

1 ENGROSSED SENATE  
2 BILL NO. 1105

By: Anderson and Mazzei of the  
Senate

3 and

4 Morrisette of the House

5  
6  
7 [ Commercial Code - Uniform Certificate of Title Act

8 - codification -

9 effective date ]

10  
11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 1-9-801 of Title 12A, unless  
14 there is created a duplication in numbering, reads as follows:

15 This act shall be known and may be cited as the "Uniform  
16 Certificate of Title Act".

17 SECTION 2. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1-9-802 of Title 12A, unless  
19 there is created a duplication in numbering, reads as follows:

20 (a) In the Uniform Certificate of Title Act:

21 (1) "Buyer" means a person that buys or contracts to buy goods.

22 (2) "Buyer in ordinary course of business" means a person that  
23 buys goods in good faith, without knowledge that the sale violates  
24 the rights of another person in the goods, and in ordinary course

1 from a person, other than a pawnbroker, in the business of selling  
2 goods of that kind. A person buys goods in ordinary course if the  
3 sale comports with the usual or customary practices in the kind of  
4 business in which the seller is engaged or with the seller's own  
5 usual or customary practices. A buyer in ordinary course of  
6 business may buy for cash, by exchange of other property, or on  
7 secured or unsecured credit, and may acquire goods under a pre-  
8 existing contract for sale. Only a buyer that takes possession of  
9 the goods or has a right to recover the goods from the seller under  
10 Article 2 of this title may be a buyer in ordinary course of  
11 business. The term does not include a person that acquires goods in  
12 a transfer in bulk or as security for or in total or partial  
13 satisfaction of a money debt. A buyer in ordinary course of  
14 business does not lose that status solely because a certificate of  
15 title was not executed to the buyer.

16 (3) "Cancel", with respect to a certificate of title or a  
17 certificate of origin, means to make the certificate ineffective.

18 (4) "Certificate of origin" means a record created by a  
19 manufacturer or importer as the manufacturer's or importer's proof  
20 of identity of a vehicle.

21 (5) "Certificate of title", except in the phrases "certificate  
22 of title created by a governmental agency of any state" and  
23 "certificate of title created by a governmental agency of any  
24 jurisdiction", means a record, created by the office and designated

1 as a certificate of title by it, that is evidence of ownership of a  
2 vehicle.

3 (6) "Create" means to bring a record into existence by making  
4 or authorizing the record.

5 (7) "Deliver" means voluntarily to give possession of a record  
6 or to transmit it, by any reasonable means, properly addressed and  
7 with the cost of delivery provided.

8 (8) "Electronic" means relating to technology having  
9 electrical, digital, magnetic, wireless, optical, electromagnetic,  
10 or similar capabilities.

11 (9) "Electronic certificate of origin" means a certificate of  
12 origin consisting of information that is stored solely in an  
13 electronic medium and is retrievable in perceivable form.

14 (10) "Electronic certificate of title" means a certificate of  
15 title consisting of information that is stored solely in an  
16 electronic medium and is retrievable in perceivable form.

17 (11) "Execute" means to sign and deliver a record on, attached  
18 to, accompanying, or logically associated with a certificate of  
19 title or certificate of origin to transfer ownership of the vehicle  
20 covered by the certificate.

21 (12) "Good faith" means honesty in fact and the observance of  
22 reasonable commercial standards of fair dealing.

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24

1       (13) "Importer" means a person authorized by a manufacturer to  
2 bring into and distribute in the United States new vehicles  
3 manufactured outside the United States.

4       (14) "Lessee in ordinary course of business" means a person  
5 that leases goods in good faith, without knowledge that the lease  
6 violates the rights of another person, and in ordinary course of  
7 business from a person, other than a pawnbroker, in the business of  
8 selling or leasing goods of that kind. A person leases in ordinary  
9 course if the lease to the person comports with the usual or  
10 customary practices in the kind of business in which the lessor is  
11 engaged or with the lessor's own usual and customary practices. A  
12 lessee in ordinary course of business may lease for cash, by  
13 exchange of other property, or on secured or unsecured credit, and  
14 may acquire goods or a certificate of title covering goods under a  
15 preexisting lease contract. Only a lessee that takes possession of  
16 the goods or has a right to recover the goods from the lessor under  
17 Article 2A of this title may be a lessee in ordinary course of  
18 business. A person that acquires goods in bulk or as security for  
19 or in total or partial satisfaction of a money debt is not a lessee  
20 in ordinary course of business.

21       (15) "Lien creditor" means:

22               (A) a creditor that has acquired a lien on the property  
23                       involved by attachment, levy, or the like;

1 (B) an assignee for the benefit of creditors from the time  
2 of assignment;

3 (C) a trustee in bankruptcy from the date of the filing of  
4 the petition; or

5 (D) a receiver in equity from the time of appointment.

6 (16) "Manufacturer" means a person that manufactures,  
7 fabricates, assembles, or completes new vehicles.

8 (17) "Office" means the Oklahoma Tax Commission.

9 (18) "Owner" means a person that has legal title to a vehicle.

10 (19) "Owner of record" means the owner of a vehicle as  
11 indicated in the files of the office.

12 (20) "Person" means an individual, corporation, business trust,  
13 estate, trust, partnership, limited liability company, association,  
14 joint venture, federally recognized Indian tribe, public  
15 corporation, government, or governmental subdivision, agency, or  
16 instrumentality, or any other legal or commercial entity.

17 (21) "Purchase" means to take by sale, lease, mortgage, pledge,  
18 consensual lien, security interest, gift, or any other voluntary  
19 transaction that creates an interest in a vehicle.

20 (22) "Purchaser" means a person that takes by purchase.

21 (23) "Record" means information that is inscribed on a tangible  
22 medium or that is stored in an electronic or other medium and is  
23 retrievable in perceivable form.

24 (24) "Secured party" means:

- 1 (A) a person in whose favor a security interest is created  
2 or provided for under a security agreement, whether or  
3 not any obligation to be secured is outstanding;
- 4 (B) a person that is a consignor under Article 9 of this  
5 title;
- 6 (C) a person to which accounts, chattel paper, payment  
7 intangibles, or promissory notes have been sold;
- 8 (D) a trustee, indenture trustee, agent, collateral agent,  
9 or other representative in whose favor a security  
10 interest is created or provided for; or
- 11 (E) a person that holds a security interest arising under  
12 Sections 2-401, 2-505, 2-711(3), or 2A-508(5) of this  
13 title.

14 (25) "Secured party of record" means the secured party whose  
15 name is provided as the name of the secured party or a  
16 representative of the secured party in a security-interest statement  
17 that has been received by the office or, if more than one are  
18 indicated, the first indicated in the files of the office.

