

Colorado's Central Filing System

A Historical Perspective and the Impact of Revised Article 9

by Keith Whitelaw Esq., Director of Policy and Analysis, Colorado Department of State,
Mike Shea Esq., Director of Operations, Business Division, Colorado Department of State
and Karen Woods Esq., Colorado Department of State

History of the Central Filing System

Colorado's fourteen-year journey through the trials and tribulations of Article 9 of the Uniform Commercial Code (UCC)¹ has its genesis in a provision of the statutes concerning buyers of products subject to a security interest. Under this section, "a buyer in ordinary course (sic) of business (subsection (9) of section 4-1-201) *other than a person buying farm products from a person engaged in farming operations* (italics added) takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence."² This provision required a lender on farm products to obtain the names of purchasers of the farm products from the debtor and then to notify each of the potential buyers that the particular farm products were subject to a security interest. These notifications had to be sent to the buyers whenever new money was advanced or when a new crop was grown.

The national economy was in decline in the early 80's, as was evident in Colorado when numerous oil companies either folded or moved their offices out of the state. Many will remember the consolidation and downsizing that law firms went through during this period. The national farm economy was in a similar state. As a result of numerous farm loan defaults and bankruptcy filings, secured parties used the statutory provision cited above to seek redress from those buyers of farm products who purchased farm products from the secured parties' debtors where the debtor failed to make payments on the loan.

In 1985, Congress found that "(1) certain State laws permit a secured lender to enforce liens against a purchaser of farm products even if the purchaser does not know that the sale of the products violates the lender's security interest in the products, lacks any practical method for discovering the existence of the security interest, and has no reasonable means to ensure that the seller uses the sales proceeds to repay the lender; (2) these laws subject the purchaser of farm products to double payment for the products, once at the time of purchase, and again when the seller fails to repay the lender; (3) the exposure of purchasers of farm products to double payment inhibits free competition in the market for farm products; and (4) this exposure constitutes a burden on and an obstruction to interstate commerce in farm products."³ Congress passed the Food Security Act of 1985, effective December 23, 1986, that created a "central filing system" for filing notices of the financing statements on farm

¹ Uniform Commercial Code—Secured Transactions, Colo. Rev. Stat. § 4-9-101 *et seq.*, as amended in 1988, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001 and 2002.

² Colo. Rev. Stat. § 4-9-307(1), (1973).

³ Food Security Act, P.L. 99-198, Act of December 23, 1985, § 1324(a) (1985).

products pursuant to the UCC on a statewide basis.⁴ These notices, unfortunately called “effective financing statements” (“EFS”) were to be filed with the Secretary of State who would then send out a compiled list (the “Master List”) of all notifications to registered buyers of farm products.⁵ By filing the EFS, the secured party ensured that its name would be on the Master List and the buyer of farm products was then obligated to make the secured party a joint payee on the check paid to the seller of the farm products.

The Colorado legislature addressed the federal act in 1988 when it adopted the “Central Filing of Effective Financing Statement Act”⁶. The statute created a Central Filing System Board⁷ in the Colorado Department of Agriculture. The board put out a Request for Proposal⁸ to operate the Central Filing System and contracted with a local company Central Filing Systems, Inc. to operate the system. The contract called for the operator to be paid a fee for each effective financing statement filed. The United States Department of Agriculture in 1992 finally approved the design of the system and the first EFS was filed with the operator in September 1992.

Although the new Central Filing System solved some of the problems experienced by buyers of farm products, it created new filing problems for the lenders. The UCC required that a lender file a Financing Statement with the Clerk and Recorder of the county where the farm products were being grown or raised.⁹ In some cases, this required several county filings because farm or ranch property straddled several counties or ranchers moved cattle to summer pasture in a county other than where the ranch was located. When the security interest also covered equipment, inventory or accounts (other than farm equipment, farm products or accounts arising from or relating to the sale of farm products by a farmer), the secured party also had to file a financing statement with the secretary of state.¹⁰ The Central Filing System required that an EFS be filed with the system operator if the secured party wanted to ensure payment from the buyer. A secured party may have been required to file as many as five separate statements in five filing offices.

By 1993 the farm economy had improved to the extent that numerous secured parties were electing to not file the EFS either due to no pressing financial need or to enhance customer relations. The reduction in the number of filings to the Central Filing System resulted in financial pressures to the operator and to the board. These pressures caused the board to request financial help from the legislature. During the 1994 legislative session, the board proposed a financial solution in the form of legislation that met with substantial resistance from the farm lending community.¹¹ The board determined that in order to make the Central

⁴ *Id.* at § 1324(c)(2).

