

Senate Engrossed

uniform assignment; benefit of creditors

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

CHAPTER 29

SENATE BILL 1252

AN ACT

AMENDING TITLE 44, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 6; RELATING TO ASSIGNMENT FOR BENEFIT OF CREDITORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 44, Arizona Revised Statutes, is amended by adding
3 chapter 6, to read:

4 CHAPTER 6

5 UNIFORM ASSIGNMENT FOR BENEFIT OF CREDITORS ACT

6 ARTICLE 1. GENERAL PROVISIONS

7 44-601. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "AFFILIATE" MEANS ANY OF THE FOLLOWING:

10 (a) A PERSON THAT, DIRECTLY OR INDIRECTLY, OWNS, CONTROLS OR HOLDS,
11 WITH POWER TO VOTE, TWENTY PERCENT OR MORE OF THE OUTSTANDING VOTING
12 INTERESTS OF ANOTHER PERSON, OTHER THAN A PERSON THAT HOLDS THE INTERESTS
13 EITHER:

14 (i) IN A FIDUCIARY OR AGENCY CAPACITY WITHOUT SOLE DISCRETIONARY
15 POWER TO VOTE THE INTERESTS.

16 (ii) SOLELY TO SECURE A DEBT, IF THE PERSON HAS NOT IN FACT
17 EXERCISED THE POWER TO VOTE.

18 (b) A PERSON WITH TWENTY PERCENT OR MORE OF THE PERSON'S
19 OUTSTANDING VOTING INTERESTS DIRECTLY OR INDIRECTLY OWNED, CONTROLLED OR
20 HELD, WITH POWER TO VOTE, BY ANOTHER PERSON.

21 (c) A PERSON WHOSE BUSINESS IS OPERATED UNDER A LEASE OR OPERATING
22 AGREEMENT BY ANOTHER PERSON, OR A PERSON SUBSTANTIALLY ALL OF WHOSE ASSETS
23 ARE CONTROLLED BY THE OTHER PERSON.

24 (d) A PERSON THAT OPERATES THE BUSINESS OR SUBSTANTIALLY ALL THE
25 ASSETS OF ANOTHER PERSON UNDER A LEASE OR OPERATING AGREEMENT.

26 2. "ASSET":

27 (a) MEANS A LEGAL OR EQUITABLE INTEREST IN PROPERTY OF AN ASSIGNOR,
28 REGARDLESS OF THE PERSON HOLDING OR IN POSSESSION, CUSTODY OR CONTROL OF
29 THE PROPERTY OR WHERE THE PROPERTY IS LOCATED.

30 (b) DOES NOT INCLUDE EITHER OF THE FOLLOWING:

31 (i) A LEGAL OR EQUITABLE INTEREST IN PROPERTY THAT IS RESTRICTED
32 FROM ASSIGNMENT IF THE RESTRICTION IS EFFECTIVE UNDER OTHER LAW, UNLESS
33 THE OTHER LAW ALLOWS ASSIGNMENT WITH THE CONSENT OF ANOTHER PERSON AND THE
34 PERSON CONSENTS TO THE ASSIGNMENT IN A MANNER ALLOWED BY THE OTHER LAW.

35 (ii) IF THE ASSIGNOR IS AN INDIVIDUAL, A LEGAL OR EQUITABLE
36 INTEREST IN PROPERTY TO THE EXTENT IT IS EXEMPT FROM LEGAL PROCESS UNDER
37 OTHER LAW.

38 3. "ASSIGNED ASSET" MEANS AN ASSET TRANSFERRED UNDER AN ASSIGNMENT.

39 4. "ASSIGNEE" MEANS A PERSON TO WHICH ASSETS ARE TRANSFERRED UNDER
40 AN ASSIGNMENT.

41 5. "ASSIGNMENT" MEANS A TRANSFER BY A PERSON OF ALL THE PERSON'S
42 ASSETS TO ANOTHER PERSON FOR THE BENEFIT OF THE TRANSFEROR'S CREDITORS.

43 6. "ASSIGNMENT AGREEMENT" MEANS AN AGREEMENT THAT TRANSFERS OR
44 PROVIDES FOR A TRANSFER OF ALL THE ASSIGNOR'S ASSETS.

1 7. "ASSIGNMENT ESTATE" MEANS THE ASSETS HELD AT A GIVEN TIME BY THE
2 ASSIGNEE UNDER AN ASSIGNMENT.

3 8. "ASSIGNOR" MEANS A PERSON WHOSE ASSETS ARE TRANSFERRED UNDER AN
4 ASSIGNMENT.

5 9. "CLAIM" MEANS A CREDITOR'S RIGHT TO PAYMENT OR TO AN EQUITABLE
6 REMEDY, REGARDLESS OF WHETHER THE RIGHT IS REDUCED TO JUDGMENT,
7 LIQUIDATED, UNLIQUIDATED, FIXED, CONTINGENT, MATURED, UNMATURED, DISPUTED,
8 UNDISPUTED, LEGAL, EQUITABLE, SECURED OR UNSECURED.

9 10. "COHABITANT" MEANS EACH OF TWO INDIVIDUALS WHO ARE NOT MARRIED
10 TO EACH OTHER AND WHO LIVE TOGETHER AS A COUPLE AFTER EACH HAS REACHED THE
11 AGE OF MAJORITY OR BEEN EMANCIPATED.

12 11. "CREDITOR" MEANS A PERSON THAT HAS A CLAIM AGAINST AN ASSIGNED
13 ASSET OR THE ASSIGNOR.

14 12. "ELECTRONIC" MEANS RELATING TO TECHNOLOGY HAVING ELECTRICAL,
15 DIGITAL, MAGNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC OR SIMILAR
16 CAPABILITIES.

17 13. "GOOD FAITH" MEANS HONESTY IN FACT AND THE OBSERVANCE OF
18 REASONABLE COMMERCIAL STANDARDS OF FAIR DEALING.

19 14. "INSIDER" INCLUDES:

20 (a) IN THE CASE OF AN INDIVIDUAL:

21 (i) A RELATIVE OF THE INDIVIDUAL.