19 (26) "Security interest" means an interest in a vehicle which  
20 secures payment or performance of an obligation. The term includes  
21 any interest of a consignor in a vehicle in a transaction that is  
22 subject to Article 9 of this title. The term does not include the  
23 special property interest of a buyer of a vehicle on identification  
24 of that vehicle to a contract for sale under Section 2-401 of this

1 title, but a buyer may also acquire a security interest by complying  
2 with Article 9 of this title. Except as otherwise provided in  
3 Section 2-505 of this title, the right of a seller or lessor of a  
4 vehicle under Articles 2 or 2A of this title to retain or acquire  
5 possession of the vehicle is not a security interest, but a seller  
6 or lessor may also acquire a security interest by complying with  
7 Article 9 of this title. The retention or reservation of title by a  
8 seller of a vehicle notwithstanding shipment or delivery to the  
9 buyer under Section 2-401 of this title is limited in effect to a  
10 reservation of a security interest. Whether a transaction in the  
11 form of a lease creates a security interest is determined by law  
12 other than the Uniform Certificate of Title Act.

13 (27) "Security-interest statement" means:

14 (A) a record created by a secured party which indicates a  
15 security interest; or

16 (B) an application for which the office is required to  
17 create a certificate of title, if the application  
18 indicates a security interest.

19 (28) "Sign" means, with present intent to authenticate or adopt  
20 a record, to:

21 (A) make or adopt a tangible symbol; or

22 (B) attach to or logically associate with the record an  
23 electronic sound, symbol, or process.

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1       (29) "State" means a state of the United States, the District  
2 of Columbia, Puerto Rico, the United States Virgin Islands, a  
3 federally recognized Indian tribe, or any territory or insular  
4 possession subject to the jurisdiction of the United States.

5       (30) "Termination statement" means a record created by a  
6 secured party pursuant to Section 27 of this act which:

7           (A) identifies the security-interest statement to which it  
8 relates; and

9           (B) indicates that it is a termination statement or that  
10 the identified security-interest statement is not  
11 effective.

12       (31) "Title brand" means a designation of previous damage, use,  
13 or condition that this act or law other than this act requires to be  
14 indicated on a certificate of title or a certificate of origin  
15 created by a governmental agency of any jurisdiction.

16       (32) "Transfer" means to convey, voluntarily or involuntarily,  
17 an interest in a vehicle.

18       (33) "Transferee" means a person that takes by transfer.

19       (34) "Vehicle" means goods that are any type of motorized,  
20 wheeled device of a type in, upon, or by which an individual or  
21 property is customarily transported on a road or highway, or a  
22 commercial, recreational, travel, or other trailer customarily  
23 transported on a road or highway. The term does not include:  
24



(A) an item of specialized mobile equipment not designed primarily for transportation of individuals or property on a road or highway;

(B) an implement of husbandry;

(C) a wheelchair or similar device designed for use by an individual having a physical impairment; or

(D) a manufactured home.

(35) "Written certificate of origin" means a certificate of origin consisting of information inscribed on a tangible medium.

(36) "Written certificate of title" means a certificate of title consisting of information inscribed on a tangible medium.

(b) The following definitions and terms also apply to the Uniform Certificate of Title Act:

(1) "Agreement", Section 1-201(b)(3) of this title.

(2) "Collateral", Section 1-9-102(a)(12) of this title.

(3) "Debtor", Section 1-9-102(a)(28) of this title.

(4) "Lease", Section 2A-103(1)(j) of this title.

(5) "Lessee", Section 2A-103(1)(n) of this title.

(6) "Lessor", Section 2A-103(1)(p) of this title.

(7) "Manufactured home", Section 1-9-102(a)(53) of this title.

(8) "Merchant", Section 2-104(1) of this title.

(9) "Notice; Knowledge", Section 1-202 of this title.

(10) "Representative", Section 1-201(b)(33) of this title.

(11) "Sale", Section 2-106(1) of this title.

1 (12) "Security agreement", Section 1-9-102(a)(73) of this  
2 title.

3 (13) "Seller", Section 2-103(1)(c) of this title.

4 (14) "Send", Section 1-201(b)(36) of this title.

5 (15) "Value", Section 1-204 of this title.

6 SECTION 3. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 1-9-803 of Title 12A, unless  
8 there is created a duplication in numbering, reads as follows:

9 SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY.

10 Unless displaced by this act, the principles of law and equity  
11 supplement its provisions.

12 SECTION 4. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 1-9-804 of Title 12A, unless  
14 there is created a duplication in numbering, reads as follows:

15 LAW GOVERNING VEHICLE COVERED BY CERTIFICATE OF TITLE OR  
16 CERTIFICATE OF ORIGIN.

17 (a) In this section, "certificate of title" means a certificate  
18 of title created by a governmental agency of any state.

19 (b) The local law of the state under whose certificate of title  
20 a vehicle is covered governs all issues relating to the certificate  
21 of title, from the time the vehicle becomes covered by the  
22 certificate of title until the vehicle ceases to be covered by the  
23 certificate of title, even if no other relationship exists between  
24 the state and the vehicle or its owner.

1 (c) A vehicle becomes covered by a certificate of title created  
2 in this state when an application for a certificate of title and the  
3 fee are received by the office in accordance with this act. A  
4 vehicle becomes covered by a certificate of title in another state  
5 when an application for a certificate of title and the fee are  
6 received in that state pursuant to the law of that state.

7 (d) A vehicle ceases to be covered by a certificate of title at  
8 the earlier of the time the certificate of title ceases to be  
9 effective under the law of the state pursuant to which it was  
10 created or the time the vehicle becomes covered subsequently by  
11 another certificate of title.

12 (e) If a vehicle is not covered by a certificate of title but a  
13 certificate of origin has been created for the vehicle:

14 (1) if the parties to the certificate of origin have chosen the  
15 law of a jurisdiction, the law of that jurisdiction applies to the  
16 certificate of origin, even if there is no other relationship  
17 between that jurisdiction and the vehicle or its owner; and

18 (2) in the absence of an agreement effective under paragraph  
19 (1) of this subsection, the rights and obligations of the parties  
20 are determined by the law that would apply under this state's  
21 choice-of-law principles.

22 SECTION 5. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1-9-805 of Title 12A, unless  
24 there is created a duplication in numbering, reads as follows:

1        EXCLUSIONS.

2        Unless the vehicle is covered by a certificate of title, this  
3 act does not apply to a vehicle owned by the United States, a state,  
4 or a foreign government, or a political subdivision of any of them.

5        SECTION 6.        NEW LAW        A new section of law to be codified  
6 in the Oklahoma Statutes as Section 1-9-806 of Title 12A, unless  
7 there is created a duplication in numbering, reads as follows:

8        VEHICLE IDENTIFICATION NUMBER, MAKE, AND MODEL YEAR.

9        For a vehicle covered by a certificate of title, the office  
10 shall indicate in its files the vehicle identification number, make,  
11 and model year, if any, assigned by its chassis manufacturer or  
12 importer. If a vehicle identification number, make, or model year  
13 has not been assigned, the office shall assign a vehicle  
14 identification number, make, or model year and indicate the  
15 assignment in its files.

