
SENATE BILL 5163

State of Washington

55th Legislature

1997 Regular Session

By Senators Haugen and Schow

Read first time 01/17/97. Referred to Committee on Law & Justice.

1 AN ACT Relating to the expiration of filed financing statements;
2 and amending RCW 62A.9-403.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 62A.9-403 and 1987 c 189 s 2 are each amended to read
5 as follows:

6 (1) Presentation for filing of a financing statement and tender of
7 the filing fee or acceptance of the statement by the filing officer
8 constitutes filing under this Article.

9 (2) Except as provided in subsection (6) a filed financing
10 statement is effective for a period of five years from the date of
11 filing. The effectiveness of a filed financing statement lapses on the
12 expiration of the five year period unless a continuation statement is
13 filed prior to the lapse. At the time of filing, the director of
14 licensing must provide notice of the five-year expiration period and
15 the availability and effect of using a continuation statement. If a
16 security interest perfected by filing exists at the time insolvency
17 proceedings are commenced by or against the debtor, the security
18 interest remains perfected until termination of the insolvency
19 proceedings and thereafter for a period of sixty days or until

1 expiration of the five year period, whichever occurs later. Upon lapse
2 the security interest becomes unperfected, unless it is perfected
3 without filing. If the security interest becomes unperfected upon
4 lapse, it is deemed to have been unperfected as against a person who
5 became a purchaser or lien creditor before lapse.

6 (3) A continuation statement may be filed by the secured party
7 within six months prior to the expiration of the five year period
8 specified in subsection (2). Any such continuation statement must be
9 signed by the secured party, identify the original statement by file
10 number and state that the original statement is still effective. A
11 continuation statement signed by a person other than the secured party
12 of record must be accompanied by a separate written statement of
13 assignment signed by the secured party of record and complying with
14 subsection (2) of RCW 62A.9-405, including payment of the required fee.
15 Upon timely filing of the continuation statement, the effectiveness of
16 the original statement is continued for five years after the last date
17 to which the filing was effective whereupon it lapses in the same
18 manner as provided in subsection (2) unless another continuation
19 statement is filed prior to such lapse. Succeeding continuation
20 statements may be filed in the same manner to continue the
21 effectiveness of the original statement. The filing officer may remove
22 the original of any statement from the files and destroy it at any time
23 if he has substituted a copy by microfilm or other photographic record.
24 The filing officer may destroy any original, microfilm, or photographic
25 record of any lapsed statement not earlier than one year after the
26 lapse. The filing officer shall so arrange matters by physical
27 annexation of financing statements to continuation statements or other
28 related filings, or by other means, that if he physically destroys the
29 original of the financing statements, a microfilm or other photographic
30 copy of those statements which have been continued by a continuation
31 statement or which are still effective under subsection (6) shall be
32 retained.

33 (4) Except as provided in subsection (7) a filing officer shall
34 mark each statement with a file number and with the date and hour of
35 filing and shall hold the statement or a microfilm or other
36 photographic copy thereof for public inspection. The original
37 statement may be destroyed at any time after a microfilm or other
38 photographic copy is made of the original statement. This microfilm or
39 other photographic copy shall thereafter be treated as if it were the

1 original filing for all purposes. In addition the filing officer shall
2 index the statements according to the name of the debtor and shall note
3 in the index the file number and the address of the debtor given in the
4 statement.

5 (5) The secured party may at his option show a trade name for any
6 person.

7 (6) If the debtor is a transmitting utility (subsection (5) of RCW
8 62A.9-401) and a filed financing statement so states, it is effective
9 until a termination statement is filed. A real estate mortgage which
10 is effective as a fixture filing under subsection (6) of RCW 62A.9-402
11 remains effective as a fixture filing until the mortgage is released or
12 satisfied of record or its effectiveness otherwise terminates as to the
13 real estate.

14 (7) When a financing statement covers timber to be cut or covers
15 minerals or the like (including oil and gas) or accounts subject to
16 subsection (5) of RCW 62A.9-103, or is filed as a fixture filing, it
17 shall be filed for record and the filing officer shall index it under
18 the names of the debtor and any owner of record shown on the financing
19 statement in the same fashion as if they were the mortgagors in a
20 mortgage of the real estate described, and, to the extent that the law
21 of this state provides for indexing of mortgages under the name of the
22 mortgagee, under the name of the secured party as if he were the
23 mortgagee thereunder, or where indexing is by description in the same
24 fashion as if the financing statement were a mortgage of the real
25 estate described.

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