of permitted grounds for refusal to accept a UCC record for filing.

- (1) Errors. The UCC record contains or appears to contain a misspelling or other apparently erroneous information.
- (2) Incorrect Names.
  - (a) The UCC record appears to identify a debtor incorrectly.
  - (b) The UCC record appears to identify a secured party or a secured party of record incorrectly.
- (3) Extraneous Information. The UCC record contains additional or extraneous information of any kind.
- (4) Collateral Description. The UCC record incorrectly identifies collateral, or appears to contain no such description.
- (5) Excessive Fee. The record is accompanied by funds in excess of the full filing fee.
- (6) Multiple Terminations or Continuations. The filing office will accept more than one termination or continuation on the same filing unless there is a reason for rejection as provided in M.G.L. c. 106, § 9-516. The filing office does not make a determination of the effectiveness of any filing.

140.16: Procedure upon Refusal

If the filing office finds grounds under 950 CMR 140.14 to refuse acceptance of a UCC record, the filing office shall return the record to the filer and return the filing fee if paid by separate check. The filing office shall send a notice that contains the date and time the record would have been filed had it been accepted for filing (unless such date and time are stamped on the record), and a brief description of the reason for refusal to accept the record. The notice shall be sent to a secured party or the filer no later than the second business day after the filing office receives the record.

140.17: Acknowledgment

The filing officer will provide to a filer an image of the UCC record of the UCC record showing the file number assigned to it and the date and time of filing. Such acknowledgment may be sent by mail or email.



140.18: Notification of Defects

Nothing in 950 CMR 140.13 through 140.19 prevents a filing officer from communicating to a filer that the filing officer noticed apparent potential defects in a UCC record, whether or not it was filed or refused for filing. However, the filing office is under no obligation to do so and may not, in fact, have the resources to do so or to identify such defects. **THE RESPONSIBILITY FOR THE LEGAL EFFECTIVENESS OF FILING RESTS WITH FILERS. THE FILING OFFICE BEARS NO RESPONSIBILITY FOR SUCH EFFECTIVENESS.**

140.19: Refusal Errors

If a filer demonstrates to the satisfaction of the filing office that a UCC record that was refused for filing should not have been refused pursuant to M.G.L. c. 106, § 9-516 and 950 CMR 140.14, the filing office will file the UCC record as provided in 950 CMR 140.13 with the filing date and time the UCC record was originally tendered for filing. A filing officer statement will be placed in the UCC information management system on the date the corrective action was taken. The filing officer statement must provide the date of the correction and explain the nature of the corrective action taken. The record shall be preserved for so long as the record of the initial financing statement is preserved in the UCC information management system.

**UCC Information Management System**

140.20: Primary Data Elements

The filing officer uses an information management system to store, index and retrieve information relating to financing statements. The primary data elements used in the UCC information management system are the following:

(1) Initial Financing Statement - File Number. Each initial financing statement is identified by its file number as described in 950 CMR 140.02. A file number for the initial financing statement is permanently associated with the record maintained in the UCC information management system. A record is created and maintained in the information management system for each initial financing statement and all information comprising such record is maintained in the system.

(2) Other File Numbers. A UCC record other than an initial financing statement is identified by a unique file number assigned by the filing officer. In the UCC information management system, UCC records other than initial financing statements are linked to the record of the related initial financing statement. The sequence of the identification number is not an indication of the order in which the record was received.

(3) Type of UCC Record. The type of UCC record from which data is transferred is identified in the UCC information management system from information supplied by a filer. The filing date and filing time of UCC records are stored in the UCC information management system.

(4) Names and Addresses of Debtors and Secured Parties. The names and addresses of debtors and secured parties are entered from initial financing statements and records into the UCC information management system in an acceptable character set. The acceptable character set shall be the extended ASCII character set (Windows-1252). When extended ASCII characters are presented in a name on a financing statement, they shall be accepted and indexed exactly as presented.

(5) Total Page Count. The total number of pages in a UCC record is maintained in the UCC information management system for filings made on or after February 19, 2001.

140.21: Names of Debtors who are Individuals

950 CMR 140.21 applies to the name of an individual that is a debtor or a secured party on a UCC record:

## 140.21: continued

(1) Individual Name Fields. The names of individuals are stored in a field that includes only the names of individuals, and not the names of organizations. Separate data entry fields are established for first personal, surname and additional names (initials) of individuals. A filer should place the name of a debtor with a single name (*e.g.*, “Cher”) in the surname name field. The filing officer assumes no responsibility for the accurate designation of the components of a name but will enter the data in accordance with the filer’s designations and exactly as provided by the filer.

