

Chapter DFI-CCS 2

ACCEPTANCE AND REFUSAL OF DOCUMENTS

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Note: Chapter DFI-CCS 2 was created as an emergency rule effective 10-24-01.

DFI-CCS 2.01 Role of filing officer. The duties and responsibilities of the filing officer with respect to the administration of the UCC shall be ministerial. In accepting for filing or refusing to file a UCC document, the filing officer shall not do any of the following:

- (1) Determine the legal sufficiency or insufficiency of a document.
- (2) Determine that a security interest in collateral exists or does not exist.
- (3) Determine that information in the document is correct or incorrect, in whole or in part.
- (4) Create a presumption that information in the document is correct or incorrect, in whole or in part.

History: CR 01-122; cr. Register February 2002 No. 554, eff. 3-1-02.

DFI-CCS 2.02 Duty to file. Provided that there is no ground to refuse acceptance of the document under s. DFI-CCS 2.03, a UCC document shall be filed upon its receipt by the filing officer with the filing fee, and the filing officer shall promptly assign a file number to the UCC document and index the document in the information management system.

History: CR 01-122; cr. Register February 2002 No. 554, eff. 3-1-02.

DFI-CCS 2.03 Grounds for refusal of UCC document. The following grounds shall be the sole grounds for the filing officer's refusal to accept a UCC document for filing:

(1) **REQUIRED FORMAT.** (a) All information that shall be indexed shall be in characters that appear on a standard computer keyboard. All information shall be in American Standard Code for Information Exchange ("ASCII") character set. Only A through Z, 0 (zero) through 9, and "&" shall be considered searchable characters. All other characters shall be treated as punctuation.

(b) Filings shall contain all information necessary for acceptance, shall be clearly identified, and shall be labeled in a manner readily apparent to the filing officer.

(c) The documentation shall be headed by one of the titles listed in the following subdivisions, indicating that it should be filed in that UCC index category, or accompanied by a writing to be filed as part of the filing, instructing the filing officer that it shall be filed under one of the following UCC index category titles:

1. Financing statement.
2. Amendment.
3. Termination.
4. Continuation.
5. Assignment.
6. Correction.

(d) Federal tax liens set forth in s. 779.97, Stats. shall be headed by one of the titles listed below, and the filing officer shall index them according to the "Federal Tax Lien Document Filing Manual" dated August, 1997:

1. Original notice of federal tax lien.
2. Corrected notice of federal tax lien.

3. Refiled notice of federal tax lien.
4. Refiled notice of federal tax lien from other districts.
5. Certificate of discharge.
6. Certificate of subordination.
7. Certificate of nonattachment.
8. Revocation of certificate of nonattachment.
9. Certificate of release of federal tax liens.
10. Partial certificate of release of federal tax lien.
11. Self-released notice of federal tax lien.
12. Revocation of certificate of release of federal tax lien.
13. Notice of erroneously filed notice of federal tax lien.
14. Partial notice of erroneously filed notice of federal tax lien.
15. Notice of inadvertently filed notice of federal tax lien.
16. Withdrawal of filed notice of federal tax lien.
17. Partial withdrawal of filed notice of federal tax lien.

Note: A copy of the manual may be obtained by writing to UCC Section, Department of Financial Institutions, P.O. Box 7847, Madison, WI 53707-7847.

(2) **DEBTOR NAME AND ADDRESS.** An initial financing statement or an amendment that adds a debtor shall be refused if the document fails to include a legible debtor name and address for a debtor, in the case of an initial financing statement, or for the debtor added in the case of an amendment. If the document contains more than one debtor name or address and some names or addresses are missing or illegible, the filing officer shall index the legible name and address pairings, and provide a notice to the remitter containing the file number of the document, identification of the debtor names that were indexed and a statement that debtors with illegible or missing names or addresses were not indexed.

(3) **ADDITIONAL DEBTOR IDENTIFICATION.** An initial financing statement or an amendment adding one or more debtors shall be refused if the document fails to identify whether each named debtor, or each added debtor in the case of an amendment, is an individual or an organization, if the last name of each individual debtor is not identified, or if, for each debtor identified as an organization, the document does not include in legible form the organization type, and state of organization and organization number, if it has one, or a statement that it does not have one.

(4) **SECURED PARTY NAME AND ADDRESS.** An initial financing statement, an amendment that adds a secured party of record, or an assignment, shall be refused if the document fails to include a legible secured party, or assignee in the case of an assignment, name and address. If the document contains more than one secured party, or assignee, name or address and some names or addresses are missing or illegible, the filing officer shall refuse the UCC document.

(5) **LACK OF IDENTIFICATION OF INITIAL FINANCING STATEMENT.** A UCC document other than an initial financing statement shall be refused if the document does not provide a file number of a financing statement in the UCC information management system that has not lapsed.

