

## MEMORANDUM

TO: Joint Review Committee on UCC Article 9  
American Bankers Association Working Group on UCC Article 9

FROM: Steven L. Harris, Reporter

RE: Draft Provisions Governing the Name of a Debtor That Is a Decedent's Estate

DATE: February 1, 2010

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The Appendix to this Memorandum presents possible amendments to Section 9-503 as it applies to decedent's estates.

Section 9-503(a)(2) currently provides that, if the debtor is a decedent's estate, a financing statement sufficiently provides the name of the debtor only if it provides the name of the decedent and indicates that the debtor is an estate. New subsection (w) would create a safe-harbor "name of the decedent" for purposes of Section 9-503(a)(2): the decedent's name as it appears on a petition for admission of the decedent's will to probate or for letters of administration with respect to the decedent's real property. An Official Comment would explain that a name for the decedent that would satisfy Section 9-503(a) if the decedent were alive at the time the financing statement is filed also would be sufficient as the name of the decedent when the debtor is the decedent's estate.

The draft presents alternatives for specifying the jurisdiction in which the relevant petition is filed. Alternative A—the jurisdiction in which the decedent's estate was opened—is less formal but perhaps more elegant. Alternative B—the jurisdiction in which the decedent was domiciled at death or, in the case of collateral that is real property (e.g., fixtures), the real property is located—is more formal.

Although Section 9-503(a)(2) currently refers to a "debtor [that] is a decedent's estate," it appears that a decedent's estate is not a legal entity having the capacity to hold property. Rather, title to the property in a decedent's estate is held by the executor or administrator, who would be the Article 9 debtor with respect to that property. The draft presents a bracketed amendment to Section 9-503(a)(2) to reflect this non-UCC law more accurately.

S. L. H.

Appendix

*Provisions Governing the Name of a Debtor That is a Decedent's Estate*

**SECTION 9-503. NAME OF DEBTOR AND SECURED PARTY.**

(a) **[Sufficiency of debtor's name.]** A financing statement sufficiently provides the name of the debtor:

\* \* \*

(2) Subject to subsection (w), if the [debtor is] [collateral is held in] a decedent's estate, only if the financing statement provides the name of the decedent and indicates that the [debtor is] [collateral is held in] an estate;

\* \* \*

\* \* \*

*[Subsection (w)—Alternative A]*

(w) **[Name of decedent.]** The name of the decedent indicated on a petition for admission of the decedent's will to probate or for letters of administration with respect to the decedent's property which is filed in the jurisdiction in which the decedent's estate was opened is sufficient as the "name of the decedent" under subsection (a)(2).

*[Subsection (w)—Alternative B]*

(w) **[Name of decedent.]** The name of the decedent indicated on a petition for admission of the decedent's will to probate or for letters of administration with respect to the decedent's property which is filed in the jurisdiction in which the decedent was domiciled at

death or, in the case of collateral that is real property, the real property is located is sufficient as the “name of the decedent” under subsection (a)(2).

*[End of Alternatives]*

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