

336.9-611 NOTIFICATION BEFORE DISPOSITION OF COLLATERAL.

(a) **Notification date.** In this section, "notification date" means the earlier of the date on which:

- (1) a secured party sends to the debtor and any secondary obligor a signed notification of disposition;
or
- (2) the debtor and any secondary obligor waive the right to notification.

(b) **Notification of disposition required.** Except as otherwise provided in subsection (d), a secured party that disposes of collateral under section 336.9-610 shall send to the persons specified in subsection (c) a reasonable signed notification of disposition.

(c) **Persons to be notified.** To comply with subsection (b), the secured party shall send a signed notification of disposition to:

- (1) the debtor;
- (2) any secondary obligor; and
- (3) if the collateral is other than consumer goods:

(A) any other person from which the secured party has received, before the notification date, a signed notification of a claim of an interest in the collateral;

(B) any other secured party or lienholder that, ten days before the notification date, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

- (i) identified the collateral;
- (ii) was indexed under the debtor's name as of that date; and
- (iii) was filed in the office in which to file a financing statement against the debtor covering the collateral as of that date; and

(C) any other secured party that, ten days before the notification date, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in section 336.9-311(a).

(d) **Subsection (b) inapplicable: perishable collateral; recognized market.** Subsection (b) does not apply if the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market.

(e) **Compliance with subsection (c)(3)(B).** A secured party complies with the requirement for notification prescribed by subsection (c)(3)(B) if:

- (1) not later than 20 days or earlier than 30 days before the notification date, the secured party requests, in a commercially reasonable manner, information concerning financing statements indexed under the debtor's name in the office indicated in subsection (c)(3)(B); and
- (2) before the notification date, the secured party:
 - (A) did not receive a response to the request for information; or

(B) received a response to the request for information and sent a signed notification of disposition to each secured party named in that response whose financing statement covered the collateral.

History: *2000 c 399 art 1 s 112; 2024 c 93 art 9 s 41*