

NORTH CAROLINA GENERAL ASSEMBLY  
1969 SESSION

CHAPTER 1115  
SENATE BILL 389

1 AN ACT TO AMEND THE UNIFORM COMMERCIAL CODE AS ENACTED IN THIS  
2 STATE AND TO AMEND OTHER RELATED STATUTES.

3  
4 The General Assembly of North Carolina do enact:

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6 **Section 1.** Chapter 25 of the General Statutes of North Carolina, the Uniform  
7 Commercial Code, as the same appears in the 1965 Replacement Volume 1D of the General  
8 Statutes of North Carolina and the 1967 Cumulative Supplement, is hereby amended, as  
9 follows:

10 (1) G.S. 25-8-407 is repealed.

11 (2) G.S. 25-9-402(1) is hereby amended by deleting from the ninth line thereof,  
12 immediately after the word "owner" the words "or record lessee."

13 G.S. 25-9-402(3) as the same appears in the 1967 Supplement to Volume 1D of the  
14 General Statutes of North Carolina is hereby amended by deleting from the tenth and fourteenth  
15 lines thereof, immediately after the words "Owner" the words "or Record Lessee."

16 (3) G.S. 25-9-402(1) is hereby amended by adding at the end thereof the  
17 following subsections:

18 "(a) Each financing statement covering crops growing or to be grown or goods which are  
19 or are to become fixtures must contain the statement, 'Collateral is or includes fixtures,' and/or  
20 'Collateral is or includes crops,' as is appropriate; or the appropriate box in Block 6 of said  
21 financing statements shall be marked, thus likewise so identifying such collateral.

22 "(b) A duplicate, photostatic copy, photocopy or other facsimile of a security agreement  
23 is sufficient as a financing statement provided the security agreement copied contains the above  
24 information and is signed by both parties."

25 (4) G.S. 25-9-402 is amended by adding thereto the following subsection:

26 "(6) The Secretary of State shall have the authority to promulgate, issue and  
27 prescribe such financing statement forms and other forms as he deems  
28 necessary to be used as standard forms for any filing contemplated by any  
29 Section under this Article."

30 (5) G.S. 25-9-403(4) is amended by adding at the end thereof the following:

31 "(a) As to all financing statements filed on or after July 1, 1969, in addition to the  
32 indexing required in the preceding sentence, where the financing statements bear the  
33 statement(s), 'Collateral is or includes Fixtures,' and/or 'Collateral is or includes Crops,' as is  
34 appropriate, or their substantial equivalent; or where the appropriate box identifying  
35 'FIXTURES' and/or 'CROPS' is checked or marked in Block 6 of such financing statements; the  
36 register of deeds shall index the statements in the index to financing statements so as to reflect  
37 the name of the record owner given in the statement. When the debtor is not the record owner,  
38 the register of deeds shall enter the name of the record owner in the place designated for entry  
39 of the name of the debtor and shall stamp or print conspicuously beneath the surname of the  
40 record owner the legend "RECORD OWNER" and shall note therein the file number of the  
41 financing statement. When the debtor is also the record owner, the register of deeds shall make  
42 one index entry in the name of the debtor and shall stamp or print conspicuously beneath his  
43 surname the legend, "RECORD OWNER."

(b) As to financing statements previously filed through June 30, 1969, if such statements show plainly on their face that they were intended to cover crops growing or to be grown or goods which are or are to become fixtures, by virtue of their having identified the collateral on the face of such statements as 'FIXTURES' and/ or 'CROPS,' as is appropriate, or by their having checked or marked the appropriate box in Block 6 of said financing statements; the register of deeds shall also index such financing statements in the index to financing statements so as to reflect the name of the record owner in the manner required by paragraph (a) above. This indexing shall be completed not later than July 1, 1972.

(c) If copies of security agreements are filed as financing statements, on or after July 1, 1969, as authorized by G.S. 25-9-402, to perfect security interests in crops and/or fixtures, the secured party or other filer shall stamp or print conspicuously on the face of the first page of such copy the legend, 'Collateral is or includes fixtures' and/or 'Collateral is or includes crops,' as is appropriate.

(d) As to copies of security agreements previously filed until July 1, 1969, as previously authorized by G.S. 25-9-402, to perfect security interests in crops and/ or fixtures, the secured party or other filer shall stamp or print conspicuously on the first page of such copy the legend, 'Collateral is or includes fixtures' and/or 'Collateral is or includes crops,' as is appropriate. Further, such previously filed security agreements shall be so altered by said secured parties or filers not later than January 1, 1970."