⁵ Subsequent rules and regulations promulgated by the Packers and Stockyards Administration allowed for the filing of effective financing statements and the master lists to be done by either the “Secretary of State or other person designated by a State to operate a system”, 9 CFR Part 205, Federal Register, Vol 51, No. 61, March 31, 1986.

⁶ 1988 Colo. Sess. Laws 1219, *See also* Colo. Rev. Stat. § 4-9.5-101-112 (2002).

⁷ Colo. Rev. Stat. § 35-15-101-110, *repealed by* 1994 Colo. Sess. Laws 123, § 10, *effective* July 1, 1996 (2002).

⁸ Colorado Department of Central Services, Division of Purchasing RFP-BF-01392.

⁹ Colo. Rev. Stat. § 4-9-401 (1992).

¹⁰ Colo. Rev. Stat. 4-9-401 (1994).

¹¹ 1994 Colo. Sess. Laws 132.

Filing System financially stable, two things were required. First, a secured party would have to file an EFS simultaneously with the UCC financing statement in order for the UCC financing statement to be perfected.¹² Secondly, the proposed statute would require the secured party to pay an annual maintenance fee of \$10.00 to the board in order to maintain the effectiveness of the filing.¹³ Although the lending community went along with these provisions in order to keep the system financially viable, they demanded that the legislature come up with a better idea for dealing with UCC financing statements, other types of consensual and non-consensual liens and the EFSs required by federal law. Individuals representing the legislature, lending community, agriculture, the Central Filing System Board and the secretary of state met and proposed that the legislature create a committee to investigate a system of a single filing in any one location to satisfy all of the various filing requirements under the current law.¹⁴ The bill was amended to include this recommendation and required the committee to report back to the legislature by January 1, 1995 with its findings and recommendations.¹⁵

The committee met frequently from August to December 1994. In addition to the multiple filing location problems of the UCC and the Central Filing System, the committee addressed access to motor vehicle liens, funding of whatever system would be proposed and the funding of new technology in the counties. Although the initial proposal was to have the secretary of state be the single point of filing and searching, the county clerks were worried that such an approach would result in a substantial loss of revenue to the counties. The compromise was to allow a secured party to file in any of sixty-three county clerks' offices or in the secretary of state's office. The committee's proposed legislation was adopted by the legislature in 1995.¹⁶

Senate Bill 95-091 created the Central Indexing System (CIS) that became effective on July 1, 1996.¹⁷ Additionally, this legislation did away with the Central Filing System Board, creating instead the Central Indexing System Board ("CIS"). The statutory amendments made to the UCC substantially changed the way UCC financing statements were filed. The issue was no longer where the collateral was located but what filing office was most convenient to the filing party. The bill continued the practice of filing real estate related collateral with the county clerk and recorder where the collateral was located but this practice was limited to real estate fixtures, standing timber, minerals and accounts on minerals.¹⁸ However, all other types of collateral could be filed in any one of sixty-four filing offices. The bill also deleted the requirement that the financing statement must be signed by the debtor or that amendments, continuations or terminations must be signed by the secured party. The deletion of signatures

¹² Colo. Rev. Stat. § 4-9-401(1)(a) (1994).

¹³ Colo. Rev. Stat. § 4-9.5-103(7)(f) (1994).

¹⁴ Mike Shea, co-author of this article, was present at this meeting and made the suggestion to those present that the currently available technology would allow a secured party to file in any of the clerks and recorders' offices or at the secretary of state and that the information could be transmitted to a central database where it could be researched. Mr. Shea was the secretary of state's representative to the committee created by SB 94-132 and served as the Executive Director of the Central Indexing System from July 1995 until September 1999.

¹⁵ Colo. Rev. Stat. § 4-9-411 (1994).

¹⁶ 1995 Colo. Sess. Laws 091.

¹⁷ Colo. Rev. Stat. § 4-9.3-101-106 (1995).