22 (ii) A PARTNERSHIP OR LIMITED LIABILITY COMPANY IN WHICH THE
23 INDIVIDUAL IS A GENERAL PARTNER OR MANAGING MEMBER.

24 (iii) AN ORGANIZATION OF WHICH THE INDIVIDUAL IS A DIRECTOR,
25 OFFICER OR PERSON IN CONTROL.

26 (b) IN THE CASE OF AN ORGANIZATION:

27 (i) A DIRECTOR, OFFICER, MANAGER OR OTHER PERSON IN CONTROL OF OR
28 WITH CONTROLLING EQUITY INTEREST IN THE ORGANIZATION.

29 (ii) A PARTNERSHIP OR LIMITED LIABILITY COMPANY IN WHICH THE
30 ORGANIZATION IS A GENERAL PARTNER OR MANAGING MEMBER.

31 (iii) A GENERAL PARTNER OR MANAGING MEMBER OF THE ORGANIZATION.

32 (iv) A RELATIVE OF A GENERAL PARTNER, MANAGING MEMBER, DIRECTOR,
33 OFFICER, MANAGER OR OTHER PERSON IN CONTROL OF OR WITH CONTROLLING EQUITY
34 INTEREST IN THE ORGANIZATION.

35 (c) AN AFFILIATE.

36 (d) A MANAGING AGENT OF AN ORGANIZATION.

37 15. "LIEN" MEANS AN INTEREST IN AN ASSET THAT SECURES PAYMENT OR
38 PERFORMANCE OF AN OBLIGATION.

39 16. "ORGANIZATION" MEANS A PERSON OTHER THAN AN INDIVIDUAL.

40 17. "PERFECTED LIEN" MEANS A LIEN ON EITHER:

41 (a) REAL PROPERTY OTHER THAN FIXTURES ON WHICH A BONA FIDE
42 PURCHASER OF THE PROPERTY CANNOT ACQUIRE AN INTEREST SUPERIOR TO THE
43 INTEREST OF THE LIENHOLDER.

1 (b) FIXTURES OR PROPERTY OTHER THAN REAL PROPERTY ON WHICH A
2 CREDITOR CANNOT ACQUIRE A LIEN BY ATTACHMENT, LEVY OR THE LIKE THAT IS
3 SUPERIOR TO THE INTEREST OF THE LIENHOLDER.

4 18. "PERSON":

5 (a) MEANS AN INDIVIDUAL, ESTATE, BUSINESS OR NONPROFIT ENTITY,
6 GOVERNMENT OR GOVERNMENTAL SUBDIVISION, AGENCY OR INSTRUMENTALITY OR OTHER
7 LEGAL ENTITY.

8 (b) INCLUDES A PROTECTED SERIES, HOWEVER DENOMINATED, OF AN ENTITY
9 IF THE PROTECTED SERIES IS ESTABLISHED UNDER LAW THAT LIMITS, OR LIMITS IF
10 CONDITIONS SPECIFIED UNDER LAW ARE SATISFIED, THE ABILITY OF A CREDITOR OF
11 THE ENTITY OR OF ANY OTHER PROTECTED SERIES OF THE ENTITY TO SATISFY A
12 CLAIM FROM ASSETS OF THE PROTECTED SERIES.

13 19. "PROOF OF CLAIM" MEANS A RECORD A CREDITOR SUBMITS TO AN
14 ASSIGNEE TO EVIDENCE THE CREDITOR'S CLAIM.

15 20. "RECORD" MEANS INFORMATION EITHER:

16 (a) INSCRIBED ON A TANGIBLE MEDIUM.

17 (b) STORED IN AN ELECTRONIC OR OTHER MEDIUM AND RETRIEVABLE IN
18 PERCEIVABLE FORM.

19 21. "RELATIVE" MEANS AN INDIVIDUAL RELATED BY AFFINITY OR
20 CONSANGUINITY WITHIN THE THIRD DEGREE OR A COHABITANT.

21 22. "SECURITY INTEREST" MEANS A LIEN CREATED BY AN AGREEMENT.

22 23. "SEND", IN CONNECTION WITH A RECORD OR NOTIFICATION, MEANS
23 EITHER:

24 (a) TO DEPOSIT IN THE MAIL, DELIVER FOR TRANSMISSION OR TRANSMIT BY
25 ANY OTHER USUAL MEANS OF COMMUNICATION, WITH POSTAGE OR COST OF
26 TRANSMISSION PROVIDED FOR, ADDRESSED TO ANY ADDRESS REASONABLE UNDER THE
27 CIRCUMSTANCES.

28 (b) TO CAUSE THE RECORD OR NOTIFICATION TO BE RECEIVED WITHIN THE
29 TIME IT WOULD HAVE BEEN RECEIVED IF PROPERLY SENT UNDER SUBDIVISION (a) OF
30 THIS PARAGRAPH.

31 24. "STATE":

32 (a) MEANS A STATE OF THE UNITED STATES, THE DISTRICT OF COLUMBIA,
33 PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS OR ANY OTHER TERRITORY OR
34 POSSESSION SUBJECT TO THE JURISDICTION OF THE UNITED STATES.

35 (b) INCLUDES A FEDERALLY RECOGNIZED INDIAN TRIBE.

36 25. "TRANSFER" MEANS DISPOSING OF OR PARTING WITH AN ASSET OR WITH
37 AN INTEREST IN AN ASSET, REGARDLESS OF WHETHER THE DISPOSITION OR PARTING
38 IS INDIRECT, CONDITIONAL OR INVOLUNTARY.

39 44-602. Scope

40 THIS CHAPTER APPLIES TO AN ASSIGNMENT MADE BY AN ASSIGNOR THAT IS:

41 1. AN ORGANIZATION WHOSE PRINCIPAL PLACE OF BUSINESS IS IN THIS
42 STATE.

43 2. AN ORGANIZATION WHOSE INTERNAL AFFAIRS ARE GOVERNED BY OTHER
44 LAWS OF THIS STATE.