16        SECTION 7.        NEW LAW        A new section of law to be codified  
17 in the Oklahoma Statutes as Section 1-9-807 of Title 12A, unless  
18 there is created a duplication in numbering, reads as follows:

19        EXECUTION OF CERTIFICATE OF ORIGIN.

20        (a) If a manufacturer or importer creates or is authorized or  
21 required to create a certificate of origin for a vehicle, upon  
22 transfer of ownership of the vehicle, the manufacturer or importer  
23 shall execute a certificate of origin to the transferee or deliver a  
24 signed certificate of origin to the office. Each succeeding

1 transferor shall execute to the next transferee or sign and deliver  
2 to the office all certificates of origin covering the vehicle which  
3 are known to the transferor.

4 (b) If a certificate of title created by a governmental agency  
5 of any jurisdiction is not delivered to the buyer and a written  
6 certificate of origin or equivalent evidence of ownership is  
7 required by the office to obtain a certificate of title, a buyer may  
8 require that the buyer's transferor execute to the buyer a written  
9 certificate of origin or provide equivalent evidence of ownership  
10 sufficient to satisfy the requirements of the office.

11 SECTION 8. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1-9-808 of Title 12A, unless  
13 there is created a duplication in numbering, reads as follows:

14 CANCELLATION AND REPLACEMENT OF CERTIFICATE OF ORIGIN.

15 (a) If a written certificate of origin is created to replace an  
16 electronic certificate of origin, the electronic certificate of  
17 origin is canceled and replaced by the written certificate of  
18 origin.

19 (b) If an electronic certificate of origin is created to  
20 replace a written certificate of origin, the written certificate of  
21 origin must be canceled.

22 SECTION 9. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1-9-809 of Title 12A, unless  
24 there is created a duplication in numbering, reads as follows:

1 APPLICATION FOR CERTIFICATE OF TITLE.

2 (a) Except as otherwise provided in Sections 21 and 22 of this  
3 act, only the owner of a vehicle may apply for a certificate of  
4 title covering the vehicle.

5 (b) An application for a certificate of title must be signed by  
6 the applicant and contain:

7 (1) the applicant's name, street address, and, if different,  
8 address for receiving first class mail delivered by the United  
9 States Postal Service;

10 (2) the vehicle identification number;

11 (3) a description of the vehicle including, as required by the  
12 office, the make, model, model year, and body type;

13 (4) an indication of all security interests in the vehicle  
14 known to the applicant, including the name and mailing address of  
15 the secured party or a representative of the secured party, and, if  
16 the application includes a direction to terminate a security-  
17 interest statement, the information required for sufficiency of a  
18 security-interest statement under subsection (a) of Section 25 of  
19 this act and the secured party's or its representative's name and  
20 address for receiving communications;

21 (5) any title brand known to the applicant and, if known, the  
22 jurisdiction whose governmental agency created the title brand;

23 (6) if law other than this act requires that an odometer  
24 reading be provided by the transferor upon transfer of ownership of

1 the vehicle, a signed record disclosing the vehicle's odometer  
2 reading; and

3 (7) if the application is made in connection with a transfer of  
4 ownership, the transferor's name, physical address and, if  
5 different, address for receiving first class mail delivered by the  
6 United States Postal Service, the sales price if any, and the date  
7 of the transfer.

8 (c) A certificate of title created in another jurisdiction and  
9 submitted in connection with an application is part of the  
10 application.

11 (d) In addition to the information required in subsection (b)  
12 of this section, an application for a certificate of title may  
13 contain electronic communication addresses of the owner and the  
14 transferor.

15 (e) Except as otherwise provided in Section 21, 22, or 23 of  
16 this act, if an application for a certificate of title includes an  
17 indication of a transfer of ownership, the application must be  
18 accompanied by all existing certificates of origin and any  
19 certificate of title created by a governmental agency of any  
20 jurisdiction covering the vehicle, which have been executed to the  
21 applicant or are known to the applicant. Except as otherwise  
22 provided in Section 23 of this act, if an application includes a  
23 direction to terminate a security-interest statement, the  
24 application must be accompanied by a termination statement.

1 (f) Except as otherwise provided in Section 24 of this act, if  
2 an application for a certificate of title does not include an  
3 indication of a transfer of ownership or a direction to terminate a  
4 security-interest statement, the application must be accompanied by  
5 all existing certificates of origin and any certificate of title  
6 created by a governmental agency of any jurisdiction covering the  
7 vehicle, which are known to the applicant and evidencing the  
8 applicant as owner of the vehicle.

9 (g) If the applicant does not know of any existing certificate  
10 of origin or certificate of title created by a governmental agency  
11 of any jurisdiction covering the vehicle, the applicant shall  
12 include in the application for a certificate of title all existing  
13 records and other information of the vehicle's ownership known to  
14 the applicant. Information submitted under this subsection is part  
15 of the application for the certificate of title and must be  
16 indicated in the files of the office.

17 (h) The office may require that an application for a  
18 certificate of title or a security-interest statement be accompanied  
19 by payment of all taxes and fees payable by the applicant under the  
20 law of this state in connection with the acquisition or use of a  
21 vehicle or evidence of payment of the tax or fee.

22 SECTION 10. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1-9-810 of Title 12A, unless  
24 there is created a duplication in numbering, reads as follows:



1 CREATION AND CANCELLATION OF CERTIFICATE OF TITLE.

2 (a) Unless an application for a certificate of title is  
3 rejected under subsection (c) of this section, the office shall  
4 create a certificate of title upon receipt of an application that  
5 complies with Section 9 of this act and payment of all taxes and  
6 fees.

7 (b) Upon request of the secured party of record, the office  
8 shall create a written certificate of title or, if the office is  
9 authorized to do so, an electronic certificate of title. If no  
10 security interest is indicated in the files of the office, the owner  
11 of record may have the office create a written certificate of title  
12 or, if the office is authorized to do so, an electronic certificate  
13 of title. If no request is made by an owner of record or secured  
14 party, the office may create a written certificate of title or, if  
15 authorized to do so, an electronic certificate of title.

16 (c) The office may reject an application for a certificate of  
17 title only if:

18 (1) the application does not comply with Section 9 of this act;

19 (2) there is a reasonable basis for concluding that the  
20 application is fraudulent or would facilitate a fraudulent or  
21 illegal act; or

22 (3) the application does not comply with law of this state  
23 other than this act.  
24

1 (d) If the office has created a certificate of title, it may  
2 cancel the certificate of title only if it could have rejected the  
3 application under subsection (c) of this section or is required to  
4 cancel the certificate of title under another provision of this act.  
5 The office shall provide an opportunity for a hearing at which the  
6 applicant and any other interested party may present evidence in  
7 support of or opposition to the cancellation. The office shall  
8 serve the notice of the opportunity in person or send it by first  
9 class mail delivered by the United States Postal Service to the  
10 applicant, the owner of record, and all secured parties indicated in  
11 the files of the office. If the applicant or any other interested  
12 party requests a hearing not later than ten (10) days after  
13 receiving the notice, the office shall hold the hearing not later  
14 than twenty (20) days after receiving the request.

