

355.9-705 Effectiveness of action taken before effective date.

- (1) If action, other than the filing of a financing statement, is taken before July 1, 2001, and the action would have resulted in priority of a security interest over the rights of a person that becomes a lien creditor had the security interest become enforceable before July 1, 2001, the action is effective to perfect a security interest that attaches under the revision of Article 9 in 2000 Ky. Acts ch. 408 within one (1) year after July 1, 2001. An attached security interest becomes unperfected one (1) year after July 1, 2001, unless the security interest becomes a perfected security interest under the revision of Article 9 in 2000 Ky. Acts ch. 408 before the expiration of that period.
- (2) The filing of a financing statement before July 1, 2001, is effective to perfect a security interest to the extent the filing would satisfy the applicable requirements for perfection under the revision of Article 9 in 2000 Ky. Acts ch. 408.
- (3) The revision of Article 9 in 2000 Ky. Acts ch. 408 does not render ineffective an effective financing statement that, before July 1, 2001, is filed and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in the former KRS 355.9-103, or law determining the place of filing as provided in the former KRS 355.9-401. However, except as otherwise provided in subsections (4) and (5) of this section and KRS 355.9-706, the financing statement ceases to be effective at the earlier of:
 - (a) The time the financing statement would have ceased to be effective under the law of the jurisdiction in which it is filed; or
 - (b) June 30, 2006.
- (4) The filing of a continuation statement on or after July 1, 2001, does not continue the effectiveness of the financing statement filed before July 1, 2001. However, upon the timely filing of a continuation statement after July 1, 2001, and in accordance with the law of the jurisdiction governing perfection as provided in Part 3 of this article, the effectiveness of a financing statement filed in the same office in that jurisdiction before July 1, 2001, continues for the period provided by the law of that jurisdiction.
- (5) Subsection (3)(b) of this section applies to a financing statement that, before July 1, 2001, is filed against a transmitting utility and satisfies the applicable requirements for perfection under the law of the jurisdiction governing perfection as provided in the former KRS 355.9-103 only to the extent that Part 3 of this article provides that the law of a jurisdiction other than the jurisdiction in which the financing statement is filed governs perfection of a security interest in collateral covered by the financing statement.
- (6) A financing statement that includes a financing statement filed before July 1, 2001, and a continuation statement filed on or after July 1, 2001, is effective only to the extent that it satisfies the requirements of Part 5 of this article for an initial financing statement.

Effective: July 1, 2001

History: Created 2000 Ky. Acts ch. 408, sec. 151, effective July 1, 2001.