45 3. AN INDIVIDUAL WHOSE PRINCIPAL RESIDENCE IS IN THIS STATE.

1 4. AN ORGANIZATION THAT IS WHOLLY OWNED, DIRECTLY OR INDIRECTLY, BY
2 AN ASSIGNOR THAT SATISFIES PARAGRAPH 1, 2 OR 3 OF THIS SECTION.

3 5. AN ORGANIZATION THAT:

4 (a) IS PARTLY OWNED, DIRECTLY OR INDIRECTLY, AND CONTROLLED BY AN
5 ASSIGNOR THAT SATISFIES PARAGRAPH 1, 2 OR 3 OF THIS SECTION.

6 (b) HAS NO PLACE OF BUSINESS OR EMPLOYEES.

7 (c) RELIES ON THE SERVICES THE ORGANIZATION RECEIVES FROM AN
8 ASSIGNOR THAT SATISFIES PARAGRAPH 1, 2 OR 3 OF THIS SECTION.

9 44-603. Requirements for assignee and assignment agreement

10 A. AN ASSIGNEE MUST BE A PERSON THAT:

11 1. IS NOT A CREDITOR, AFFILIATE OR INSIDER OF THE ASSIGNOR.

12 2. IS NOT AN AFFILIATE OR INSIDER OF A CREDITOR OF THE ASSIGNOR.

13 3. DOES NOT HAVE A CLAIM AGAINST THE ASSIGNMENT ESTATE, OTHER THAN
14 A CLAIM FOR FEES AND EXPENSES TO BE PAID UNDER THE ASSIGNMENT AGREEMENT.

15 4. DOES NOT HAVE A MATERIAL FINANCIAL INTEREST IN THE OUTCOME OF
16 THE ASSIGNMENT, OTHER THAN A CLAIM FOR FEES AND EXPENSES TO BE PAID UNDER
17 THE ASSIGNMENT AGREEMENT.

18 5. DOES NOT HOLD AN EQUITY INTEREST IN THE ASSIGNOR OTHER THAN A
19 NONCONTROLLING INTEREST IN A PUBLICLY TRADED COMPANY.

20 6. IS NOT AN AFFILIATE OF A PERSON THAT FAILS TO SATISFY PARAGRAPH
21 1, 2, 3, 4 OR 5 OF THIS SUBSECTION.

22 B. A PERSON THAT SATISFIES SUBSECTION A OF THIS SECTION IS NOT
23 PRECLUDED FROM BEING AN ASSIGNEE MERELY BECAUSE THE PERSON PERFORMED
24 SERVICES FOR THE ASSIGNOR BEFORE THE ASSIGNMENT.

25 C. AN ASSIGNMENT AGREEMENT MUST BE IN A RECORD SIGNED BY THE
26 ASSIGNOR AND THE ASSIGNEE. THE RECORD MUST:

27 1. STATE THE NAME AND ADDRESS OF THE ASSIGNOR AND OF THE ASSIGNEE.

28 2. TRANSFER OR PROVIDE FOR A TRANSFER OF ALL THE ASSIGNOR'S ASSETS.

29 3. DESCRIBE THE ASSIGNED ASSETS IN SUFFICIENT DETAIL TO IDENTIFY
30 THE ASSETS.

31 4. PROVIDE FOR THE DISTRIBUTION OF THE ASSIGNMENT ESTATE.

32 5. DESCRIBE THE FEES TO BE CHARGED BY THE ASSIGNEE IN CONNECTION
33 WITH THE ASSIGNMENT, INCLUDING THE BASIS ON WHICH THEY ARE TO BE
34 CALCULATED.

35 6. INCLUDE A REPRESENTATION BY THE ASSIGNOR, UNDER PENALTY OF
36 PERJURY, THAT THE ASSIGNOR IS ASSIGNING ALL THE ASSIGNOR'S ASSETS.

37 D. IF AN ASSIGNEE RELIES IN GOOD FAITH ON THE ASSIGNOR'S
38 REPRESENTATION MADE UNDER SUBSECTION C, PARAGRAPH 6 OF THIS SECTION, ALL
39 THE ASSIGNOR'S ASSETS ARE DEEMED TO BE ASSIGNED, EVEN IF THE
40 REPRESENTATION IS INACCURATE.

41 44-604. Effect of assignment; assignment agreement; effective
42 date

43 A. AN ASSIGNEE OBTAINS THE RIGHTS, TITLE AND INTERESTS OF THE
44 ASSIGNOR IN THE ASSIGNED ASSETS.

1 B. IF THE ASSIGNOR IS AN ORGANIZATION, AN ASSIGNEE OBTAINS THE
2 RIGHTS, TITLE AND INTERESTS OF THE ASSIGNOR IN ASSETS ACQUIRED AFTER THE
3 ASSIGNMENT.

4 C. EXCEPT AS PROVIDED IN SECTION 44-609, SUBSECTION B, PARAGRAPH
5 12, AN ASSIGNEE TAKES EACH ASSIGNED ASSET SUBJECT TO AN EXISTING INTEREST
6 IN THE ASSET HELD BY ANOTHER PERSON.

7 D. AN ASSIGNEE HOLDS THE ASSIGNED ASSETS SUBJECT TO THE ASSIGNEE'S
8 DUTIES UNDER SECTION 44-608.

9 E. AN ASSIGNMENT IS SUBJECT TO OTHER LAWS UNDER WHICH THE
10 ASSIGNMENT MAY BE FRAUDULENT OR OTHERWISE VOIDABLE.

11 F. THE EFFECTIVE DATE OF AN ASSIGNMENT AGREEMENT IS THE DATE THE
12 AGREEMENT IS SIGNED BY THE LAST PARTY TO THE AGREEMENT THAT IS REQUIRED TO
13 SIGN THE AGREEMENT UNLESS A LATER DATE IS IDENTIFIED IN THE AGREEMENT AS
14 THE EFFECTIVE DATE.