15 SECTION 11. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 1-9-811 of Title 12A, unless  
17 there is created a duplication in numbering, reads as follows:

18 CONTENTS OF CERTIFICATE OF TITLE.

19 (a) A certificate of title must contain:

20 (1) the date the certificate of title was created;

21 (2) except as otherwise provided in subsection (b) of Section  
22 26 of this act, the name and address of any secured party of record  
23 and an indication of whether there are additional security interests  
24

1 indicated in the files of the office or on a record created by a  
2 governmental agency of any jurisdiction and submitted to the office;

3 (3) all title brands covering the vehicle, including brands  
4 previously indicated on a certificate of origin or certificate of  
5 title created by a governmental agency of any jurisdiction, which  
6 are known to the office; and

7 (4) any other information required by subsection (b) of Section  
8 9 of this act, except the applicant's address.

9 (b) Nothing in this act precludes an office from noting on a  
10 certificate the name and address of a secured party that is not a  
11 secured party of record.

12 (c) An indication of a title brand on a certificate of title  
13 may consist of an abbreviation, but not a symbol, and must identify  
14 the jurisdiction that created the title brand or the jurisdiction  
15 that created a certificate of title created by a governmental agency  
16 of any jurisdiction that indicated the title brand. If the meaning  
17 of a title brand is not easily ascertainable or cannot be  
18 accommodated on the certificate of title, the certificate of title  
19 may state: "Previously branded in (insert the particular  
20 jurisdiction that created the title brand or whose certificate of  
21 title previously indicated the title brand)."

22 (d) If a vehicle was previously registered in a jurisdiction  
23 other than a state, the office shall indicate on the certificate of  
24 title that the vehicle was registered in that jurisdiction.

1 (e) A certificate of title must contain a form that the owner  
2 may sign in order to execute the certificate.

3 SECTION 12. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1-9-812 of Title 12A, unless  
5 there is created a duplication in numbering, reads as follows:

6 EFFECT OF POSSESSION OF CERTIFICATE OF TITLE OR CERTIFICATE OF  
7 ORIGIN; JUDICIAL PROCESS.

8 A certificate of title created by a governmental agency of any  
9 jurisdiction or a certificate of origin does not by itself provide a  
10 means to obtain possession of a vehicle. Garnishment, attachment,  
11 levy, replevin, or other judicial process against the certificate of  
12 title or a certificate of origin is not effective to determine  
13 possessory rights with respect to the vehicle. However, this act  
14 does not prohibit enforcement of a security interest in, levy on, or  
15 foreclosure of a statutory or common-law lien on a vehicle under law  
16 of this state other than this act. The absence of an indication of  
17 a statutory or common-law lien on a certificate of title does not  
18 invalidate the lien.

19 SECTION 13. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 1-9-813 of Title 12A, unless  
21 there is created a duplication in numbering, reads as follows:

22 OTHER INFORMATION.

23 (a) The office may accept a submission of information relating  
24 to a vehicle for indication in the files of the office, even if the

1 requirements for a certificate of title, an application for a  
2 certificate of title, a security-interest statement, or a  
3 termination statement have not been met.

4 (b) A submission of information under this section, to the  
5 extent practicable, must include the information required by  
6 subsection (b) of Section 9 of this act for an application for a  
7 certificate of title.

8 (c) The office may require the submission of information  
9 relating to a vehicle required for payment of taxes and fees for  
10 issuance or renewal of registration.

11 (d) The office may require a person submitting information  
12 under this section to provide a bond in a form and amount determined  
13 by the office. A bond must provide for indemnification of any  
14 secured party or other interested party against any expense, loss,  
15 or damage resulting from indication of the information in the files  
16 of the office.

17 (e) A submission of information under this section and its  
18 indication in the files of the office is not a certificate of title,  
19 an application for a certificate of title, a security-interest  
20 statement, or a termination statement and does not provide a basis  
21 for transferring or determining ownership of a vehicle or the  
22 effectiveness of a security-interest statement.

1       SECTION 14.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-814 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4       MAINTENANCE OF AND ACCESS TO FILES.

5       (a) For each record relating to a certificate of title  
6 submitted to the office, the office shall:

7       (1) ascertain or assign the vehicle identification number,  
8 make, and model year of the vehicle to which the record relates  
9 pursuant to Section 6 of this act;

10       (2) indicate in the files of the office the vehicle  
11 identification number, make, and model year of the vehicle to which  
12 the record relates and the information in the record, including the  
13 date and time the record was delivered to the office;

14       (3) maintain the file for public inspection subject to  
15 subsection (d) of this section; and

16       (4) index the files of the office so as to be accessible as  
17 required by subsection (b) of this section.

18       (b) The office shall indicate in the files of the office the  
19 information contained in all certificates of title created under  
20 this act. The files of the office must be accessible by the vehicle  
21 identification number for the vehicle covered by the certificate and  
22 any other indexing method used by the office.

23       (c) To the extent known to the office, the files of the office  
24 maintained under this section relating to a vehicle must indicate

1 all title brands and the name or names of any secured party and  
2 claimant to ownership of the vehicle and include stolen-property  
3 reports and security-interest statements.

4 (d) Except as otherwise provided by the laws of this state  
5 other than this act, the information required under Section 11 of  
6 this act is a public record. Whether other information in the files  
7 of the office is made available to the public is governed by law of  
8 this state other than this act.

9 SECTION 15. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 1-9-815 of Title 12A, unless  
11 there is created a duplication in numbering, reads as follows:

12 DELIVERY OF CERTIFICATE OF TITLE.

13 (a) Upon creation of a certificate of title, the office shall  
14 promptly deliver a written certificate of title, or a record  
15 evidencing an electronic certificate of title, to any secured party  
16 of record at the address shown on the security-interest statement  
17 submitted by the secured party of record. Unless previously  
18 provided to the owner of record, the office shall promptly deliver a  
19 record evidencing the certificate of title to the owner of record at  
20 the address indicated in the files of the office. If no secured  
21 party is indicated in the files of the office, the written  
22 certificate of title or record evidencing the electronic certificate  
23 of title must be delivered to the owner of record. A record  
24 evidencing an electronic certificate of title may be delivered to a

1 mailing address or, if indicated in the files of the office, an  
2 electronic communication address.

3 (b) Within a reasonable time not to exceed fifteen (15)  
4 business days after receipt of a request that a written certificate  
5 of title be created and delivered pursuant to subsection (a) of this  
6 section, the office shall create the certificate and deliver it to  
7 the person making the request.

8 (c) If a written certificate of title is created, any  
9 electronic certificate of title is canceled and replaced by the  
10 written certificate of title. The cancellation must be indicated in  
11 the files of the office with an indication of the date and time of  
12 cancellation.

13 (d) Before an electronic certificate of title is created, any  
14 certificate of title must be surrendered. If an electronic  
15 certificate of title is created, any existing written certificate of  
16 title that has been surrendered to the office must be destroyed or  
17 otherwise canceled, with an indication in the files of the office of  
18 the date and time of destruction or other cancellation. If the  
19 written certificate of title being canceled is not destroyed, the  
20 cancellation must be indicated on the face of the written  
21 certificate of title.