(2) Titles and Prefixes before Names. Titles and prefixes, such as “Doctor,” “Reverend,” “Mr.,” and “Ms.,” should not be entered in the UCC information management system. However, 950 CMR 140.21(1) provides that when a UCC record is submitted with designated name fields, the data will be entered in the UCC information management system exactly as it appears.

(3) Titles and Suffixes after Names. Titles or indications of status such as “M.D.” and “Esquire” are not part of an individual’s name and should not be provided by filers in UCC records. Suffixes that indicate which individual is being named, such as “Senior,” “Junior,” “I,” “II,” and “III,” are appropriate. In either case, as provided in 950 CMR 140.21(1), they will be entered into the information management system exactly as received.

(4) Truncation – Individual Names. Personal name fields in the UCC database are fixed in length. Although filers should continue to provide full names on their UCC records, a name that exceeds the fixed length is entered as presented to the filing office, up to the maximum length of the data entry field. The length of data entry name fields are as follows:

- (a) First Personal Name: 25 characters.
- (b) Surname: 35 characters.
- (c) Additional Names (Initials) 25 characters.
- (d) Suffix: ten characters.

140.22: Names of Debtors that are Organizations

950 CMR 140.22 applies to the name of an organization that is a debtor or a secured party on a UCC record:

(1) Single Field. The names of organizations are stored in a single field that includes only the names of organizations and not the names of individuals.

(2) Truncation – Organization Names. The organization name field in the UCC database is fixed in length. The maximum length is 175 characters. Although filers should continue to provide full names on their UCC records, a name that exceeds the fixed length is entered as presented to the filing office, up to the maximum length of the data entry field.

140.23: Estates

Although they are not human beings, estates are treated as if the decedent were the debtor under 950 CMR 140.21.

140.24: Trusts

If the trust is named in its organic document(s), its full legal name, as set forth in such document(s), is used. If the trust is not so named, the name of the trust’s settlor is used. If a settlor is indicated to be an organization, the name is treated as an organization name. If the settlor is an individual, the name is treated as an individual name. A UCC record that uses a settlor’s name should include other information provided by the filer to distinguish the debtor trust from other trusts, having the same settlor and all UCC records filed against trusts or trustees acting with respect to property held in trust should indicate the nature of the debtor. If this is done in, or as part of, the name of the debtor, it will be entered as if it were a part of the name.

140.25: Initial Financing Statement

Upon the filing of an initial financing statement, it is indexed in the UCC information management system with a unique file number and the date and time of filing. Such financing statement shall remain on the index until at least one year after the financing statement lapses.

140.26: Debtor Name

The name and address of each debtor legibly set forth on the financing statement is indexed on the UCC information management system. Each debtor name will remain on the index until at least one year after the financing statement lapses.

140.27: Secured Party Name

The name and address of each secured party legibly set forth in the financing statement is indexed on the UCC information management system. Such name will remain on the index until at least one year after the financing statement lapses.

140.28: Amendment

(1) Upon filing an amendment, it will be indexed in the UCC information management system with a unique file number and the date and time of filing. The record of amendment is associated with the record of the initial financing statement. An amendment does not effect the lapse date of a financing statement, except that a continuation will extend the period of effectiveness of a financing statement.

(2) Change of Debtor Name. An amendment changing the name of a debtor will be indexed in the UCC information management system by adding the new name to the index as if it were a debtor of record. A search under either the debtor's old name or the debtor's new name will reveal the initial financing statement and related filings. A record referring to a debtor will not be removed from the UCC information management system merely because an amendment to the record deletes the debtor.

(3) Change of Secured Party Name. An amendment that changes the name of the secured party will be indexed on the UCC information management system by adding the new name to the index as if it were a secured party of record. A record referring to a debtor will not be removed from the UCC information management system merely because an amendment to the record deletes the debtor.

(4) Deletion of Debtor or Secured Party. An amendment that deletes a debtor or secured party will be indexed on the system, but the name of the debtor or secured party will remain in the index.

140.29: Assignment

An amendment that is an assignment shall be indexed in the UCC information management system in a manner that each named assignee and secured party, or assignor, set forth will be indexed on the system. An assignment shall have no effect on the lapse date of a financing statement.