15 44-605. Filing, recording and title transfer requirements;
16 definition

17 A. AN ASSIGNEE OF A LEGAL OR EQUITABLE INTEREST IN PERSONAL
18 PROPERTY MAY FILE A FINANCING STATEMENT IN THE FILING OFFICE OF:

19 1. THIS STATE ESTABLISHED FOR THE PURPOSES OF SECTION 47-9501,
20 SUBSECTION A, PARAGRAPH 2.

21 2. ANY OTHER STATE IN WHICH EITHER:

22 (a) THE ASSIGNOR WOULD BE LOCATED UNDER SECTION 47-9307 IF THE
23 ASSIGNOR WERE A DEBTOR FOR THE PURPOSE OF THAT SECTION.

24 (b) AN ASSET OF THE ASSIGNMENT ESTATE MAY BE LOCATED.

25 B. A FINANCING STATEMENT FILED UNDER SUBSECTION A OF THIS SECTION
26 MUST INDICATE THAT IT IS FILED IN CONNECTION WITH AN ASSIGNMENT.

27 C. WHEN FILING A FINANCING STATEMENT UNDER SUBSECTION A OF THIS
28 SECTION, THE ASSIGNEE MUST EITHER:

29 1. ATTACH A COPY OF THE ASSIGNMENT AGREEMENT TO THE FINANCING
30 STATEMENT.

31 2. STATE ON THE FINANCING STATEMENT THAT A COPY OF THE ASSIGNMENT
32 AGREEMENT IS AVAILABLE ON REQUEST TO THE ASSIGNEE.

33 D. A FINANCING STATEMENT FILED UNDER SUBSECTION A OF THIS SECTION
34 MAY EITHER:

35 1. DESIGNATE THE ASSIGNOR AS "DEBTOR" AND THE ASSIGNEE AS "SECURED
36 PARTY".

37 2. USE THE TERMS "ASSIGNOR" AND "ASSIGNEE" OR WORDS OF SIMILAR
38 IMPORT.

39 E. THE FILING OF A FINANCING STATEMENT UNDER SUBSECTION A OF THIS
40 SECTION IS NOT ITSELF A FACTOR IN DETERMINING WHETHER AN ASSET SECURES AN
41 OBLIGATION. THE RIGHTS OF THE ASSIGNEE UNDER THE ASSIGNMENT ARE NOT
42 AFFECTED IF THE ASSIGNEE DOES NOT FILE A FINANCING STATEMENT UNDER
43 SUBSECTION A OF THIS SECTION.

1 F. AN ASSIGNEE OF A LEGAL OR EQUITABLE INTEREST IN REAL PROPERTY
2 SHALL RECORD THE ASSIGNMENT OF THE INTEREST OR NOTICE OF THE ASSIGNMENT
3 UNDER THE REAL ESTATE RECORDING LAW OF THE JURISDICTION WHERE THE PROPERTY
4 IS LOCATED.

5 G. AN ASSIGNEE SHALL COMPLY WITH OTHER LAWS GOVERNING THE TRANSFER
6 OF TITLE TO AN ASSET.

7 H. BY SIGNING AN ASSIGNMENT AGREEMENT, THE ASSIGNOR AUTHORIZES THE
8 ASSIGNEE TO TAKE THE ACTIONS REQUIRED BY THIS SECTION.

9 I. FOR THE PURPOSES OF THIS SECTION, "FINANCING STATEMENT" HAS THE
10 SAME MEANING PRESCRIBED IN SECTION 47-9102, SUBSECTION A, PARAGRAPH 39.

11 44-606. Notification to creditors

12 A. UNLESS A CREDITOR WAIVES IN A SIGNED RECORD THE RIGHT TO
13 NOTIFICATION, AN ASSIGNEE SHALL SEND A NOTIFICATION OF THE ASSIGNMENT TO
14 EACH CREDITOR KNOWN TO THE ASSIGNEE WITHIN A REASONABLE TIME NOT TO EXCEED
15 THIRTY DAYS AFTER THE EFFECTIVE DATE OF THE ASSIGNMENT AGREEMENT.

16 B. THE NOTIFICATION MUST:

17 1. BE IN A RECORD SIGNED BY THE ASSIGNEE.

18 2. INCLUDE THE ASSIGNEE'S NAME, ADDRESS AND OTHER CONTACT
19 INFORMATION REASONABLY NECESSARY TO COMMUNICATE WITH THE ASSIGNEE.

20 3. PROVIDE REASONABLE INSTRUCTIONS FOR SUBMITTING A PROOF OF CLAIM
21 USING THE METHOD ESTABLISHED BY THE ASSIGNEE UNDER SECTION 44-608,
22 SUBSECTION B, PARAGRAPH 5.

23 4. IDENTIFY THE DATE ESTABLISHED UNDER SECTION 44-608, SUBSECTION
24 B, PARAGRAPH 6 BY WHICH EACH CREDITOR WHOSE CLAIM IS NOT OTHERWISE ALLOWED
25 WITHOUT A TIMELY PROOF OF CLAIM UNDER THIS CHAPTER MUST SUBMIT A PROOF OF
26 CLAIM.

27 C. AN ASSIGNEE SHALL USE REASONABLE MEANS TO PROVIDE THE
28 INFORMATION IN SUBSECTION B OF THIS SECTION TO UNKNOWN CREDITORS,
29 INCLUDING BY ANY MEANS THE ASSIGNOR REGULARLY USED TO EITHER:

30 1. PROVIDE INFORMATION TO THE ASSIGNOR'S CREDITORS.

31 2. COMMUNICATE INFORMATION ABOUT THE ASSIGNOR, OTHER THAN
32 ADVERTISING, TO THE PUBLIC.

33 44-607. Duties of assignor

34 A. SUBJECT TO SECTION 44-622, AN ASSIGNOR HAS A DUTY TO TAKE ALL
35 REASONABLE ACTIONS NECESSARY FOR THE ASSIGNEE TO ADMINISTER THE
36 ASSIGNMENT, THE ASSIGNED ASSETS AND THE ASSIGNMENT ESTATE.