¹⁸ Colo. Rev. Stat. § 4-9-401 (1995).

was designed to allow for electronic filing of the financing statement and any amendments at some future point.¹⁹

Re-filings or Early Continuations

Early SB 132 committee discussions would have allowed UCC financing statements to be filed in the counties or with the secretary of state for the five years following inception of the system. These records would then be transmitted to the CIS where they could be viewed by searching parties. Members of the committee thought that after a five-year period, most of the records would be new financing statements and the database would include all of the necessary information required by the searching party. The members who represented the lending community indicated that their constituents preferred a shorter time period in which to get all of the filing information into the central database. The committee compromised on an eighteen-month time period in which to have a complete database.²⁰ This statutory provision constitutes the greatest source of confusion regarding the lapse dates of the affected UCC financing statements. The 1995 wording of the statute exacerbated matters even more. C.R.S. 4-9-412 as originally drafted read “(1) A financing statement or continuation statement filed before July 1, 1996, which has not lapsed by December 31, 1997, shall lose its perfection or priority rights unless a new continuation statement is filed after July 1, 1996, but on or before December 31, 1997, which identifies the original statement by file number and includes a statement that the original statement is still effective. The filing of a new continuation statement shall preserve the priority of the original filing and shall be effective for five years from the date of the filing of the continuation statement. (2) The effectiveness of a financing statement or continuation statement filed before July 1, 1996, that lapses after July 1, 1996, but not before December 31, 1997, may be continued by the filing of a continuation statement after July 1, 1996, in accordance with Section 4-9-403(3).”²¹

Members of the board realized after the board started meeting in 1995 that the provision extending the life of the financing statement for five years from the date of filing of the continuation created significant problems for the “tickler systems” used by lenders to alert them to when a filing would lapse. The statutory problem was resolved in the 1996 legislature with SB 96-098. The language was amended to mirror the pre-CIS language regarding continuations so that five years was tacked on to the end of the earlier filing starting on the lapse date.²² A financing statement that would lapse on July 1, 1998 would require an early continuation in the eighteen-month window commencing on July 1, 1996. If that early continuation were filed on December 1, 1996, it would have a new lapse date of December 1, 2001 under the 1995 language. Under the amended language in 1996, the new lapse date would be July 1, 2003. The early continuation during the eighteen-month window was treated as if it had been filed within the six-months prior to the lapse date of the underlying financing statement. Although the statutory language was fixed, damage had been done. Information from a variety of sources reached the lending institutions before the statute was amended that they had to file these early continuations and that the new lapse date would be five years from

¹⁹ Colo. Rev. Stat. § 4-9-402-4-9-406 (1995).

²⁰ Colo. Rev. Stat. § 4-9-412 (1995).

²¹ *Id.*

²² Colo. Rev. Stat. § 4-9-412 (1996).

the date of filing. The CIS board sent out notices to all of the secured parties in the secretary of state's database concerning the change in the statute. However, some secured parties either never received the new information or only heard what they wanted to hear regarding the CIS.

The theory behind the requirement of the early continuation was that secured parties would file the continuation and follow the statutory requirement that they list the filing office of the original financing statement, the date of filing, and list the collateral named on the original or as subsequently amended, either by a code or with some specificity.²³ Unfortunately, numerous secured parties filed early continuations without listing the original collateral or the collateral as amended by subsequent filings. In many cases, the secured party failed to provide information concerning the filing office or filing number of the original. This failure resulted in a degraded database as will be discussed later.

The language of 4-9-412 caused additional confusion with respect to those financing statements that lapsed between July 1, 1996 and December 31, 1997. The statute provided that filings lapsing between July 1, 1996 and December 31, 1997 were to be continued in the same manner as financing statements lapsing prior to the effective date of CIS,²⁴ that is, within six months of the lapse date. In the case of a financing statement lapsing between July 1, 1996 and December 31, 1996, it was possible to properly continue the financing statement under paragraph (b) and still be required to file an early continuation under paragraph (a). Consider the following fact pattern: Secured party A had a financing statement properly perfected by filing in the secretary of state's office on July 15, 1991. A wanted to continue the perfection by filing a continuation statement with the secretary of state's office within the six-month period prior to the lapse date on July 15, 1996. A's tickler system set up a continuation one month prior to the lapse date on June 15, 1996. Although this continuation complies with paragraph (b) of 4-9-412 it falls into the provisions of paragraph (a) in that it is a financing statement filed or continued prior to July 1, 1996 that lapses after December 31, 1997. If A failed to file an early continuation between July 1, 1996 and December 31, 1997, the financing statement would have lapsed on December 31, 1997. A probably thought that it had fully complied and the new lapse date of the financing statement was July 15, 2001. If A did file an early continuation, the new lapse date would be July 15, 2006. The converse also worked against the secured party. If A had a financing statement that lapsed on January 1, 1997 and mis-read 4-9-412, A could have filed a continuation statement after January 1, but before December 31, 1997, thinking that it had the entire eighteen months to file the early continuation. In this case, the financing statement lapsed on January 1, 1997.

