

(II) IF THE RATE STABILIZATION PROPERTY HAS BEEN TRANSFERRED TO AN ASSIGNEE, INCLUDE A STATEMENT TO THE EFFECT THAT:

1. THE ASSIGNEE IS THE OWNER OF THE RIGHTS TO QUALIFIED RATE STABILIZATION CHARGES; AND

2. THE ELECTRIC COMPANY OR ANY OTHER ENTITY, IF APPLICABLE, IS ACTING AS A COLLECTION AGENT OR SERVICER FOR THE ASSIGNEE.

(2) THE TARIFF APPLICABLE TO CUSTOMERS MUST INDICATE THE QUALIFIED RATE STABILIZATION CHARGE AND THE OWNERSHIP OF THAT CHARGE.

(B) THE FAILURE OF AN ELECTRIC COMPANY TO COMPLY WITH THIS SECTION MAY NOT INVALIDATE, IMPAIR, OR AFFECT ANY QUALIFIED RATE ORDER, RATE STABILIZATION PROPERTY, QUALIFIED RATE STABILIZATION CHARGE, OR RATE STABILIZATION BONDS.

7-542.

(A) (1) RATE STABILIZATION PROPERTY DOES NOT CONSTITUTE AN ACCOUNT OR GENERAL INTANGIBLE UNDER § 9-102 OF THE COMMERCIAL LAW ARTICLE.

(2) THE CREATION, GRANTING, PERFECTION, AND ENFORCEMENT OF LIENS AND SECURITY INTERESTS IN RATE STABILIZATION PROPERTY, INCLUDING ALL PROCEEDS OF THAT PROPERTY, ARE GOVERNED BY THIS SECTION AND NOT BY THE MARYLAND UNIFORM COMMERCIAL CODE.

(B) (1) A VALID AND ENFORCEABLE LIEN AND SECURITY INTEREST IN INTANGIBLE RATE STABILIZATION PROPERTY, INCLUDING ALL PROCEEDS OF THAT PROPERTY, MAY BE CREATED ONLY BY A QUALIFIED RATE ORDER AND THE EXECUTION AND DELIVERY OF A SECURITY AGREEMENT WITH A FINANCING PARTY IN CONNECTION WITH THE ISSUANCE OF RATE STABILIZATION BONDS.

(2) (I) THE LIEN AND SECURITY INTEREST SHALL ATTACH AUTOMATICALLY FROM THE TIME THAT VALUE IS RECEIVED FOR THE BONDS.

(II) ON PERFECTION THROUGH THE FILING OF NOTICE WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION IN ACCORDANCE WITH THE PROCEDURES PRESCRIBED UNDER SUBSECTION (D) OF THIS SECTION:

1. THE LIEN AND SECURITY INTEREST SHALL BE A CONTINUOUSLY PERFECTED LIEN AND SECURITY INTEREST IN THE RATE STABILIZATION PROPERTY; AND

2. ALL PROCEEDS OF THE PROPERTY, WHETHER ACCRUED OR NOT, SHALL HAVE PRIORITY IN THE ORDER OF FILING AND TAKE PRECEDENCE OVER ANY SUBSEQUENT JUDICIAL OR OTHER LIEN CREDITOR.

(3) THE SECURITY INTEREST SHALL BE PERFECTED:

(I) RETROACTIVE TO THE DATE VALUE WAS RECEIVED IF NOTICE IS FILED WITHIN 10 DAYS AFTER VALUE IS RECEIVED FOR THE RATE STABILIZATION BONDS; OR