140.30: Continuation

Upon the timely filing of one or more continuation statements by any secured party of record, the lapse date shall be postponed for five years. The lapse date is postponed once notwithstanding the fact that more than one continuation statement is filed within a given 6-month period prior to a lapse date.

140.31: Termination

Upon filing, a termination statement will be indexed in the UCC information management system. The termination and all related filings will remain in the system until at least one year after it has been terminated with respect to all secured parties of record.

140.32: Statement of Claim

Upon filing, a statement of claim will be indexed in the UCC information management system and associated with the UCC record to which it relates. A statement of claim does not affect the lapse date of an initial financing statement.

140.33: Procedure upon Lapse

If there is no timely filing of a continuation with respect to a financing statement, the financing statement lapses on its lapse date but no action is then taken by the filing office. On the first anniversary of such lapse date, the filing office may remove the financing statement from the information management system and such statement will no longer be available to a searcher unless inactive statements are requested by the searcher and the financing statement is still retrievable on the information management system.

140.34: Notice of Bankruptcy

The filing office takes no action upon receipt of a notification, formal or informal, of a bankruptcy proceeding involving a debtor named in the UCC information management system. Accordingly, financing statements will lapse as scheduled unless properly continued.

**Filing and Data Entry Procedures**

140.35: Policy Statement

950 CMR 140.35 through 140.46 contains the rules describing the filing procedures of the filing office upon and after receipt of a UCC record. Except as provided in 950 CMR 140.21(4) and 140.22(2), data is transferred to the UCC information management system exactly as specified in the UCC record. No effort is made to detect or correct errors of any kind.

140.36: Paper Filings

- (1) Paper filings must be presented on the forms authorized in M.G.L. c. 106, §§ 9-521(a) and (b) or any form prescribed by the filing office.
- (2) The filing must be accompanied by the appropriate fee in accordance with 950 CMR 140.08.
- (3) The filing record is scanned into and indexed on the UCC information management system. The image is reviewed to determine whether the filing will be accepted or rejected. The Filing Office, in its discretion, may redact social security numbers from the image displayed on the UCC Information Management System. Records are rejected only for reasons provided in M.G.L. c. 106, §§ 9-516 and 950 CMR 140.14.
- (4) Accepted Records – If a record is accepted for filing, the file number, filing time and date are permanently associated with the financing statement on the UCC information management system upon the close of business on the day of acceptance. An acknowledgment is prepared as provided in 950 CMR 140.17 and returned to the filer either by first-class mail or email. The acknowledgment contains the file number, filing time and date and a copy of the image of the record.
- (5) If a filing is rejected, the filing will be returned to the filer as provided in 950 CMR 140.16.

140.37: Facsimile Filings

- (1) Each fax filing must be presented with a fax cover sheet downloaded from the Office of the Secretary of the Commonwealth's website. The filings must be on forms authorized in M.G.L. c. 106, §§ 9-521(a) and (b) or any form prescribed by the filing office.
- (2) The filing must be accompanied by the appropriate fee as provided in 950 CMR 140.08.
- (3) The filing is automatically scanned and indexed on the UCC information management system upon transmission. The image is reviewed to determine whether the filing will be accepted or rejected. The procedures for social security numbers, acknowledgments and rejections are the same as provided for paper transactions.

140.38: Electronic Filings

- (1) Electronic filings must be made as provided in the on-line information service system located at <http://www.sec.state.ma.us/cor>.
- (2) Electronic transmissions must be received and accompanied by the appropriate fee as provided in 950 CMR 140.08.
- (3) The filing is reviewed to determine whether it will be accepted or rejected. The procedures for acknowledgment and rejection are the same as provided for paper transactions.

140.39: XML Filings

- (1) XML Authorized.
  - (a) A filer may be authorized for XML transmission upon the written authorization of the filing officer. A request to be authorized to transmit XML records shall be in writing and delivered to the filing officer. Upon receipt of a request for authorization, the filing officer shall provide the filer with necessary information on the requirements for XML transmission, including format, address for transmission, and other necessary specifications.
  - (b) The filing officer shall authorize a filer to engage in XML transmissions if:
    1. The filer has entered into an agreement, in form and substance satisfactory to the filing officer, with the filing office; and
    2. The filing officer determines, after appropriate testing of transmissions in accordance with the filing officer's specifications, that the filer is capable of transmitting XML records in a manner that permits the filing officer to receive, index and retrieve the XML records.
    3. The filing officer may suspend or revoke the authorization when, in the filing officer's sole discretion, it is determined that a filer's transmissions are incompatible with the filing officer's XML system.
- (2) IACA Standard Adopted. The XML format for filing a UCC record, is set forth in the Massachusetts Business to Business XML UCC Filing Implementation Guide, in effect from time to time, adopted in this state as a format for electronic transmission of UCC records. The filing officer shall, periodically and at the request of an authorized XML filer, identify which versions and releases of the XML format are then in use by and acceptable to the filing office.

