

1 (b) *Public-finance or manufactured-home transaction.* -- Except
2 as otherwise provided in subsections (e), (f) and (g) of this
3 section, an initial financing statement filed in connection with a
4 public-finance transaction or manufactured-home transaction is
5 effective for a period of forty years after the date of filing if
6 it indicates that it is filed in connection with a public-finance
7 transaction or manufactured-home transaction.

8 (c) *Lapse and continuation of financing statement.* -- The
9 effectiveness of a filed financing statement lapses on the
10 expiration of the period of its effectiveness unless before the
11 lapse a continuation statement is filed pursuant to subsection (d)
12 of this section. Upon lapse, a financing statement ceases to be
13 effective and any security interest or agricultural lien that was
14 perfected by the financing statement becomes unperfected, unless
15 the security interest is perfected otherwise. If the security
16 interest or agricultural lien becomes unperfected upon lapse, it is
17 deemed never to have been perfected as against a purchaser of the
18 collateral for value.

19 (d) *When continuation statement may be filed.* -- A
20 continuation statement may be filed only within six months before
21 the expiration of the five-year period specified in subsection (a)
22 of this section or the thirty-year period specified in subsection
23 (b) of this section, whichever is applicable.

1 (e) *Effect of filing continuation statement.* -- Except as
2 otherwise provided in section 9-510, upon timely filing of a
3 continuation statement, the effectiveness of the initial financing
4 statement continues for a period of five years commencing on the
5 day on which the financing statement would have become ineffective
6 in the absence of the filing. Upon the expiration of the five-year
7 period, the financing statement lapses in the same manner as
8 provided in subsection (c) of this section, unless, before the
9 lapse, another continuation statement is filed pursuant to
10 subsection (d) of this section. Succeeding continuation statements
11 may be filed in the same manner to continue the effectiveness of
12 the initial financing statement.

13 (f) *Transmitting utility financing statement.* -- If a debtor
14 is a transmitting utility and a filed initial financing statement
15 so indicates, the financing statement is effective until a
16 termination statement is filed.

17 (g) *Record of mortgage as financing statement.* -- A record of
18 a mortgage that is effective as a financing statement filed as a
19 fixture filing or as a financing statement covering as-extracted
20 collateral or timber to be cut under section 9-502(c) remains
21 effective as a financing statement filed as a fixture filing or as
22 a financing statement covering as-extracted collateral or timber to
23 be cut until the mortgage is released or satisfied of record or its

1 effectiveness otherwise terminates as to the real property.

NOTE: This bill provides that a record of a mortgage that is effective as a financing statement covering as-extracted collateral or timber to be cut remains effective as a financing statement covering as-extracted collateral or timber to be cut until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real property.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.