37 B. IN FURTHERANCE OF THE DUTY UNDER SUBSECTION A OF THIS SECTION,
38 THE ASSIGNOR SHALL:

39 1. PRESERVE AND TURN OVER TO THE ASSIGNEE THE ASSIGNED ASSETS IN
40 THE ASSIGNOR'S POSSESSION OR CONTROL.

41 2. PROVIDE TO THE ASSIGNEE INFORMATION REASONABLY NECESSARY TO
42 ADMINISTER THE ASSIGNMENT, THE ASSIGNED ASSETS AND THE ASSIGNMENT ESTATE.

43 3. SIGN ANY RECORD REASONABLY NECESSARY TO TRANSFER AN ASSIGNED
44 ASSET AND COMPLY WITH ANY NOTARIZATION REQUIRED UNDER LAW.

1 4. DESIGNATE, AND PROVIDE THE ASSIGNEE WITH THE NAME, ADDRESS AND
2 OTHER CONTACT INFORMATION REASONABLY NECESSARY TO COMMUNICATE WITH, AN
3 APPROPRIATE PERSON WILLING AND ABLE TO ACT AS A REPRESENTATIVE ON BEHALF
4 OF THE ASSIGNOR AS MAY BE REASONABLY NECESSARY TO ADMINISTER THE
5 ASSIGNMENT, THE ASSIGNED ASSETS AND THE ASSIGNMENT ESTATE.

6 5. IF THE ASSIGNMENT INCLUDES A LEGAL OR EQUITABLE INTEREST IN REAL
7 PROPERTY OR TITLED PERSONAL PROPERTY, COOPERATE WITH THE ASSIGNEE IN
8 TAKING ACTIONS UNDER SECTION 44-605.

9 6. ON OR AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THE
10 ASSIGNMENT AGREEMENT, PROVIDE THE ASSIGNEE ALL OF THE FOLLOWING:

11 (a) A LIST OF ALL ASSETS.

12 (b) A LIST OF ALL THE ASSIGNOR'S EMPLOYEES, INCLUDING THOSE WHOSE
13 EMPLOYMENT IS TERMINATED IN CONNECTION WITH THE ASSIGNMENT.

14 (c) A LIST OF ALL THE ASSIGNOR'S KNOWN CREDITORS, INCLUDING FOR
15 EACH CREDITOR THE CREDITOR'S ADDRESS AND OTHER CONTACT INFORMATION
16 REASONABLY NECESSARY TO COMMUNICATE WITH THE CREDITOR.

17 7. VERIFY UNDER PENALTY OF PERJURY THE ACCURACY OF THE LISTS
18 REQUIRED UNDER PARAGRAPH 6 OF THIS SUBSECTION.

19 8. WITH RESPECT TO A LEGAL OR EQUITABLE INTEREST IN PROPERTY
20 RESTRICTED FROM ASSIGNMENT, COOPERATE WITH THE ASSIGNEE TO OBTAIN CONSENT
21 FROM A PERSON WHOSE CONSENT TO ASSIGN THE INTEREST IS NECESSARY UNDER
22 OTHER LAW.

23 9. PROVIDE ASSISTANCE TO THE ASSIGNEE AS REQUIRED BY THE ASSIGNMENT
24 AGREEMENT.

25 C. THE DUTIES IN THIS SECTION ALSO APPLY TO A REPRESENTATIVE
26 DESIGNATED UNDER SUBSECTION B, PARAGRAPH 4 OF THIS SECTION.

27 44-608. Duties of assignee

28 A. SUBJECT TO SECTION 44-622, AN ASSIGNEE HAS A FIDUCIARY DUTY TO
29 THE ASSIGNMENT ESTATE FOR THE BENEFIT OF CREDITORS:

30 1. OF LOYALTY, INCLUDING THE DUTY TO MANAGE THE ASSIGNMENT IN GOOD
31 FAITH.

32 2. TO USE REASONABLE CARE TO MAXIMIZE DISTRIBUTIONS UNDER SECTION
33 44-614.

34 3. TO WIND UP THE ASSIGNMENT UNDER SECTION 44-618 IN A MANNER
35 COMPATIBLE WITH THE BEST INTERESTS OF THE ASSIGNMENT ESTATE AND CREDITORS.

36 B. WITHOUT LIMITATION ON THE DUTIES UNDER SUBSECTION A OF THIS
37 SECTION, AND SUBJECT TO SECTION 44-622, THE ASSIGNEE HAS A DUTY TO:

38 1. MAINTAIN A SEPARATE DEPOSIT ACCOUNT FOR MONIES RELATED TO THE
39 ASSIGNMENT.

40 2. COLLECT ON OR DISPOSE OF EACH ASSIGNED ASSET, UNLESS THE
41 ASSIGNEE DETERMINES IT IS MORE ECONOMICALLY EFFICIENT TO ABANDON THE
42 ASSET.

43 3. PREPARE AND RETAIN APPROPRIATE BUSINESS RECORDS, INCLUDING A
44 RECORD OF EACH RECEIPT, DISBURSEMENT AND COLLECTION ON OR DISPOSITION OF
45 AN ASSIGNED ASSET.

1 4. PAY ADMINISTRATIVE EXPENSES OF THE ASSIGNMENT ESTATE TO THE
2 EXTENT THE ASSIGNMENT ESTATE HAS SUFFICIENT UNENCUMBERED ASSETS.

3 5. ESTABLISH A METHOD THAT IS REASONABLY DESIGNED TO PERMIT A
4 CREDITOR TO SUBMIT A PROOF OF CLAIM.

5 6. ESTABLISH A SINGLE DATE BY WHICH CREDITORS WHOSE CLAIMS ARE NOT
6 OTHERWISE ALLOWED WITHOUT TIMELY PROOFS OF CLAIM UNDER THIS CHAPTER MUST
7 SUBMIT PROOFS OF CLAIM, WHICH MUST BE ONE HUNDRED TWENTY DAYS AFTER THE
8 EFFECTIVE DATE OF THE ASSIGNMENT AGREEMENT.