22 SECTION 16. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1-9-816 of Title 12A, unless  
24 there is created a duplication in numbering, reads as follows:



1       TRANSFER.

2       (a)   Upon sale of a vehicle covered by a certificate of title, a  
3 person authorized to execute the certificate of title, as promptly  
4 as practicable and in compliance with this act and the laws of this  
5 state other than this act, shall execute the certificate to the  
6 buyer or deliver to the office a signed certificate of title or a  
7 record evidencing execution of an electronic certificate of title to  
8 the buyer. The buyer of a vehicle covered by a certificate of title  
9 has a specifically enforceable right to require the seller to  
10 execute the certificate of title to the buyer or deliver to the  
11 office a signed certificate of title or other record evidencing the  
12 transfer.

13       (b)   Execution of a certificate of title created by a  
14 governmental agency of any jurisdiction satisfies subsection (a) of  
15 this section.

16       (c)   As between the parties to a transfer and their assignees  
17 and successors, a transfer of ownership is not rendered ineffective  
18 by a failure to execute a certificate of title or certificate of  
19 origin as provided in this section. However, except as otherwise  
20 provided in subsections (b) and (c) of Section 18 of this act, or  
21 Sections 19, 21, or 22 of this act, a transfer of ownership without  
22 execution of a certificate of title or certificate of origin is not  
23 effective as to other persons claiming an interest in the vehicle.

1 (d) Before an agreement to transfer ownership by an electronic  
2 certificate of title is made or any consideration for the transfer  
3 is paid, and before a record evidencing the transfer is executed to  
4 the transferee or delivered by the transferor to the office, the  
5 transferor shall deliver to the transferee a signed record  
6 containing the information required by subsection (b) of Section 9  
7 of this act, and the transferee shall deliver to the transferor a  
8 signed record acknowledging receipt of the information. The  
9 transferee has a specifically enforceable right to receive this  
10 information before any consideration is paid. The record delivered  
11 to the office must indicate that these requirements have been met.

12 (e) After execution of the certificate of title and delivery of  
13 possession of the vehicle to the transferee, the transferor is not  
14 liable as owner for any damages resulting from operation of the  
15 vehicle thereafter even if the transferee fails to apply for a new  
16 certificate of title reflecting the transfer.

17 SECTION 17. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1-9-817 of Title 12A, unless  
19 there is created a duplication in numbering, reads as follows:

20 NOTICE OF TRANSFER WITHOUT APPLICATION.

21 A transferee or transferor, in accordance with standards and  
22 procedures established by the office, may deliver a signed record to  
23 the office giving notice of the transfer, to indicate its ownership  
24 or lack of ownership, without filing an application for a

1 certificate of title. The record may indicate the transfer of  
2 ownership between the transferor and transferee. The record is not  
3 a certificate of title and is not effective as to other persons  
4 claiming an interest in the vehicle. The delivery to the office of  
5 the record containing the notice does not relieve any party of any  
6 obligation under Section 9 or 16 of this act.

7 SECTION 18. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 1-9-818 of Title 12A, unless  
9 there is created a duplication in numbering, reads as follows:

10 POWER TO TRANSFER.

11 (a) A purchaser of a vehicle has the protections afforded by  
12 Sections 2-403(1), 2A-304(1), and 2A-305(1) of this title.

13 (b) A buyer in ordinary course of business or lessee in  
14 ordinary course of business of a vehicle has the protections  
15 afforded by Sections 2-403(2), 2A-304(2), and 2A-305(2) of this  
16 title, even if the certificate of title is not executed to the buyer  
17 or lessee.

18 (c) A purchase of a leasehold interest is subject to Section  
19 2A-303 of this title.

20 (d) Except as otherwise provided in Section 16 of this act, the  
21 rights of other purchasers of vehicles and of lien creditors are  
22 governed by Articles 2, 2A, 7, and 9 of this title.

1       SECTION 19.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-819 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4       OTHER TRANSFEREES OF VEHICLE COVERED BY CERTIFICATE OF TITLE.

5       (a) Except as otherwise provided in this section or subsection  
6 (b) of Section 18 of this act, a transferee of ownership takes  
7 subject to:

8       (1) a security interest in the vehicle indicated on a  
9 certificate of title; and

10       (2) if the certificate of title contains a statement that the  
11 vehicle is or may be subject to security interests not indicated on  
12 the certificate of title, a security interest not so indicated.

13       (b) If, while a security interest in a vehicle is perfected by  
14 any method under the law of any jurisdiction, the office creates a  
15 certificate of title that does not indicate the vehicle is subject  
16 to the security interest or contain a statement that it may be  
17 subject to security interests not indicated on the certificate, a  
18 buyer of the vehicle, other than a person in the business of selling  
19 or leasing goods of that kind, takes free of the security interest  
20 if the buyer:

21       (1) gives value in good faith, receives possession of the  
22 vehicle, and obtains execution of the certificate of title; and

23       (2) does not have knowledge of the security interest in the  
24 vehicle.

1 (c) A buyer in ordinary course of business takes free of a  
2 security interest in the vehicle, including a security interest  
3 indicated on a certificate of title, created by the buyer's seller,  
4 even if the security interest is perfected, the buyer knows of its  
5 existence, and the certificate of title was not executed to the  
6 buyer. A lessee in ordinary course of business takes its leasehold  
7 interest free of a security interest in the vehicle, including a  
8 security interest indicated on a certificate of title, created by  
9 the lessee's lessor, even if the security interest is perfected, the  
10 lessee knows of its existence, and the certificate of title was not  
11 executed to the lessee. This subsection does not affect a security  
12 interest in a vehicle in the possession of the secured party under  
13 Article 9 of this title.

14 (d) If, while a security interest in a vehicle is perfected by  
15 any method under the law of any jurisdiction, the office creates a  
16 certificate of title that does not indicate that the vehicle is  
17 subject to the security interest or contain a statement that it may  
18 be subject to security interests not indicated on the certificate of  
19 title, the security interest is subordinate to a conflicting  
20 security interest in the vehicle which is perfected after creation  
21 of the certificate of title and without the conflicting secured  
22 party's knowledge of the security interest.

23

24

1 (e) A security interest is indicated on an electronic  
2 certificate of title if it is indicated in the record of the  
3 certificate of title maintained by the office.

4 SECTION 20. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 1-9-820 of Title 12A, unless  
6 there is created a duplication in numbering, reads as follows:

7 EFFECT OF OMISSION OR INCORRECT INFORMATION.

8 (a) Except as otherwise provided in this section, a certificate  
9 of title, certificate of origin, security-interest statement, or  
10 other record required or authorized by this act is effective even if  
11 it contains incorrect information or does not contain required  
12 information.

13 (b) In addition to any rights provided under Section 18 or 19  
14 of this act, if a certificate of title, certificate of origin,  
15 security-interest statement, or other record required or authorized  
16 by this act is seriously misleading because it contains incorrect  
17 information or omits required information, a purchaser of the  
18 vehicle to which the record relates takes free of any interest that  
19 would have been indicated in the record if the correct or omitted  
20 information had been indicated, to the extent that the purchaser  
21 gives value in reasonable reliance on the incorrect information or  
22 the absence of the omitted information.