(6) **TIMELINESS OF CONTINUATION.** A continuation shall be refused if it is not received during the 6-month period concluding on the day upon which the related financing statement would

lapse. The first day on which a continuation may be filed shall be the date of the month corresponding to the date upon which the financing statement would lapse, 6 months preceding the month in which the financing statement would lapse. If there is no corresponding date during the sixth month preceding the month in which the financing statement would lapse, the first day on which a continuation may be filed shall be the last day of the sixth month preceding the month in which the financing statement would lapse, although filing by certain means may not be possible on this date if the filing office is not open on this date. The last day on which a continuation shall be filed is the date upon which the financing statement lapses.

(7) FEE. A document shall be refused if the document is accompanied by less than the full filing fee tendered by a method described in rule s. DFI-CCS 1.10.

(8) MEANS OF COMMUNICATION. UCC documents communicated to the filing office by a means of communication not authorized by the filing officer for the communication of UCC documents shall be refused.

(9) MULTIPLE ACTIONS. Each individual amendment form shall not include more than one filing action and shall only amend information that can be indexed within the constraints of the form.

Note: Example: On the same form, the debtor and secured party shall not be added or changed. On the standard amendment form, more than one box 2-5 shall not be checked.

(10) LEGIBILITY. As used in this chapter, the term "legible" is not limited to refer only to written expressions on paper. "Legible" also requires a machine readable transmission for electronic transmissions and an otherwise readily decipherable transmission in other cases.

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DFI-CCS 2.04 Grounds not warranting refusal. The following do not constitute grounds for refusal to accept a document:

(1) ERRORS. The UCC document contains or appears to contain a misspelling or other erroneous information.

(2) INCORRECT NAMES. The UCC document appears to identify a debtor, a secured party or a secured party of record incorrectly.

(3) EXTRANEOUS INFORMATION. The UCC document contains additional or extraneous information of any kind.

(4) INSUFFICIENT INFORMATION. The UCC document contains less information than is required by the UCC, provided that the document contains the information required in s. DFI-CCS 2.03 (2) through (5).

(5) COLLATERAL DESCRIPTION. The UCC document incorrectly identifies collateral, or contains an illegible or unintelligible description of collateral, or appears to contain no description.

(6) EXCESSIVE FEE. The document is accompanied by funds in excess of the full filing fee.

(7) OTHER. The document contains any other defect outside the scope of permitted grounds for refusal to accept a UCC document for filing.

Note: The sole grounds for the filing officer's refusal to accept a UCC document for filing are enumerated in s. DFI-CCS 2.03.

(8) IDENTIFYING INFORMATION. A UCC document that does not identify itself as an amendment or identify an initial financing statement to which it relates, as required by s. 409.512, 409.514 or 409.518, Stats., shall be an initial financing statement.

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DFI-CCS 2.05 Procedure upon refusal. If the filing officer finds grounds under s. DFI-CCS 2.03 to refuse acceptance of a UCC document, the filing officer shall return the document, if written, to the remitter. The filing office shall send a notice that contains the date and time the document would have been filed had it been accepted for filing, unless the date and time are stamped on the document, and a brief description of the reason for refusal to accept the document under s. DFI-CCS 2.03.

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DFI-CCS 2.06 Acknowledgment. At the request of a filer or remitter who files a paper or paper-based UCC document, the filing officer shall either send to said filer or remitter an image of the record of the UCC document showing the file number assigned to it and the date and time of filing or, if the filer or remitter provides a copy of the UCC document, note the file number and the date and time of filing on the copy and deliver or send it to filer or remitter. For UCC documents not filed in paper or paper-based form the filing officer shall communicate to the filer or remitter the information in the filed document, the file number, and the date and time of filing.

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DFI-CCS 2.07 Other notices. Nothing prevents a filing officer from communicating to a filer or a remitter that the filing officer noticed potential defects in a UCC document, whether or not it was filed or refused for filing. However, the filing office shall be under no obligation to do so. The responsibility for the legal effectiveness of filing shall rest with filers and remitters, and the filing office shall bear no responsibility for its effectiveness.

Note: The filing officer may not, in fact, have the resources to do so or to identify defects.

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DFI-CCS 2.08 Refusal errors. If a secured party or a remitter demonstrates to the satisfaction of the filing officer that a UCC document that was refused for filing should not have been refused under s. DFI-CCS 2.03, the filing officer shall:

(1) File the UCC document with the filing date and time assigned when the filing was originally tendered for filing;

(2) File a statement that states that the effective date and time of filing is the date and time the UCC document was originally tendered for filing. The demonstration of error shall constitute the secured party's authorization to file the statement; and

(3) Set forth the date and time the filing was marked active and the information added to the index in to the officer's statement.

History: CR 01-122: cr. Register February 2002 No. 554, eff. 3-1-02.