9 7. UNLESS A CLAIM WOULD RECEIVE MINIMAL OR NO DISTRIBUTION WITHOUT
10 REGARD TO THE CLAIM'S VALIDITY OR ASSERTED PRIORITY, EXAMINE THE VALIDITY
11 AND PRIORITY OF CLAIMS AGAINST THE ASSIGNMENT ESTATE AND, IF NECESSARY,
12 CONSULT WITH THE REPRESENTATIVE DESIGNATED BY THE ASSIGNOR UNDER SECTION
13 44-607, SUBSECTION B, PARAGRAPH 4.

14 8. AT LEAST EVERY SIX MONTHS, PROVIDE TO EACH CREDITOR A SUMMARY OF
15 THE ASSETS, LIABILITIES AND EXPENSES OF THE ASSIGNMENT ESTATE.

16 9. COMPLY WITH ALL REQUIREMENTS OF THE INTERNAL REVENUE SERVICE AND
17 STATE AND LOCAL TAXING AUTHORITIES.

18 10. SEND A NOTIFICATION TO EACH CREDITOR OF THE ASSIGNEE'S
19 COMPENSATION AND ANY CHANGE IN THE METHOD OF DETERMINING THE ASSIGNEE'S
20 COMPENSATION FROM THE METHOD PROVIDED IN THE ASSIGNMENT AGREEMENT.

21 11. SEND A FINAL ACCOUNTING UNDER SECTION 44-618, SUBSECTION A.

22 12. COMPLY WITH THE OTHER REQUIREMENTS IMPOSED ON THE ASSIGNEE
23 UNDER THIS CHAPTER.

24 44-609. Powers of assignee

25 A. AN ASSIGNEE HAS THE POWERS NECESSARY OR APPROPRIATE TO PERFORM
26 THE ASSIGNEE'S DUTIES.

27 B. UNLESS THE ASSIGNMENT AGREEMENT EXPRESSLY PROVIDES OTHERWISE,
28 THE ASSIGNEE HAS POWER TO:

29 1. OPERATE AN EXISTING BUSINESS THAT USES AN ASSIGNED ASSET,
30 INCLUDING PRESERVATION OF THE ASSET AND COLLECTION ON, OR THE SALE, LEASE,
31 LICENSE OR OTHER DISPOSITION OF, THE ASSET.

32 2. INCUR SECURED OR UNSECURED DEBT AND PAY EXPENSES INCIDENTAL TO
33 THE EXERCISE OF THE POWER UNDER PARAGRAPH 1 OF THIS SUBSECTION.

34 3. ASSERT A RIGHT, CLAIM, CAUSE OF ACTION OR DEFENSE THE ASSIGNOR
35 COULD HAVE ASSERTED THAT RELATES TO THE ASSIGNMENT ESTATE.

36 4. ENGAGE PROFESSIONALS, INCLUDING A PROFESSIONAL PREVIOUSLY
37 ENGAGED BY THE ASSIGNOR, TO GIVE ADVICE, TO PROSECUTE OR DEFEND LITIGATION
38 OR FOR OTHER PURPOSES AS THE ASSIGNEE CONSIDERS APPROPRIATE, AND PAY
39 PROFESSIONALS REASONABLE FEES FOR SERVICES FROM THE ASSIGNMENT ESTATE.

40 5. COLLECT ON, OR SELL, LEASE, LICENSE OR OTHERWISE DISPOSE OF, AN
41 ASSET OF THE ASSIGNMENT ESTATE REGARDLESS OF WHETHER THE ASSET IS SUBJECT
42 TO A LIEN OR OTHER ENCUMBRANCE.

43 6. EXERCISE A RIGHT TO REDEEM AN ASSET OF THE ASSIGNMENT ESTATE
44 THAT IS SUBJECT TO A MORTGAGE, DEED OF TRUST, SECURITY INTEREST OR OTHER
45 ENCUMBRANCE.