23 (c) Except as otherwise provided in subsection (d) of this  
24 section or subsection (c) of Section 25 of this act, a description

1 of a vehicle, including the vehicle identification number, in a  
2 certificate of title, certificate of origin, security-interest  
3 statement, or other record required or authorized by this act which  
4 otherwise satisfies this act is not seriously misleading, even if  
5 not specific and accurate, if the description reasonably identifies  
6 the vehicle.

7 (d) With respect to a security interest or other interest  
8 indicated in the files of the office and not indicated on a written  
9 certificate of title, a failure to indicate the information  
10 specifically or accurately is not seriously misleading if a search  
11 of the files of the office using the correct vehicle identification  
12 number or other required information, using the office's standard  
13 search logic, if any, would disclose the security interest or other  
14 interest.

15 SECTION 21. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 1-9-821 of Title 12A, unless  
17 there is created a duplication in numbering, reads as follows:

18 TRANSFER BY SECURED PARTY'S TRANSFER STATEMENT.

19 (a) In this section, "secured party's transfer statement" means  
20 a record signed by the secured party of record stating:

21 (1) that the owner of record has defaulted on an obligation to  
22 the secured party of record;

23 (2) that the secured party of record is exercising or has  
24 exercised post-default remedies with respect to the vehicle;

1 (3) that, by reason of the exercise, the secured party of  
2 record has the right to transfer the rights of the owner of record;

3 (4) the name and last known mailing address of:

4 (A) the owner of record;

5 (B) the secured party of record; and

6 (C) any other purchaser;

7 (5) any other information required by subsection (b) of Section  
8 9 of this act; and

9 (6) that the certificate of title is an electronic certificate  
10 of title, or that the secured party does not have possession of the  
11 written certificate of title created in the name of the owner of  
12 record, or that the secured party is delivering the written  
13 certificate of title to the office with the secured party's transfer  
14 statement.

15 (b) Completion and delivery to the office of a secured party's  
16 transfer statement, and payment of all applicable taxes and fees,  
17 entitles the secured party to the creation of a certificate of title  
18 showing the secured party of record or other purchaser as the owner  
19 of record. Unless the secured party's transfer statement is  
20 rejected by the office for a reason set forth in subsection (c) of  
21 Section 10 of this act, the office shall:

22 (1) accept the secured party's transfer statement;

23 (2) amend the files of the office to reflect the transfer;



1       (3)   cancel the certificate of title created in the name of the  
2 owner of record listed in the secured party's transfer statement,  
3 whether or not the certificate of title has been delivered to the  
4 office;

5       (4)   create a new certificate of title indicating the secured  
6 party of record or other purchaser as the vehicle's owner of record;  
7 and

8       (5)   deliver the new certificate of title pursuant to Section 15  
9 of this act.

10       (c)   The creation of a certificate of title under subsection (b)  
11 of this section is not of itself a disposition of the vehicle and  
12 does not of itself relieve the secured party of its duties under  
13 Article 9 of this title.

14       SECTION 22.       NEW LAW       A new section of law to be codified  
15 in the Oklahoma Statutes as Section 1-9-822 of Title 12A, unless  
16 there is created a duplication in numbering, reads as follows:

17       TRANSFER BY OPERATION OF LAW.

18       (a)   In this section:

19       (1)   "By operation of law" means pursuant to a law or judicial  
20 order affecting ownership of a vehicle:

21           (A)   on account of death, divorce or other family law  
22                   proceeding, merger, consolidation, dissolution, or  
23                   bankruptcy;

1 (B) through the exercise of the rights of a lien creditor  
2 or a person having a statutory or common law lien or  
3 other nonconsensual lien; or

4 (C) through other legal process.

5 (2) "Transfer-by-law statement" means a record signed by a  
6 transferee stating that, by operation of law, the transferee has  
7 acquired or has the right to acquire the ownership interest of the  
8 owner of record and containing:

9 (A) the name and mailing address of the owner of record  
10 and the transferee and the other information required  
11 by subsection (b) of Section 9 of this act;

12 (B) documentation sufficient to establish the transferee's  
13 interest or right to acquire the ownership interest of  
14 the owner of record; and

15 (C) a statement that:

16 (i) the certificate of title is an electronic  
17 certificate of title;

18 (ii) the transferee does not have possession of the  
19 written certificate of title created in the name  
20 of the owner of record; or

21 (iii) the transferee is delivering the written  
22 certificate of title to the office with the  
23 transfer-by-law statement.  
24

1 (b) If a transfer-by-law statement is delivered to the office  
2 with all taxes and fees and documentation satisfactory to the office  
3 as to the transferee's ownership interest or right to acquire the  
4 ownership interest of the owner of record, unless it is rejected by  
5 the office for a reason set forth in subsection (c) of Section 10 of  
6 this act, the office shall:

7 (1) accept delivery of the transfer-by-law statement;

8 (2) promptly send notice to the owner of record and to all  
9 persons indicated in the files of the office as having an interest,  
10 including a security interest, in the vehicle that a transfer-by-law  
11 statement has been delivered to the office;

12 (3) amend the files of the office to reflect the transfer;

13 (4) cancel the certificate of title created in the name of the  
14 owner of record indicated in the transfer-by-law statement, whether  
15 or not the certificate has been delivered to the office;

16 (5) create a new certificate of title, indicating the  
17 transferee as owner of record; and

18 (6) deliver the new certificate of title.

19 (c) This section does not apply to a transfer of an interest in  
20 a vehicle by a secured party under Article 9 of this title or  
21 Section 21 of this act.

22 SECTION 23. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 1-9-823 of Title 12A, unless  
24 there is created a duplication in numbering, reads as follows:

1 APPLICATION FOR TRANSFER OF OWNERSHIP OR TERMINATION OF  
2 SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE OR  
3 CERTIFICATE OF ORIGIN.

4 (a) Except as otherwise provided in Section 21 or 22 of this  
5 act, upon receiving an application that includes an indication of a  
6 transfer of ownership or a direction to terminate a security-  
7 interest statement but is not accompanied by submission of a signed  
8 certificate of title or certificate of origin or, as applicable, a  
9 termination statement pursuant to Section 27 of this act, the office  
10 may create a certificate of title or terminate the security-interest  
11 statement under this section only if:

12 (1) all other requirements under Sections 9 and 10 of this act  
13 are met;

14 (2) the applicant has provided an affidavit stating facts that  
15 indicate the applicant is entitled to a transfer of ownership or  
16 termination of the effectiveness of a security-interest statement;

17 (3) at least forty-five (45) days before the office creates the  
18 certificate of title, the office has sent notice of the application  
19 to all persons having an interest in the vehicle as indicated in the  
20 files of the office and no objection from any of those persons has  
21 been received by the office; and

22 (4) the applicant submits any other information required by the  
23 office to evidence the applicant's ownership or right to termination  
24 of the security-interest statement, and the office has no credible

1 information indicating theft, fraud, or any undisclosed or  
2 unsatisfied security interest, lien, or other claim to an interest  
3 in the vehicle.