(6) G.S. 25-9-404(1) is rewritten to read as follows:

"(1) Whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must on written demand by the debtor send the debtor a statement that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must include or be accompanied by the assignment or a statement by the secured party of record that he has assigned the security interest to the signer of the termination statement. The uniform fee for filing and indexing such an assignment or statement thereof shall be two dollars (\$2.00) when submitted on a standard size form approved by the Secretary of State, and for all other assignments or statements thereof, a three dollar (\$3.00) minimum charge for up to and including three pages and one dollar (\$1.00) per page for all over three pages. If the affected secured party fails to send such a termination statement within ten days after proper demand therefor, he shall be liable to the debtor for one hundred dollars (\$100.00), and in addition for any loss caused to the debtor by such failure."

(7) G.S. 25-9-405 is rewritten to read as follows:

**"G.S. 25-9-405. Assignment of security interest; duties of Sling officer; fees.** (1) A financing statement may disclose an assignment of a security interest in the collateral described in the statement by indication in the statement of the name and address of the assignee or by an assignment itself, or a copy thereof on the face or back of the statement. Either the original secured party or the assignee may sign this statement as the secured party. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in Section 25-9-403(4). The uniform fee for filing, indexing and furnishing filing data for a financing statement so indicating an assignment shall be three dollars (\$3.00) when submitted on a standard size form approved by the Secretary of State, and for all other statements a three dollar (\$3.00) minimum charge for up to and including three pages and one dollar (\$1.00) per page for all over three pages.

(2) A secured party may assign of record all or a part of his rights under a financing statement by the filing of a separate written statement of

assignment signed by the secured party of record and setting forth the name of the secured party of record and the debtor, the file number and the date of filing of the financing statement and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement. The uniform fee for filing, indexing and furnishing filing data about such a separate statement of assignment shall be two dollars (\$2.00) when submitted on a standard size form approved by the Secretary of State, and for all other statements a three dollar (\$3.00) minimum charge for up to and including three pages and one dollar (\$1.00) per page for all over three pages.

(3) After the disclosure or filing of an assignment under this Section, the assignee is the secured party of record."

(8) G.S. 25-9-406 is rewritten to read as follows:

**"G.S. 25-9-406. Release of collateral; duties of filing officer; fees.** A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. Upon presentation of such a statement to the filing officer, he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. The uniform fee for filing and noting such a statement of release shall be two dollars (\$2.00) when submitted on a standard size form approved by the Secretary of State, and for all other statements a three dollars (\$3.00) minimum charge for up to and including three pages and one dollar (\$1.00) per page for all over three pages."

(9) G.S. 25-9-603(3), as the same appears in the 1967 Cumulative Supplement to the 1965 Replacement Volume 1D of the General Statutes of North Carolina, is hereby rewritten to read as follows:

"(3) in addition to mailing a copy of the notice of sale to each debtor, the secured party or other party holding such sale shall, except in the case of consumer goods, also mail a copy of said notice by registered or certified mail to any other person who has a security interest in the collateral and who has duly filed a financing statement, which is on record in the proper filing office twenty days' prior to the date of sale or who is known by the secured party to have a security interest in the collateral."

**Sec. 2.** Chapter 41 of the General Statutes of North Carolina is hereby amended by inserting therein the following Section:

**G.S. 41-2.2. Joint ownership of corporate stock and investment securities.** (a) In addition to other forms of ownership, shares of corporate stock or investment securities may be owned by a husband and wife as joint tenants with rights of survivorship, and not as tenants in common, in the manner provided in this Section.

(b) (1) A joint tenancy in shares of corporate stock or investment securities as provided by this Section shall exist when such shares or securities indicate that they are owned with the right of survivorship, or otherwise clearly indicate an intention that upon the death of either spouse the interest of the decedent shall pass to the surviving spouse.

(2) Such a joint tenancy may also exist when a broker or custodian holds the shares or securities for the joint tenants and by book entry or otherwise

1 indicates (i) that the shares or securities are owned with the right of  
2 survivorship, or (ii) otherwise clearly indicates that upon the death of either  
3 spouse, the interest of the decedent shall pass to the surviving spouse.  
4 Money in the hands of such broker or custodian derived from the sale of, or  
5 held for the purpose of, such shares or securities shall be treated in the same  
6 manner as such shares or securities.

7 (c) Upon the death of a joint tenant his interest shall pass to the surviving joint tenant.  
8 The interest of the deceased joint tenant, even though it has passed to the surviving joint tenant,  
9 remains liable for the debts of the decedent in the same manner as the personal property  
10 included in his estate, and recovery thereof shall be made from the surviving joint tenant when  
11 the decedent's estate is insufficient to satisfy such debts.

12 (d) Nothing herein contained shall be construed to repeal or modify any of the  
13 provisions of G.S. 105-2, G.S. 105-11, and G.S. 105-24, relating to the administration of the  
14 inheritance tax laws, or any other provisions of the law relating to inheritance taxes."

15 **Sec. 3.** All laws and clauses of laws in conflict with this Act are hereby repealed.

16 **Sec. 4.** This Act shall become effective at midnight on June 30, 1969.

17 In the General Assembly read three times and ratified, this the 30th day of June,  
18 1969.