- 1 7. SETTLE A MATTER INVOLVING A DEBTOR OF THE ASSIGNOR.
- 2 8. PROSECUTE OR DEFEND A LITIGATION PENDING ON THE EFFECTIVE DATE
- 3 OF THE ASSIGNMENT AGREEMENT IN FAVOR OF OR AGAINST THE ASSIGNOR IN THE
- 4 MANNER AND WITH THE SAME EFFECT AS THE ASSIGNOR COULD HAVE DONE IF THE
- 5 ASSIGNMENT HAD NOT BEEN MADE.
- 6 9. RECOVER AN ASSET IN THE MANNER AND WITH THE SAME EFFECT AS THE
- 7 ASSIGNOR COULD HAVE DONE IF THE ASSIGNMENT HAD NOT BEEN MADE.
- 8 10. SETTLE CLAIMS AGAINST THE ASSIGNMENT ESTATE.
- 9 11. ABANDON AN ASSIGNED ASSET.
- 10 12. SUBJECT TO SUBSECTIONS C AND E OF THIS SECTION, AVOID A
- 11 TRANSFER OR THE INCURRENCE OF AN OBLIGATION WHICH A CREDITOR THAT HAS
- 12 FILED A PROOF OF CLAIM COULD HAVE AVOIDED UNDER OTHER LAW IF THE
- 13 ASSIGNMENT HAD NOT BEEN MADE.
- 14 13. INVEST MONIES, SUBJECT TO APPLICABLE PRUDENT INVESTOR STANDARDS
- 15 UNDER OTHER LAW.
- 16 C. THE POWER UNDER SUBSECTION B, PARAGRAPH 12 OF THIS SECTION IS
- 17 EXCLUSIVE TO THE ASSIGNEE WITH RESPECT TO A CREDITOR THAT SUBMITS A PROOF
- 18 OF CLAIM. A RECOVERY BY THE ASSIGNEE IN THE EXERCISE OF THIS POWER MUST BE
- 19 FOR THE BENEFIT OF THE ASSIGNMENT ESTATE BUT MAY NOT EXCEED THE AMOUNT,
- 20 ASSET OR OTHER VALUE THE CREDITOR COULD HAVE OBTAINED BY THE AVOIDANCE.
- 21 D. FOR THE PURPOSE OF EXERCISING THE ASSIGNEE'S POWER UNDER
- 22 SUBSECTION B, PARAGRAPH 12 OF THIS SECTION, EXERCISING A VOIDABLE
- 23 TRANSACTION REMEDY, OR OTHERWISE ESTABLISHING THE PRIORITY OF THE
- 24 ASSIGNEE'S INTEREST, AN ASSIGNEE HAS A LIEN ON THE ASSIGNMENT ESTATE AND
- 25 THE STATUS OF:
- 26 1. A LIEN CREDITOR PRESCRIBED IN SECTION 47-9102, SUBSECTION A,
- 27 PARAGRAPH 52, SUBDIVISION (b) AS TO AN ASSET THAT IS A LEGAL OR EQUITABLE
- 28 INTEREST IN PERSONAL PROPERTY OR FIXTURES.
- 29 2. A BONA FIDE PURCHASER UNDER SECTION 33-416 AS TO AN ASSET THAT
- 30 IS A LEGAL OR EQUITABLE INTEREST IN REAL PROPERTY, OTHER THAN FIXTURES,
- 31 LOCATED IN THIS STATE.
- 32 3. A BONA FIDE PURCHASER UNDER THE LAW OF ANOTHER STATE AS TO AN
- 33 ASSET THAT IS A LEGAL OR EQUITABLE INTEREST IN REAL PROPERTY, OTHER THAN
- 34 FIXTURES, LOCATED IN THE OTHER STATE.
- 35 E. AN ASSIGNEE'S POWER UNDER SUBSECTION B, PARAGRAPH 12 OF THIS
- 36 SECTION TO AVOID A TRANSFER MADE BEFORE THE EFFECTIVE DATE OF THE
- 37 ASSIGNMENT AGREEMENT, UNDER OR IN CONNECTION WITH A SWAP AGREEMENT,
- 38 SECURITIES CONTRACT, COMMODITY CONTRACT, FORWARD CONTRACT, REPURCHASE
- 39 AGREEMENT OR MASTER NETTING AGREEMENT, IS LIMITED TO THE EXTENT A TRUSTEE
- 40 WOULD NOT HAVE THE POWER TO AVOID THE TRANSFER UNDER THE UNITED STATES
- 41 BANKRUPTCY CODE (11 UNITED STATES CODE SECTIONS 101 THROUGH 112).
- 42 F. AN ASSIGNEE SHALL EXERCISE THE POWERS UNDER THIS SECTION
- 43 CONSISTENT WITH THE ASSIGNEE'S FIDUCIARY DUTY UNDER SECTION 44-608,
- 44 SUBSECTION A.

1 44-610. Allowed claim

2 A. AN ASSIGNEE SHALL ALLOW A CREDITOR'S CLAIM IF:

3 1. THE CREDITOR SUBMITS A PROOF OF CLAIM IN COMPLIANCE WITH SECTION
4 44-612.

5 2. THE ASSIGNEE DOES NOT DISPUTE THE CLAIM UNDER SECTION 44-611
6 BEFORE FINAL DISTRIBUTION.

7 B. AN ASSIGNEE MAY EITHER:

8 1. ALLOW A CLAIM, PAY A KNOWN LIQUIDATED CLAIM OR ACCEPT A NOTICE
9 TO THE ASSIGNEE OF A CLAIM RECEIVED BY THE DATE ESTABLISHED BY THE
10 ASSIGNEE UNDER SECTION 44-608, SUBSECTION B, PARAGRAPH 6 EVEN IF THE
11 CREDITOR DOES NOT SUBMIT A PROOF OF CLAIM.

12 2. ALLOW AND PAY A CLAIM EVIDENCED BY A LATE-FILED PROOF OF CLAIM,
13 IF THE ASSIGNEE DETERMINES THERE IS A REASONABLE BASIS FOR EXCUSING THE
14 LATE FILING.

15 C. ANY UNSECURED PORTION OF AN ALLOWED CLAIM SHALL BE VALUED AS OF
16 THE EFFECTIVE DATE OF THE ASSIGNMENT AGREEMENT.

17 D. A CREDITOR'S CLAIM IS ALLOWED IF THE CREDITOR SUCCEEDS IN A
18 DISPUTE UNDER SECTION 44-611, SUBSECTION B.

19 E. SUBJECT TO SUBSECTION F OF THIS SECTION, AFTER EXPIRATION OF THE
20 TIME FOR SUBMITTING A PROOF OF CLAIM, THE ASSIGNEE SHALL CREATE A COMPLETE
21 LIST OF CREDITORS THAT HAVE SUBMITTED A PROOF OF CLAIM IN COMPLIANCE WITH
22 SECTION 44-612. FOR EACH CREDITOR'S CLAIM, THE LIST MUST STATE BOTH OF THE
23 FOLLOWING:

24 1. THE AMOUNT OF THE CLAIM, IF THE AMOUNT IS KNOWN TO THE ASSIGNEE.

25 2. WHETHER THE CLAIM IS SECURED OR UNSECURED AND, IF SECURED,
26 DESCRIBE THE COLLATERAL FOR THE CLAIM.

27 F. IF A CLASS OF CREDITORS WILL RECEIVE NO DISTRIBUTION ON ACCOUNT
28 OF ALLOWED CLAIMS, THE ASSIGNEE SHALL SEND A NOTICE IN A RECORD TO EACH
29 CREDITOR IN THAT CLASS THAT THE CREDITOR WILL RECEIVE NO DISTRIBUTION
30 INSTEAD OF THE LIST REQUIRED IN SUBSECTION E OF THIS SECTION.

31 G. IF REQUESTED BY A CREDITOR OR OTHER PARTY WITH AN INTEREST IN
32 THE ASSIGNMENT ESTATE, THE ASSIGNEE SHALL PROVIDE THE LIST CREATED UNDER
33 SUBSECTION E OF THIS SECTION TO THE PERSON MAKING THE REQUEST TO THE
34 EXTENT ALLOWED BY PRIVACY LAWS AND SUBJECT TO ANY PRIVACY SAFEGUARDS THE
35 ASSIGNEE DETERMINES IN THE ASSIGNEE'S BUSINESS JUDGMENT ARE REASONABLY
36 NECESSARY.