Filing in Multiple Jurisdictions

From the authors' perspective, the CIS experiment in multi-jurisdictional filing is a classic example of compromise legislation that attempted to satisfy the demands of competing interests without adequately satisfying any single one. The system was designed to allow secured parties to file financing statements in any one of sixty-four filing offices and use codes to describe collateral. The system gave them the expectation that the filing officers

²³ See Colo. Rev. Stat. 4-9-403 (1996), regarding the requirements of the early continuation (See also 1995 Colo. Sess. Laws 091 and 1996 Colo. Sess. Laws 098).

²⁴ Colo. Rev. Stat. § 4-9-412 (1995).

would timely transmit the information to the Central Indexing System. The CIS was just that, an indexing system. It was designed to provide information as to what the collateral consisted of and where the financing statement had been filed. The committee expected searchers to search a single database and then request copies of the needed documents from the appropriate filing offices. The committee thought that the lengthy search process required prior to CIS would be eliminated by providing searching parties with a single location that provided all relevant information concerning the existence and location of financing statements that named a particular debtor. Finally, the committee believed that the compromise, allowing filing in any one of sixty four filing offices, would satisfy the revenue needs of the clerks and recorders. In fact, the legislation, although innovative in concept, failed to fully recognize the competing issues of the users of the UCC and EFS Central Filing systems.

As discussed above, secured parties failed to provide required information on the early continuations. This was done by both the secured parties themselves and by the third party filers who were under contract to the secured parties to process multi-state filings. In many cases, the third party facilitators had software that was not easily adaptable to the changes in the Colorado statutes. Many of the early continuations were filed without filing office or collateral information. These filings led to “orphans” in the database that could not be tied to another filing because the link between the amendment and the original was missing.

The manner of entering the financing statement data and transmitting it to the CIS was new to the clerks and recorders. In many cases, information was either not transmitted in a timely fashion or not transmitted at all. The CIS used several third party vendors to help some of the clerks and recorders transmit information to the CIS. During the transition period the CIS contracted this function to a single vendor for approximately thirteen counties. This vendor’s system had some difficulty with the data format that the CIS established. As a result, some data from the counties was never transmitted.

The secretary of state’s system was not modified to capture data from financing statements that were originally filed in the counties. This information was not inserted into the CIS database until early 1999.

The committee failed to understand the needs of transactional attorneys who were not comfortable with relying on just data that was inserted into the system by filing officers. It became apparent within the first year of the system that many users needed to see the actual document. Although the single search point worked as a pointer to the filings, the need to get the images of the documents was still present. Users still had to request copies of documents from the filing officers. The delay in getting the copies had not been reduced by the CIS.

As a result of numerous complaints from users, the State Auditor conducted an audit of the Central Indexing System in 1998 and detailed its findings in a report submitted to the Legislative Audit Committee.²⁵ The audit resulted in legislation that brought UCC financing statements and EFS notifications into a central filing office.²⁶ SB 99-065 gave the CIS board

²⁵ Office of the State Auditor, *Colorado Central Indexing System Performance Audit* (1998).

²⁶ 1999 Colo. Sess. Laws 065.

the authority to designate a central filing officer (CFO).²⁷ All financing statements and EFS notifications after January 1, 2000 had to be filed with the central filing officer except for those real estate related items of fixtures, minerals to be extracted, standing timber and accounts on minerals.²⁸

In September of 1999, the CIS board (now called the Central Information System Board) designated the newly appointed secretary of state, Donetta Davidson, as the CFO. Commencing on January 1, 2000, all non-real estate filings were to be filed with the CFO. Any non-real estate filings made in the clerks and recorders' offices after January 1, 2000 were ineffective and did not get into the index of financing statements or EFS notifications maintained by the CFO. Any EFS notification filed with a clerk and recorder after January 1, 2000 was not incorporated into the Master List of EFS notifications that was distributed to buyers of farm products.