4 (b) Unless the office determines, by any reasonable method,  
5 that the value of the vehicle is less than Three Thousand Dollars  
6 (\$3,000.00), before creating a certificate of title, the office may  
7 require an applicant under subsection (a) of this section to post a  
8 bond or provide an equivalent source of indemnity or security. The  
9 bond, indemnity, or other security must be in a form prescribed by  
10 the office and provide for indemnification of any owner, purchaser,  
11 or other claimant for any expense, loss, delay, or damage, including  
12 reasonable attorney's fees and costs but not consequential damages,  
13 resulting from creation of a certificate of title or termination of  
14 a security-interest statement, but may not exceed twice the value of  
15 the vehicle as determined by the office.

16 (c) If the office has not received a claim for indemnity within  
17 one year after creation of the certificate of title under subsection  
18 (a) of this section, upon request in a form and manner specified by  
19 the office, the office shall release any bond, indemnity, or other  
20 security.

21 (d) The office may indicate in a certificate of title created  
22 under subsection (a) of this section that the certificate of title  
23 was created without submission of a signed certificate of title or  
24 termination statement. If no credible information indicating theft,

1 fraud, or any undisclosed or unsatisfied security interest, lien, or  
2 other claim to an interest in the vehicle has been delivered to the  
3 office within one (1) year after creation of the certificate of  
4 title, upon request in a form and manner specified by the office,  
5 the office shall remove the indication from the certificate of  
6 title.

7 SECTION 24. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 1-9-824 of Title 12A, unless  
9 there is created a duplication in numbering, reads as follows:

10 REPLACEMENT CERTIFICATE OF TITLE.

11 (a) If a written certificate of title is lost, stolen,  
12 mutilated, destroyed, or otherwise becomes unavailable or illegible,  
13 the secured party of record or, if there is no secured party  
14 indicated in the files of the office, the owner of record may apply  
15 for and, by furnishing information satisfactory to the office,  
16 obtain a replacement certificate of title in the name of the owner  
17 of record.

18 (b) An application for a replacement certificate of title must  
19 be submitted in a record signed by the applicant and, except as  
20 otherwise permitted by the office, must comply with Section 9 of  
21 this act.

22 (c) Unless it has been lost, stolen, or destroyed or is  
23 otherwise unavailable, the existing written certificate of title  
24

1 must be submitted to the office with an application for a  
2 replacement certificate of title.

3 (d) A replacement certificate of title created by the office  
4 must comply with Section 11 of this act and indicate on the face of  
5 the certificate of title that it is a replacement certificate of  
6 title.

7 (e) If a person receiving a replacement certificate of title  
8 subsequently obtains possession of the original written certificate  
9 of title, the person shall promptly destroy the original written  
10 certificate of title.

11 SECTION 25. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1-9-825 of Title 12A, unless  
13 there is created a duplication in numbering, reads as follows:

14 EFFECTIVENESS OF SECURITY-INTEREST STATEMENT.

15 (a) A security-interest statement is sufficient if it includes  
16 the name of the debtor, the name of the secured party or a  
17 representative of the secured party, a description that reasonably  
18 identifies the vehicle and is not seriously misleading under Section  
19 20 of this act, and is delivered as follows:

20 (A) if the security-interest statement is indicated on an  
21 application for which the office is required to create  
22 a certificate of title, by the owner; or

23 (B) if the security-interest statement is not indicated on  
24 an application for which the office is required to

1           create a certificate of title, by a person authorized  
2           to file an initial financing statement covering the  
3           vehicle pursuant to Section 1-9-509 of this title.

4           (b) A security-interest statement that is sufficient under  
5 subsection (a) of this section is effective upon receipt by the  
6 office.

7           (c) Subject to subsections (e) and (f) of this section, a  
8 security-interest statement is not received if the office rejects  
9 the statement pursuant to subsection (e) of this section. The  
10 office may reject a security-interest statement only in the manner  
11 specified in subsection (e) of this section and only if:

12           (1) the record is not delivered by a means authorized by the  
13 office;

14           (2) an amount equal to or greater than the required filing fee  
15 is not tendered with the statement or, if the office elects to  
16 notify the secured party of the filing fee deficiency, within seven  
17 (7) days after the notification has been given;

18           (3) the record does not include the name and mailing address of  
19 a debtor and a secured party or a representative of a secured party;

20           (4) the record does not contain the vehicle identification  
21 number; or

22           (5) the office cannot identify a file of the office,  
23 certificate of title, or application for a certificate of title to  
24 which the security-interest statement relates.



1 (d) The office shall maintain files of the office showing the  
2 date of receipt of each security-interest statement that is not  
3 rejected and shall make this information available on request.

4 (e) To reject a security-interest statement, the office must  
5 send notice of rejection to the person that delivered the statement,  
6 indicating the reasons for the rejection and the date the statement  
7 would have been received had the office not rejected it.

8 (f) If the office does not send notice of rejection under  
9 subsection (e) of this section, the security-interest statement is  
10 received as of the time it was delivered to the office.

11 Confirmation by the office that the security-interest statement has  
12 been entered in the files of the office is conclusive proof that  
13 receipt has occurred.

14 (g) If a security-interest statement sufficient under  
15 subsection (a) of this section is tendered with the filing fee and  
16 the office sends a notice of rejection without indicating a reason  
17 set forth in subsection (c) of this section, the security-interest  
18 statement is effective as of the business day on which the statement  
19 was tendered to the office except as against a purchaser of the  
20 vehicle which gives value in reasonable reliance upon the absence of  
21 the security-interest statement from the files of the office.

22 (h) Failure of the office to index a security-interest  
23 statement correctly or to indicate the security interest on the  
24

1 certificate of title does not affect the receipt of the security-  
2 interest statement.

3 SECTION 26. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1-9-826 of Title 12A, unless  
5 there is created a duplication in numbering, reads as follows:

6 PERFECTION OF SECURITY INTEREST.

7 (a) Except as otherwise provided in subsection (b), (d), or (e)  
8 of this section, a security interest in a vehicle may be perfected  
9 only by a security-interest statement that is effective under  
10 Section 25 of this act. The security interest is perfected upon the  
11 later of receipt of the security-interest statement under Section 25  
12 of this act or attachment of the security interest under Section  
13 1-9-203 of this title.

14 (b) If the office creates a certificate of title naming a  
15 lessor, consignor, bailor, or secured party as owner and the  
16 interest of the person named as owner is a security interest, the  
17 certificate of title serves as a security-interest statement that  
18 provides the name of the person as secured party. If the interest  
19 of the person named as owner in an application for a certificate of  
20 title delivered to the office in accordance with Section 9 of this  
21 act is a security interest, the application is a security-interest  
22 statement that provides the name of the person as secured party.  
23 The naming of the person as owner on the application or certificate  
24

1 of title is not of itself a factor in determining whether the  
2 interest is a security interest.

