

336A.07 TERMINATION STATEMENTS.

Subdivision 1. **Requirement.** (a) A secured party shall within 30 days file a lien termination statement and termination statement for the effective financing statement when:

- (1) an outstanding secured obligation does not exist; and
- (2) a written commitment to make advances, incur obligations, or otherwise give value does not exist.

(b) A lienholder shall file a termination statement with respect to a lien notice within 30 days after an outstanding lien notice obligation no longer exists.

Subd. 2. **Contents.** (a) Unless filed pursuant to section 336A.03, subdivision 4, in order to amend an effective financing statement or a lien notice, a termination statement for a lien notice or an effective financing statement must:

- (1) state the file number of the effective financing statement or lien notice;
- (2) state the date on which the lien or security interest was satisfied;
- (3) state that the secured party does not claim a security interest under the effective financing statement or that the lienholder does not claim a lien under the lien notice; and
- (4) be signed, authorized, or otherwise authenticated by the secured party or lienholder.

(b) If a termination statement is filed pursuant to section 336A.03, subdivision 4, in order to amend an effective financing statement or a lien notice, the termination statement must:

- (1) state the file number of the effective financing statement or lien notice; and
- (2) be signed, authorized, or otherwise authenticated by the secured party or lienholder.

Subd. 3. **Filing.** A termination statement for an effective financing statement or a lien notice must be filed in the computerized filing system operated by the Office of the Secretary of the State.

Subd. 4. **Failure to file.** If the secured party or lienholder fails to file a termination statement as required by subdivision 1, or within ten days after a debtor serves a written demand for the termination statement if the conditions in subdivision 1 exist, the secured party or lienholder is liable to the debtor for \$100 plus any loss caused to the debtor by failing to file the termination statement. For the second and each subsequent time a secured party or lienholder is found liable to a debtor under this subdivision in any one calendar year, the secured party or lienholder is liable to the debtor for \$250 plus any loss caused to the debtor.

Subd. 5. [Repealed by amendment, 2004 c 191 s 8]

History: *1992 c 525 s 8; 2004 c 191 s 8*