Cherokee Nation Code Annotated
Title 80: Uniform Commercial Code
Revised Article 9: Secured Transactions
Part 2. Effectiveness of Security Agreement, Attachment of Security Interest, Rights of Parties to Security Agreement
Subpart 1. Effectiveness and Attachment
§ 9–205. Use or disposition of collateral permissible
Cite as: 80 CNCA § 9-205

Use or Disposition of Collateral Permissible

(a) When security interest not invalid or fraudulent. A security interest is not invalid or fraudulent against creditors solely because:

(1) the debtor has the right or ability to:

(A) use, commingle, or dispose of all or part of the collateral, including returned or repossessed goods;

(B) collect, compromise, enforce, or otherwise deal with collateral;

(C) accept the return of collateral or make repossessions; or

(D) use, commingle, or dispose of proceeds; or

(2) the secured party fails to require the debtor to account for proceeds or replace collateral.

(b) Requirements of possession not relaxed. This section does not relax the requirements of possession if attachment, perfection, or enforcement of a security interest depends upon possession of the collateral by the secured party.

Historical Data

LA 26–03, eff. October 2, 2003.