

Colorado Revised Statutes: Title 4: Uniform Commercial Code:
C.R.S. 4-9-210. Request for Accounting -
request regarding list of collateral or statement of account – Definitions.

TITLE 4. UNIFORM COMMERCIAL CODE.

ARTICLE 9. SECURED TRANSACTIONS. PART 2. EFFECTIVENESS OF SECURITY AGREEMENT;
ATTACHMENT OF SECURITY INTEREST; RIGHTS OF PARTIES TO SECURITY AGREEMENT.

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(a) In this section:

(1) "Request" means a record of a type described in paragraph (2), (3), or (4) of this subsection (a).

(2) "**Request for an accounting**" means a record authenticated by a debtor requesting that the recipient provide an accounting of the unpaid obligations secured by collateral and reasonably identifying the transaction or relationship that is the subject of the request.

(3) "Request regarding a list of collateral" means a record authenticated by a debtor requesting that the recipient approve or correct a list of what the debtor believes to be the collateral securing an obligation and reasonably identifying the transaction or relationship that is the subject of the request.

(4) "Request regarding a statement of account" means a record authenticated by a debtor requesting that the recipient approve or correct a statement indicating what the debtor believes to be the aggregate amount of unpaid obligations secured by collateral as of a specified date and reasonably identifying the transaction or relationship that is the subject of the request.

(b) Subject to subsections (c), (d), (e), and (f) of this section, a secured party, other than a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor, shall comply with a request within fourteen days after receipt:

(1) In the case of a request for an accounting, by authenticating and sending to the debtor an accounting; and

(2) In the case of a request regarding a list of collateral or a request regarding a statement of account, by authenticating and sending to the debtor an approval or correction.

(c) **A secured party that claims a security interest in all of a particular type of collateral owned by the debtor may comply with a request regarding a list of collateral by sending to the debtor an authenticated record including a statement to that effect within fourteen days after receipt.**

(d) **A person that receives a request regarding a list of collateral, claims no interest in the collateral when it receives the request, and that claimed an interest in the collateral at an earlier time shall comply with the request within fourteen days after receipt by sending to the debtor an authenticated record:**

(1) **Disclaiming any interest in the collateral; and**

(2) **If known to the recipient, providing the name and mailing address of any assignee of or successor to the recipient's interest in the collateral.**

(e) A person that receives a request for an accounting or a request regarding a statement of account, claims no interest in the obligations when it receives the request, and that claimed an interest in the obligations at an earlier time shall comply with the request within fourteen days after receipt by sending to the debtor an authenticated record:

(1) Disclaiming any interest in the obligations; and

(2) If known to the recipient, providing the name and mailing address of any assignee of or successor to the recipient's interest in the obligations.

(f) A debtor is entitled without charge to a response to a request under this section during any six-month period for each (i) an accounting, (ii) regarding a list of collateral, and (iii) regarding a statement of account. The secured party may require payment of a charge, not exceeding fifteen dollars, for each additional response. Wherever the term "debtor" is used in this section, it means either the debtor or the person designated by the debtor to receive a response in a notification authenticated by the debtor and received by the secured party or other applicable person at or prior to the time of a request.

Case Notes / Annotation:

1. Source. Former Section 9-208.

2. Scope and Purpose. This section provides a procedure whereby a debtor may obtain from a secured party information about the secured obligation and the collateral in which the secured party may claim a security interest. It clarifies and resolves some of the issues that arose under former Section 9-208 and makes information concerning the secured indebtedness readily available to debtors, both before and after default. It applies to agricultural lien transactions (see the definitions of "debtor," "secured party," and "collateral" in Section 9-102), but generally not to sales of receivables. See subsection (b).

3. Requests by Debtors Only. A financing statement filed under Part 5 may disclose only that a secured party may have a security interest in specified types of collateral. In most cases the financing statement will contain no indication of the obligation (if any) secured, whether any security interest actually exists, or the particular property subject to a security interest. Because creditors of and prospective purchasers from a debtor may have legitimate needs for more detailed information, it is necessary to provide a procedure under which the secured party will be required to provide information. On the other hand, the secured party should not be under a duty to disclose any details of the debtor's financial affairs to any casual inquirer or competitor who may inquire. For this reason, this section gives the right to request information to the debtor only. The debtor may submit a request in connection with negotiations with subsequent creditors and purchasers, as well as for the purpose of determining the status of its credit relationship or demonstrating which of its assets are free of a security interest.

4. Permitted Types of Requests for Information. Subsection (a) contemplates that a debtor may request three types of information by submitting three types of "requests" to the secured party. First, the debtor may request the secured party to prepare and send an "accounting" (defined in Section 9-102). Second, the debtor may submit to the secured party a list of collateral for the secured party's approval or correction. Third, the debtor may submit to the secured party for its approval or correction a statement of the aggregate amount of unpaid secured obligations. Inasmuch as a secured party may have numerous transactions and relationships with a debtor, each request must identify the relevant transactions or relationships. Subsections (b) and (c) require the secured party to respond to a request within 14 days following receipt of the request.

5. Recipients Claiming No Interest in the Transaction. A debtor may be unaware that a creditor with whom it has dealt has assigned its security interest or the secured obligation. Subsections (d) and (e) impose upon recipients of requests under this section the duty to inform the debtor that they claim no interest in the collateral or secured obligation, respectively, and to inform the debtor of the name and mailing address of any known assignee or successor. As under subsections (b) and (c), a response to a request under subsection (d) or (e) is due 14 days following receipt.

6. Waiver; Remedy for Failure to Comply. The debtor's rights under this section may not be waived or varied. See Section 9-602(2). Section 9-625 sets forth the remedies for noncompliance with the requirements of this section.

7. Limitation on Free Responses to Requests. Under subsection (f), during a six-month period a debtor is entitled to receive from the secured party one free response to a request. The debtor is not entitled to a free response to each type of request (i.e., three free responses) during a six-month period.

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Annotator's note. Since § 4-9-210 is similar to § 4-9-208 as it existed prior to the 2001 repeal and reenactment of this article, relevant cases construing that provision have been included in the annotations to this section.

If a potential creditor seeks more detailed information, he may request it from the debtor, and the burden shifts to the debtor to contact the secured party for specific details. *In re Colorado Mercantile Co.*, 299 F. Supp. 55 (D. Colo. 1969).

Applied in

*Platte Valley Bank v. B & J Constr., Inc.*, 44 Colo. App. 21, 606 P.2d 455 (1980).