Revised Article 9

During the 2000 legislative session, Article 9 of the UCC was again amended.²⁹ This legislation changed the place of filing again. It also amended the types of collateral that could be taken as a security interest for purposes of secured transactions under the UCC. The amendments affecting types of collateral are a subject for another article. The proper place to file is germane to this article as the authors answer questions on a daily basis concerning this statutory provision.

Revised Article 9 moves Colorado from central filing back to a multi-jurisdictional scheme. Today, the location of collateral is no longer important but the location of the debtor is.³⁰ When lending to registered entities, the secured party must now look to the jurisdiction of organization. If a Delaware corporation has all of its operations in Colorado, and all of its collateral is located in the state, the secured party must make its filing of a financing statement in Delaware. This scheme works well for large lenders making loans to business entities with operations in numerous states. It means that a single filing can substitute for the old practice of a filing in every jurisdiction where the debtor had collateral. For individual debtors, the place of filing is the residence of the individual, regardless of where the collateral is located.³¹ The scheme does not work as well for lenders in western states where there is a central filing of EFS notifications in effect. The following example shows how the filing process is now more complicated for some lenders. Secured party A is a Colorado bank in eastern Colorado lending to a corporate farmer B incorporated in Delaware but whose sole shareholder lives in western Nebraska and sells corn to Colorado and Nebraska buyers. A requires a personal guarantee from B's sole shareholder and places the shareholder on the financing statement as an additional debtor. A must file a financing statement in Delaware and in Nebraska. A must file an EFS notification in Colorado in order to ensure payment from Colorado buyers. In

²⁷ Colo. Rev. Stat. § 4-9.3-104 (2002).

²⁸ Colo. Rev. Stat. § 4-9-501 (2002).

²⁹ 2001 Colo. Sess. Laws 240.

³⁰ Colo. Rev. Stat. § 4-9-301 (2002).

³¹ Colo. Rev. Stat. § 4-9-307 (2002).

order to ensure payment from Nebraska buyers, A must also file an EFS notification with Nebraska's central filing system.

In Lieu Filings

Within Revised Article 9 is the concept of an "in lieu filing."³² This concept derives from the provision that after the effective date of Revised Article 9 (July 1, 2001 in Colorado), all continuations, amendments, terminations, etc. must be filed in the location where the financing statement would have been filed had it been filed on or after July 1, 2001. Therefore, if a financing statement was properly perfected by filing on January 15, 2000 with the secretary of state in Nebraska but the debtor is a Colorado corporation, a continuation must be filed with the Colorado CFO in the six months preceding January 15, 2005. However, if the secured party were to attempt to file a continuation on January 15, 2005, the Colorado CFO would reject it because there was no original financing statement of record in the CFO's files. The in lieu filing addresses this gap. An in lieu filing can be made in Colorado prior to the lapse of the filing in Nebraska. The in lieu filing is treated as an original filing in Colorado for the purpose of establishing an indexing number. The in lieu filing names the debtor and secured party, the jurisdiction of the original filing, the date of filing, the filing number assigned by the filing officer and the collateral.³³ The in lieu filing does two things. It establishes an indexing number that can be referenced when filing any amendment or continuation in the new jurisdiction of filing. It also puts a searcher on notice of the financing statement when the searcher properly searches the jurisdiction of organization of the debtor after July 1, 2001.

Secretary of State Resources

Since July 2001, the secretary of state has made numerous changes to the department's website that enhance a filer or searcher's ability to timely file and timely search. The department's entire business entity database is available to the public free of charge on the department's website at www.sos.state.co.us. Click on Business Division then click on Search Business entities. There are more than five million pages of images available to the public at no charge as well as data concerning the status of each business entity. A lender may search the database for information concerning the jurisdiction of organization of the debtor. If the lender discovers that the debtor is not in good standing in Colorado, the lender can have the debtor fill in a periodic report on line and pay the fee on line using a credit card or the lender's prepaid account with the department.

The lender can then use the UCC/EFS search utility to determine whether the collateral is free of any other security interests. This utility requires the lender to sign up for an account and pay a fee but numerous searches can be completed in the time allowed for each type of subscription. There are three subscriptions available: \$15 for one hour, \$30 for 24 hours or \$200 for six months of unlimited searches. Images of the filed documents are available online as part of the subscription cost.

³² Colo. Rev. Stat. § 4-9-706 (2001).

³³ Colo. Rev. Stat. § 4-9-706(c) (2001).

