

*is effective according to its terms between the parties, against purchasers of the collateral and against creditors. Nothing in this Sub-title validates any charge or practice illegal under any statute or regulation thereunder governing usury, small loans, retail installment sales, or the like, or extends the application of any such statute or regulation to any transaction not otherwise subject thereto.*

9—202. *Title to Collateral Immaterial.*

*Each provision of this Sub-title with regard to rights, obligations and remedies applies whether title to collateral is in the secured party or in the debtor.*

9—203. *Enforceability of Security Interest; Proceeds, Formal Requisites.*

*(1) Subject to the provisions of Section 4—208 on the security interest of a collecting bank and Section 9—113 on a security interest arising under the Sub-title on Sales, a security interest is not enforceable against the debtor or third parties unless*

*(a) the collateral is in the possession of the secured party; or*

*(b) the debtor has signed a security agreement which contains a description of the collateral and in addition, when the security interest covers crops or oil, gas or minerals to be extracted or timber to be cut, a description of the land concerned. In describing collateral, the word "proceeds" is sufficient without further description to cover proceeds of any character.*

*(2) A transaction, although subject to this Sub-title, may also be subject to other statutes regulating loans and retail installment sales such as Article 58A, Sections 1 through 23, Small Loan Act, Article 11, Sections 163 through 205, Industrial Finance Companies, Article 83, Sections 128 through 153, Retail Installment Sales, and the like, and in the case of conflict between the provisions of this Sub-title and any such statute, the provisions of such statute control. Failure to comply with any applicable statute has only the effect which is specified therein.*

9—204. *When Security Interest Attaches; After-Acquired Property; Future Advances.*

*(1) A security interest cannot attach until there is agreement (subsection (3) of Section 1—201) that it attach and value is given and the debtor has rights in the collateral. It attaches as soon as all of the events in the preceding sentence have taken place unless explicit agreement postpones the time of attaching.*

*(2) For the purposes of this section the debtor has no rights*

*(a) in crops until they are planted or otherwise become growing crops, in the young of livestock until they are conceived;*

*(b) in fish until caught, in oil, gas or minerals until they are extracted, in timber until it is cut;*

*(c) in a contract right until the contract has been made;*

*(d) in an account until it comes into existence.*