



# Secured Transactions (Kunsch)

by Kelly Kunsch

## Introduction

A secured transaction is a method of financing a purchase. Instead of relying solely on a borrower's promise to repay a loan, a lender creates or retains an interest in specific property. Such security offers the lender unique remedies in case the borrower defaults on repayment. For example, if a person wants to purchase a refrigerator on credit, that person asks a lender to finance the purchase. A lender could give the borrower the money solely in exchange for the borrower's promise to repay at some later date (usually with interest). Alternatively, the lender could also require certain security to assure repayment of the loan. The secured interest is usually created at the same time as the lending contract. In the above example, the lender might require that the borrower assign all borrower's interest in the refrigerator until the loan is entirely paid off. If the borrower defaults, the lender can take possession of the refrigerator and resell it. A lender may also require a pledge of security in property other than the property being financed. Because of this, a single piece of property may have more than one secured interest on it.

## About this Research Guide

This research guide is not intended to be comprehensive, but rather will list some of the major sources of law in the area and a variety of tools for the researcher to use when confronted with a question involving a secured transaction. Links in this research guide will take the researcher to information about the resource, and in some cases, will link to full text of the resource. The titles of materials held in the Seattle University Law Library are linked to the bibliographic records in the library's catalogs. The title or citation for Web-based materials will be linked to the internet site where those materials or information about them may be found. Citations to materials that are available on Westlaw, Lexis, or other databases, including cases, statutes, and law review articles of interest, may be linked to their source in one of those databases, and if so, will be available only to authorized users.

## Statutes

[Article 9 of the Uniform Commercial Code](#) governs Secured Transactions: their creation, operation, and priorities between conflicting interests. It was most recently revised in 1999 with a delayed effective date of July 1, 2001. In Washington, Article 9 is codified at [RCW 62A.9](#).

## Books

Before using any books, check the copyright date, read the prefatory matter and consult supplementation to determine whether coverage includes recent revisions.

**For a general overview of the subject:**

*Secured Transactions in a Nutshell*, by Henry J. Bailey III and Richard B. Hagedorn, Reserve KF1050.Z9B34 1988.

*ABCs of the UCC: Article 9*, by Russell A. Hakes, Reserve KF1050.Z9H35 1996.

*Uniform Commercial Code* (Hornbook) ch. 21-25, by James J. White and Robert S. Summers, Reserve KF890.W45 1995b.

**For a more detailed treatment:**

v. 8-11 [\*Anderson on the Uniform Commercial Code\*](#), by Ronald A. Anderson, Reference KF879.514.A53.

v. 9 Hawkland [\*Uniform Commercial Code Series\*](#), by William D. Hawkland, 4th Floor KF879.527.H38 1982.

v. 4, ch.. 30-34 (and supplement) [\*Uniform Commercial Code\*](#) (multivolume treatise) by James J. White and Robert S. Summers, 4th Floor KF890.W45 1995.

**For practice-oriented treatment:**

v. 3-4 [\*Uniform Commercial Code Transaction Guide\*](#) ch. 27-36, by Peter A. Alces, 4th Floor KF890.U53 1988.

v. 2 [\*Commercial Law and Practice Guide\*](#) ch. 27-32A, by Barry L. Zaretsky, Gerald T. McLaughlin, & Neil B. Cohen, 4th Floor KF889.C63 1991.

**For Washington specific treatment:**

v. VII, Section 5 [\*Washington Commercial Law Deskbook\*](#) ch. 15-19 by the Washington State Bar Association, Reserve KFW152.W37 1982.

**Subject Headings (for additional materials):**

Security (Law)--United States

Security (Law)--Washington (State)

## Periodical Articles

Law reviews and journals reflect the latest thinking on topical issues. Over a thousand are published in the United States and the Law Library receives almost all of them. Abbreviations abound in this area so it is best to ask for help at the law library reference desk. All current periodicals are kept in open reserve on the second floor of the law library. Older, bound volumes are located on the Court level which is reached by the elevator inside the library. To find articles on particular topics, use either [Current Law Index](#) or [Index to Legal Periodicals](#). Both titles offer indexes by author, title, subject, case, and statute. For law school students, both services are available on Lexis and Westlaw. Non-law Seattle University students can use *Index to Legal Periodicals* through the databases offered by [Lemieux Library](#).

## Forms

Certain [forms](#) (such as financing statements) can be downloaded from the Washington State Department of Licensing's Web page. Other forms are printed in volumes 4 and 5 of [Uniform Laws Annotated](#) or the various form books shelved in the Reference Collection at KF170 . Washington forms are reproduced in various parts of the [Washington Commercial Law Deskbook](#).

## Filings

In the State of Washington, UCC filings are maintained by the [Department of Licensing](#). Although the Department does not have a searchable database available via the Internet, [Lexis](#) and [Westlaw](#) do for their subscribers. In Lexis, the file is: wash;wajgt. In Westlaw, the database is: WA-ULJ or WA-UCC. The dates of coverage are limited in both services and educational passwords may not be authorized to access the filings.

## Web Sites

[Secured Transaction Law: An Overview](#) from The Legal Information Institute at Cornell University.

[Uniform Commercial Code, Article 9, Secured Transactions: The 1998 Revisions, An Introduction](#) from the National Conference of Commissioners on Uniform State Laws Web site.

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