140.40: Data Entry

Data entry and indexing functions are performed as follows:

- (1) Filing Date. The time and date of filing are determined as provided in 950 CMR 140.06.
- (2) Lapse Date. A lapse date is calculated for each initial financing statement (unless the debtor is a transmitting utility). The lapse date is the same date of the same month as the filing date in the fifth year after the filing date or the relevant subsequent fifth anniversary thereof if a timely continuation statement is filed. If the initial financing statement indicates that it is filed with respect to a public finance transaction or a manufactured home transaction, the lapse date is the same date of the month as the filing date in the 30<sup>th</sup> year after the filing date. The relevant anniversary for a February 29<sup>th</sup> filing date shall be March 1<sup>st</sup> in the fifth or 30<sup>th</sup> year following

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the date of filing. The last day on which a continuation may be filed is the date upon which the financing statement lapses.

140.41: Errors of the Filing Officer

The filing office may correct the errors of filing officer personnel in the UCC information management system at any time. A record relating to the relevant initial financing statement will be placed in the UCC information management system stating the date of the correction and explaining the nature of the corrective action taken. The record shall be preserved for so long as the record of the initial financing statement is preserved in the UCC information management system.

140.42: Errors Other than Filing Officer Errors

An error by a filer is the responsibility of such filer. It can be corrected by filing an amendment or it can be disclosed by an information statement.

140.43: Data Entry of Names – Designated Fields

A filing should designate whether a name is a name of an individual or an organization and, if an individual, also designate the first personal, surname, additional names (initials) and any suffix. When this is done, 950 CMR 140.43(1) through (3) shall apply:

(1) Organization Names. Organization names are entered into the UCC information management system exactly as set forth in the UCC record, even if it appears that multiple names are set forth in the record or if it appears that the name of an individual has been included in the field designated for an organization name.

(2) Individual Names. The filing officer enters the names into the first personal, surname, additional names (initials) and suffix fields in the UCC information management system exactly as set forth in the UCC record.

(3) Designated Fields Required. The filing office specified the use of forms that designate separate fields for individual and organization names and separate fields for first, middle and last names and any suffix. Such forms diminish the possibility of filing office error and help assure that filers' expectations are met. However, filers should be aware that the inclusion of names in an incorrect field or failures to transmit names accurately to the filing office may cause filings to be ineffective. All records submitted through direct data entry or through XML will be required to use designated name fields.

(4) Past Practice. Prior to July 1, 2001, Article 9 did not distinguish between registered organizations and individual. All debtors were entered onto the index in the same field. The maximum length of the field was 40 characters. Individual names were entered as follows: last name, first name, middle name, suffix. If a filer included more than one debtor, the information was entered on the same field in the order presented. For example, Robert and Karen Jones would have been entered as Jones, Robert and Karen. Robert Smith and David Jones would have been entered as Smith, Robert and Jones, David. Further, if a filing was presented as City of Boston, it was entered as Boston, City of. The Division has converted the data to the new format if a UCC financing statement filed under Article 9 has been continued under Revised Article 9.

140.44: Data Entry of Names – No Designated Fields

A UCC record that is an initial financing statement or an amendment that adds a debtor to a financing statement and that fails to specify whether the debtor is an individual or an organization will be refused by the filing office.

140.45: Verification of Data Entry

The filing officer verifies the accuracy of data entry by independent examination of the following fields:

- (1) Time and date of filing;
- (2) record type;
- (3) debtor name;
- (4) debtor address.

140.46: Archives

- (1) Paper UCC records are scanned into the UCC information management system. The paper filing is retained for at least six months and then destroyed. The image is maintained until at least one year from the date of lapse in the archive file.
- (2) Facsimile and electronic filings are maintained for at least one year following the lapse date in the archive file.
- (3) The UCC information management system database is backed up every business day.
- (4) Archival searches may be made available through arrangements with the filing office as it determines in its sole discretion.

**Search Requests**

140.47: General Requirements

The filing officer maintains for public inspection a searchable index for all UCC records. The index is retrievable by the name of the debtor or by the file number of the initial financing statement to which the record relates and which associates with one another each initial financing statement and each filed UCC record relating to the initial financing statement.