3 (c) If a secured party assigns a perfected security interest in  
4 a vehicle, the receipt by the office of a security-interest  
5 statement providing the name of the transferee or its representative  
6 as secured party is not required in order to continue the perfected  
7 status of the security interest against creditors of and transferees  
8 from the original debtor. However, a purchaser of a vehicle subject  
9 to a security interest which obtains a release from the secured  
10 party indicated in the files of the office or on the certificate of  
11 title takes free of the security interest and of the rights of a  
12 transferee if the transfer is not indicated in the files of the  
13 office and on the certificate of title.

14 (d) This section does not apply to a security interest in a  
15 vehicle created by a person during any period in which the vehicle  
16 is inventory held for sale or lease by the person or is leased by  
17 the person as lessor if the person is in the business of selling  
18 goods of that kind.

19 (e) A security interest is perfected to the extent provided in  
20 Section 1-9-316(d) of this title. A secured party may also perfect  
21 a security interest by taking possession of a vehicle only pursuant  
22 to Sections 1-9-313(b) and 1-9-316(d) of this title.

1       SECTION 27.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-827 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4       TERMINATION STATEMENT.

5       (a) A secured party indicated in the files of the office as  
6 having a security interest in a vehicle shall deliver to the office  
7 and, upon the debtor's request, to the debtor, a signed termination  
8 statement if:

9       (1) there is no obligation secured by the vehicle subject to  
10 the security interest and no commitment to make an advance, incur an  
11 obligation, or otherwise give value secured by the vehicle; or

12       (2) the debtor did not authorize the filing of the security-  
13 interest statement.

14       (b) A secured party indicated in the files of the office as  
15 having a security interest in a vehicle shall deliver a signed  
16 termination statement to the debtor or the office upon the earlier  
17 of:

18       (1) thirty (30) days after there is no obligation secured by  
19 the vehicle subject to the security-interest statement and no  
20 commitment to make an advance, incur an obligation, or otherwise  
21 give value secured by the vehicle; or

22       (2) fourteen (14) days after the secured party receives a  
23 signed demand from an owner and there is no obligation secured by  
24 the vehicle subject to the security interest and no commitment to

1 make an advance, incur an obligation, or otherwise give value  
2 secured by the vehicle.

3 (c) If a written certificate of title has been created and  
4 delivered to a secured party and a termination statement is required  
5 under subsection (a) of this section, the secured party, within the  
6 time provided in subsection (b) of this section, shall deliver the  
7 written certificate of title to the debtor or the office with the  
8 termination statement. If the written certificate is lost, stolen,  
9 mutilated, or destroyed or is otherwise unavailable or illegible,  
10 the secured party shall deliver with the termination statement,  
11 within the time provided in subsection (b) of this section, an  
12 application for a replacement certificate of title meeting the  
13 requirements of Section 24 of this act.

14 (d) Upon the delivery of a termination statement to the office  
15 pursuant to this section, the security-interest statement and any  
16 indication of the security interest on the certificate of title to  
17 which the termination statement relates ceases to be effective. The  
18 files of the office must indicate the date and time of delivery of  
19 the termination statement to the office.

20 (e) A secured party is liable for damages in the amount of any  
21 loss caused by its failure to comply with this section and for the  
22 reasonable cost of an application for a certificate of title under  
23 Section 9 or 24 of this act.

24

1       SECTION 28.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-828 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4       DUTIES AND OPERATION OF FILING OFFICE.

5       (a)   The files of the office must indicate the information  
6 provided in security-interest statements and termination statements  
7 received by the office under Section 25 or 27 of this act for at  
8 least ten (10) years after termination of the security-interest  
9 statement under Section 27 of this act. The information must be  
10 accessible by the vehicle identification number for the vehicle and  
11 any other indexing methods provided by the office.

12       (b)   The office shall send to a person that submits a record to  
13 the office, or submits information that is accepted by the office,  
14 and requests an acknowledgment of the filing or submission, an  
15 acknowledgment showing the vehicle identification number of the  
16 vehicle to which the record or submission relates, the information  
17 in the filed record or submission, and the date and time the record  
18 was received or the submission accepted. A request under this  
19 section must contain the vehicle identification number and be  
20 delivered by means authorized by the office.

21       (c)   The office shall send or otherwise make available in a  
22 record the following information to any person that requests it:

23       (1)   whether the files of the office indicate, as of a date and  
24 time specified by the office, but not a date earlier than three (3)

1 business days before the office received the request, any  
2 certificate of title, security-interest statement, or termination  
3 statement that relates to a vehicle identified by a vehicle  
4 identification number designated in the request; and

5 (2) the name of the owner of record and the effective date of  
6 all security-interest statements and termination statements  
7 indicated in the files of the office.

8 (d) In responding to a request under this section, the office  
9 may communicate the requested information in any medium. However,  
10 if requested, the office shall send the requested information in a  
11 record that is self-authenticating under Section 2902 of Title 12 of  
12 the Oklahoma Statutes.

13 (e) The office shall comply with this section at the time and  
14 in the manner prescribed by the rules of the office but shall  
15 respond to requests under this section not later than two (2)  
16 business days after the office receives the request.

17 SECTION 29. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1-9-829 of Title 12A, unless  
19 there is created a duplication in numbering, reads as follows:

20 UNIFORMITY OF APPLICATION AND CONSTRUCTION.

21 In applying and construing this uniform act, consideration must  
22 be given to the need to promote uniformity of the law with respect  
23 to its subject matter among states that enact it.

24

1       SECTION 30.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-830 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4       ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

5       This act modifies, limits, and supersedes the federal Electronic  
6 Signatures in Global and National Commerce Act (15 U.S.C. Section  
7 7001, et seq.) but does not modify, limit, or supersede Section  
8 101(c) of that act (15 U.S.C. Section 7001(c)) or authorize  
9 electronic delivery of any of the notices described in Section  
10 103(b) of that act (15 U.S.C. Section 7003(b)).

11       SECTION 31.       NEW LAW       A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1-9-831 of Title 12A, unless  
13 there is created a duplication in numbering, reads as follows:

14       SAVINGS CLAUSE.

15       (a) Except as otherwise provided in this section, this act  
16 applies to any transaction, certificate of title, or record  
17 involving a vehicle, even if the transaction, certificate of title,  
18 or record was entered into or created before the effective date of  
19 this act.

20       (b) A transaction, certificate of title, or record that was  
21 validly entered into or created before the effective date of this  
22 act and would be subject to this act if it had been entered into or  
23 created on or after the effective date of this act, and the rights,  
24



1 duties, and interests flowing from the transaction, certificate of  
2 title, or record remains valid after the effective date of this act.

3 (c) This act does not affect an action or proceeding commenced  
4 before the effective date of this act.

5 (d) A security interest that is enforceable immediately before  
6 the effective date of this act and would have priority over the  
7 rights of a person that becomes a lien creditor at that time is a  
8 perfected security interest under this act.

9 (e) This act does not affect the priority of a security  
10 interest in a vehicle if immediately before the effective date of  
11 this act the security interest is enforceable and perfected, and  
12 that priority is established.

13 SECTION 32. This act shall become effective November 1, 2009.

14 Passed the Senate the 5th day of March, 2009.

15

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\_\_\_\_\_  
Presiding Officer of the Senate

17

18 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
19 2009.

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\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

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