

# TIPS ON SECURITY INTERESTS AND LIENS; UCC FILING DO'S AND DONT'S

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## **Program Outline**

1. Why take security?
  - a. Collateral to collect
  - b. To an extent, limit additional debt a debtor can incur
  - c. Improve priority in event of bankruptcy
2. Governing Law
  - a. Article 9 of the UCC as enacted in each state
  - b. State Law (real property).
3. How does one secure trade debt?
  - a. Creation
  - b. Attachment
  - c. Perfection
4. Tips on UCC-1 Financing Statement
5. Purchase Money Security Interests
6. Other forms of Security
  - a. Guarantee
  - b. Real Estate Mortgage
7. Improving your chances of collection
  - a. Venue Clauses in contracts
  - b. Attorneys Fees provisions in contracts
8. When to negotiate for security interest
  - a. At the time of extending credit
  - b. At the prior to legal action, you may offer forbearance for security