140.48: Search Requests

Each search request shall contain the following information:

- (1) The name of the debtor to be searched, specifying whether the debtor is an individual or organization. Each search request shall be processed using the name in the exact format it is submitted, including the submission of no data in a given field, without regard to the nature or character of the debtor that is the subject of the search;
- (2) The name and address of the person to whom the search results are to be sent.
- (3) A request to limit the copies of records by restricting the search to a city, a filing date or range of filing dates, or the identity of the secured party of record;
- (4) A request to include lapsed filings; or
- (5) Instructions on the mode of delivery desired, if other than by ordinary mail. This request will be honored if the requested mode is available to the filing office.

140.49: Search Logic

Search results shall be produced by applying only standardized search logic to each name presented to the filing officer. Human judgment shall not play a role in determining the results of the search. The standardized search logic used shall meet the following criteria:

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- (1) There is no limit to the number of matches that may be returned in response to the search criteria.
- (2) The characters searched are letters "a" through "z" and numbers 0 through 9. The following English letters shall also return the following non-English Latin characters in a name:

English Letter	Non-English Latin Letter
A	À à Á á Â â Ã ã Ä ä Å å
AE	Æ æ
C	Ç ç
CE	Œ œ
D	Ð ð
E	È è É é Ê ê Ë ë
F	f
I	Ì ì Í í Î î Ï ï
N	Ñ ñ
O	Ò ò Ó ó Ô ô Õ õ Ö ö Ø ø
P	Ɔ ɔ
S	Š š
U	Ù ù Ú ú Û û Ü ü
Y	Ý ý Ÿ
Z	Ž ž

- (3) No distinction is made between uppercase and lowercase letters, and all letters are converted to uppercase in the filing office database. Each search request shall be processed using the name in the exact form in which it is submitted. If no data is submitted in a given field, the search request shall be processed without reference to the field, except as provided in 950 CMR 140.49.
- (4) Punctuation marks, accents and suffixes are disregarded. All characters in the extended ASCII character set (Windows-1252) not otherwise defined in 950 CMR 140.49(2) shall be disregarded.
- (5) Words and abbreviations at the end of a name that indicate the existence or nature of an organization are disregarded. These words and abbreviations include the following:
- "Corporation" or the abbreviation "Corp.";
  - "Incorporated" or the abbreviation "Inc.";
  - "Professional corporation," or the abbreviations "Prof. corp." or "P.C.";
  - "Company" or the abbreviation "Co.";
  - "Limited" or the abbreviation "Ltd.";
  - "Limited partnership," or the abbreviations "Ltd. partnership," "Ltd. part." "L.P";
  - "Limited liability company" or the abbreviations "L.L.C" or "L.L.Co.";
  - "Limited liability partnership," "Massachusetts limited liability partnership" or the abbreviation "L.L.P.";
  - "Massachusetts business trust" or "Business trust";
- (6) The word "the" at the beginning of an organization name is disregarded;
- (7) All Spaces are disregarded;



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(8) For additional names of individuals (initials), initials are equated with all names that begin with these initials, and the absence of an additional name or initials is equated with all additional names and initials;

(9) If the name being searched is the surname of an individual debtor name without any first personal or additional name (initials) provided, the search will retrieve from the UCC information management system all financing statements with individual names that consist only of the surname.

(10) The word "and" and the character "&" are disregarded;

(11) After using the criteria specified in 950 CMR 140.49 to modify the name of the debtor requested to be searched, the search shall reveal only names of debtors that are contained in unlapsed financing statements and exactly match the name requested, as modified.

140.50: Search Responses

Responses to a search request shall include the following:

(1) The identification of the filing officer and the certification of the filing officer;

(2) The date the report was generated;

(3) The through date;

(4) The exact name as provided by the searcher;

(5) The normalized name, as provided by 950 CMR 140.49;

(6) A list of each financing statement filed on or before the certification date and time corresponding to the search criteria, by name of debtor, by financing statement file number, and by the file date and file time of 5:00 P.M.; and

(7) For each unlapsed initial financing statement on the report, a copy of all related UCC records filed by the filing officer on or before the certification date and time is provided upon request when the appropriate fee is paid in accordance with 950 CMR 140.08.

REGULATORY AUTHORITY

950 CMR 140.00: M.G.L. c. 106, § 9 through 526.

NON-TEXT PAGE