Cherokee Nation Code Annotated
Title 47: Motor Vehicles
Chapter 74: Uniform Certificate of Title Act
§ 1111.25. Perfection of security interest
Cite as: 47 CNCA § 1111.25

A. Except as otherwise provided in subsections (E) and (F) of this section, a security interest in a vehicle may be perfected only by receipt of a security interest statement that is effective under 47 CNCA § 1111.24. If a security interest statement is effective under 47 CNCA § 1111.24, the security interest represented by the security interest statement is perfected upon the later to occur of receipt of the security interest statement or attachment of the security interest pursuant to Uniform Commercial Code Section 9–203.

B. The CNTC may create a certificate of title naming as owner a lessor, consignor, bailor, or secured party and may treat the person as the owner for purposes of carrying out the duties of the CNTC under this act. If the interest of a person named as owner is a security interest, the certificate of title naming the person as owner perfects the security interest but is not of itself a factor in determining whether the interest is a security interest.

C. The CNTC may reject a security interest statement sufficient under 47 CNCA § 1111.24(B) only for a reason set forth in 47 CNCA § 1111.24(C) and in the manner set forth in 47 CNCA § 1111.24(E). Rejection for any other reason or in any other manner is ineffective and the security interest statement is received as of the business day on which the statement was delivered to the CNTC. A security interest statement that is sufficient under 47 CNCA § 1111.24(B) and is not rejected under 47 CNCA § 1111.24(C) is received as of the business day on which the statement was delivered to the CNTC, and if effective under 47 CNCA § 1111.24(A) constitutes perfection under subsection (A), unless it is rejected pursuant to 47 CNCA § 1111.24(E). A failure of the CNTC to index a security interest statement correctly or to indicate the security interest on the certificate of title does not affect the receipt or effectiveness of the security interest statement.

D. A secured party may transfer its rights as secured party under this act. An otherwise valid transfer of a security interest is effective between the parties to the transfer whether or not it is reflected in the files of the CNTC or indicated on the certificate of title. A transfer of a security interest vests in the transferee the rights of the secured party under this act and the Uniform Commercial Code. Perfection remains effective even if the transfer and the transferee of the security interest are not indicated in the files of the CNTC or on the certificate of title. However, a purchaser of the vehicle that obtains a release from a secured party indicated in the files of the CNTC or on the certificate of title takes free of that security interest and also free of the rights of a transferee of that security interest if the transfer is not indicated in the files of the CNTC or on the certificate.

E. A security interest created by a person in the business of selling or leasing vehicles is not subject to this section during any period in which the collateral is inventory held for sale or lease or is leased by the person.

F. A secured party may perfect a security interest by taking possession of a vehicle only as provided in Uniform Commercial Code Section 9–313(b) and 9–316(d).

Historical Data

LA 43–04, eff. December 15, 2004.