

generally relating to the Uniform Commercial Code and filing statements.

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 9–515

Annotated Code of Maryland

(2002 Replacement Volume and 2005 Supplement)

BY repealing and reenacting, without amendments,

Article – Commercial Law

Section 9–705(c)

Annotated Code of Maryland

(2002 Replacement Volume and 2005 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Commercial Law**

9–515.

(a) Except as otherwise provided in subsections (b), (e), (f), and (g), a filed financing statement is effective for a period of five years after the date of filing.

(b) Except as otherwise provided in subsections (e), (f), and (g), an initial financing statement filed in connection with a public–finance transaction or manufactured–home transaction is effective for a period of 30 years after the date of filing if it indicates that it is filed in connection with a public–finance transaction or manufactured–home transaction.

(c) The effectiveness of a filed financing statement lapses on the expiration of the period of its effectiveness unless before the lapse a continuation statement is filed pursuant to subsection (d). Upon lapse, a financing statement ceases to be effective and any security interest or agricultural lien that was perfected by the financing statement becomes unperfected, unless the security interest is perfected otherwise. If the security interest or agricultural lien becomes unperfected upon lapse, it is deemed never to have been perfected as against a purchaser of the collateral for value.

(d) A continuation statement may be filed only within six months before the expiration of the five–year period specified in subsection (a), [or] the 30–year period specified in subsection (b), OR THE DATE THE FINANCING STATEMENT CEASES TO BE EFFECTIVE UNDER § 9–705(C) OF THIS TITLE, whichever is applicable.

(e) Except as otherwise provided in § 9–510, upon timely filing of a continuation statement, the effectiveness of the initial financing statement continues for a period of five years commencing on the day on which the financing statement would have become ineffective in the absence of the filing. Upon the expiration of the five–year period, the financing statement lapses in the same manner as provided in subsection (c), unless, before the lapse, another continuation statement is filed