Once the lender has determined that the debtor is a Colorado entity or a Colorado resident, the lender can file an electronic UCC financing statement and an EFS notification where necessary. This electronic filing is done online through the link titled E-file UCC/EFS. The process walks the user through all of the required data fields and alerts the filer of errors and does not allow the filer to proceed until the errors are corrected. Filers can “cut and paste” from Word files and can have collateral descriptions that are essentially unlimited in length. Common collateral descriptions can be saved by a filer and entered into the electronic filing with a few keystrokes. Secured party information can be saved for repetitive filings. Electronic filing is “real time.” This means that as soon as the filer presses “submit filing” it is in the database and can be searched within minutes as opposed to a three to five day process when a financing statement is mailed in.

Practice Tips

Attorneys and secured parties should check their files for UCC financing statements that may require in lieu filings either in Colorado or in some other jurisdiction.

Users should conduct online searches of their filings to determine whether continuations were properly filed during the eighteen-month early continuation window. Although a financing statement may have lapsed as a result of failure to file an early continuation, it may still be possible to resurrect some perfection of a security agreement. At the very least, if priority has been lost, other remedies may be crafted to protect a client’s or lender’s position.

Agricultural lenders should review the online records to determine whether EFS notification was properly recorded by the filing officer. The authors have discovered numerous cases where an intended EFS did not get entered into the Master List either because the UCC/EFS form was incorrectly prepared or a clerk in a filing office failed to properly code the information into the database. The Master List is available on a monthly basis at a cost of \$50 per year. This amount would appear to be fairly inexpensive insurance to ensure payment from buyers of farm products.

The best way to ensure that data gets into the system correctly is to do it yourself. Filing online is the fastest most accurate way of assuring perfection.

Conclusion

If practitioners find a problem in the information provided above or wish to report incorrect or ambiguous information or a typo, or have any problems with the Division website, please contact the Division by e-mailing or calling: Mike Shea, Division Director of Operations, at: mike.shea@sos.state.co.us, (303) 894-2200, ext. 6202; or Keith Whitelaw, Division Director of Policy and Analysis, at: keith.whitelaw@sos.state.co.us, (303) 894-2200, ext. 6201 or Karen Woods, at karen.woods@sos.state.co.us, (303) 894-2200 ext. 6224. The Division hopes practitioners were helped by the information supplied in this article and that the experience of doing business with the Division is a smooth one.

APPENDIX 1

UCC Searching Rules

1. Set up a six-month subscription to do searches. As of October 1, 2002, the Secretary of State is reducing the cost of a six-month subscription from \$1,000 to \$200. This is a result of her findings that searches on the internet in rural areas often take a long time due to slow transmission speeds and some of the data problems of the system require extensive searching under a variety of name variations.
2. The general rule is to put in the least number of letters or characters in order to produce the greatest search results. For example, if the name to be searched is “John D. Woodward”, search under Woodward J. This will pick up all Johns, regardless of middle initial and those records where a middle name or initial was not provided on the financing statement or was not entered by the clerk. It will also pick up Jack Woodward in the event that the debtor is known by this name.
3. For individual debtors, try searching the name in the organizational debtor field in the form John D. Woodward. This will pick up those instances where a filing party or a clerk typed the name as first name, last name.
4. Look at the entire set of search results. Do not assume that if two entries of Woodward John D. are followed by Woodward Kevin H., there are only two entries. Look further down the page and you will find that there are two additional entries for Woodward, John D. The computer distinguishes the comma and puts the entries in a different place in the search results.
5. Although it is impossible to catalogue all of the possible misspellings and typos in the system, think about the more likely misspellings. For example, search on Woodard, J., with the assumption that the clerk could have dropped the middle “w”.
6. If the debtor is an organization but uses an individual’s name as the organization name, i.e. John Woodward, Inc., try typing the name as Woodward, J in the individual debtor block as well as John Woodward Inc in the organizational debtor block. We have seen examples of clerks seeing this type of debtor and then entering into their records as Woodward, John Inc.
7. The Secretary of State’s office is disabling the filters while it fixes a newly discovered problem that causes some records to not be properly displayed in the search results when the filters are used. If the filters are still enabled when you do a search, it is highly recommended that you do not use them or if you do, also conduct the search without filters.
8. Remember that even though Revised Article 9 is in effect, there are several hundred thousand filings of record that were filed under the old rules and were filed in sixty-four different filing offices with sixty-four different standards for data entry.