

(4) "inventory" if they are held by a person who holds them for sale or lease or to be furnished under contracts of service or if he has so furnished them, or if they are raw materials, work in process or materials used or consumed in a business. Inventory of a person is not to be classified as his equipment.

9—110. *Sufficiency of Description.*

For the purposes of this Sub-title any description of personal property or real estate is sufficient whether or not it is specific if it reasonably identifies what is described.

9—111. *Applicability of Bulk Transfer Laws.*

The creation of a security interest is not a bulk transfer under Sub-title 6 (see Section 6—103).

9—112. *Where Collateral Is Not Owned by Debtor.*

Unless otherwise agreed, when a secured party knows that collateral is owned by a person who is not the debtor, the owner of the collateral is entitled to receive from the secured party any surplus under Section 9—502 (2) or under Section 9—504 (1), and is not liable for the debt or for any deficiency after resale, and he has the same right as the debtor

(a) to receive statements under Section 9—208;

(b) to receive notice of and to object to a secured party's proposal to retain the collateral in satisfaction of the indebtedness under Section 9—505;

(c) to redeem the collateral under Section 9—506;

(d) to obtain injunctive or other relief under Section 9—507 (1); and

(e) to recover losses caused to him under Section 9—208 (2).

9—113. *Security Interests Arising Under Sub-title on Sales.*

A security interest arising solely under the Sub-title on Sales (Sub-title 2) is subject to the provisions of this Sub-title except that to the extent that and so long as the debtor does not have or does not lawfully obtain possession of the goods

(a) no security agreement is necessary to make the security interest enforceable; and

(b) no filing is required to perfect the security interest; and

(c) the rights of the secured party on default by the debtor are governed by the Sub-title on Sales (Sub-title 2).

Part 2

Validity of Security Agreement and Rights  
of Parties Thereto

9—201. *General Validity of Security Agreement.*

Except as otherwise provided by this Article a security agreement