37 44-611. Disputed and disallowed claims

38 A. AN ASSIGNEE MAY DISPUTE A CREDITOR'S CLAIM BEFORE FINAL
39 DISTRIBUTION BY SENDING NOTIFICATION IN A RECORD STATING THE NATURE OF THE
40 ASSIGNEE'S DISPUTE TO THE CREDITOR.

41 B. IF A DISPUTE CANNOT BE RESOLVED CONSENSUALLY, THE ASSIGNEE MAY
42 COMMENCE A PROCEEDING UNDER SECTION 44-620 TO DISALLOW THE CLAIM. THE
43 ASSIGNEE MUST COMMENCE THE PROCEEDING BEFORE FINAL DISTRIBUTION UNDER
44 SECTION 44-614. IF THE PROCEEDING IS NOT FILED BEFORE FINAL DISTRIBUTION,
45 THE ASSIGNEE SHALL ALLOW THE CLAIM UNDER SECTION 44-610.

1 C. AN ASSIGNEE SHALL CREATE A DOLLAR-FOR-DOLLAR RESERVE FOR THE
2 ESTIMATED AMOUNT OF THE POTENTIAL DISTRIBUTION ON A DISPUTED CLAIM.

3 D. SUBJECT TO SUBSECTION B OF THIS SECTION, AN ASSIGNEE SHALL
4 DISALLOW A CLAIM FOR REIMBURSEMENT OR CONTRIBUTION OF A PERSON THAT IS
5 LIABLE WITH THE ASSIGNOR ON, OR THAT HAS SECURED, THE CLAIM, TO THE EXTENT
6 OF ANY OF THE FOLLOWING:

7 1. THE CLAIM AGAINST THE ASSIGNMENT ESTATE IS DISALLOWED.

8 2. THE CLAIM FOR REIMBURSEMENT OR CONTRIBUTION IS CONTINGENT AS OF
9 THE TIME OF ALLOWANCE OR DISALLOWANCE.

10 3. THE PERSON ASSERTS A RIGHT OF SUBROGATION TO THE RIGHTS OF A
11 CREDITOR.

12 E. A CLAIM FOR REIMBURSEMENT OR CONTRIBUTION OF A PERSON LIABLE
13 WITH THE ASSIGNOR ON, OR THAT HAS SECURED, THE CLAIM THAT BECOMES FIXED
14 AFTER THE EFFECTIVE DATE OF THE ASSIGNMENT AGREEMENT SHALL BE DETERMINED,
15 AND SHALL BE ALLOWED OR DISALLOWED, SUBJECT TO SUBSECTION B OF THIS
16 SECTION, AS IF THE CLAIM HAD BECOME FIXED BEFORE THE EFFECTIVE DATE OF THE
17 ASSIGNMENT AGREEMENT.

18 F. AN ASSIGNEE MAY RECONSIDER THE ASSIGNEE'S DECISION TO ALLOW OR
19 DISALLOW A CLAIM FOR CAUSE. IF A RECONSIDERED CLAIM IS ALLOWED UNDER
20 SECTION 44-610, BEFORE THE ASSIGNEE MAKES ADDITIONAL PAYMENTS OR TRANSFERS
21 TO OTHER CREDITORS THAT ARE EQUAL OR JUNIOR IN PRIORITY UNDER SECTION
22 44-614 TO THE RECONSIDERED CLAIM, THE CREDITOR WITH THE RECONSIDERED CLAIM
23 SHALL RECEIVE A PAYMENT OR TRANSFER IN AN AMOUNT PROPORTIONATE IN VALUE TO
24 THE PAYMENTS OR TRANSFERS ALREADY RECEIVED BY THE OTHER CREDITORS. THIS
25 SUBSECTION DOES NOT MODIFY THE ASSIGNEE'S RIGHT UNDER OTHER LAW TO RECOVER
26 FROM A CREDITOR AN EXCESS PAYMENT OR TRANSFER MADE TO THE CREDITOR. IF A
27 RECONSIDERED CLAIM IS DISALLOWED, THE ASSIGNEE SHALL COMPLY WITH
28 SUBSECTIONS B AND C OF THIS SECTION.

29 44-612. Proof of claim

30 A. A PROOF OF CLAIM MUST:

31 1. STATE THE NAME, ADDRESS AND OTHER CONTACT INFORMATION REASONABLY
32 NECESSARY TO COMMUNICATE WITH THE CREDITOR.

33 2. STATE THE AMOUNT OF THE CLAIM.

34 3. BRIEFLY STATE THE NATURE OF THE CLAIM.

35 4. IDENTIFY ANY ASSET OF THE ASSIGNMENT ESTATE SECURING THE CLAIM.

36 5. BE SIGNED BY THE CREDITOR UNDER PENALTY OF PERJURY.

37 6. INCLUDE A COPY OF A RECORD, IF ANY, ON WHICH THE CLAIM IS BASED.

38 7. BE SUBMITTED USING THE METHOD ESTABLISHED UNDER SECTION 44-608,
39 SUBSECTION B, PARAGRAPH 5.

40 8. BE SUBMITTED BY THE DATE ESTABLISHED BY THE ASSIGNEE UNDER
41 SECTION 44-608, SUBSECTION B, PARAGRAPH 6.

42 B. A PROOF OF CLAIM SUBMITTED IN COMPLIANCE WITH THIS SECTION IS
43 PRIMA FACIE EVIDENCE OF THE VALIDITY AND AMOUNT OF THE CLAIM.

44 C. THE SUBMISSION BY A CREDITOR OF A PROOF OF CLAIM IN COMPLIANCE
45 WITH THIS SECTION CONSTITUTES THE CREDITOR'S:

- 1 1. CONSENT TO THE JURISDICTION OF THE COURT UNDER SECTION 44-620.
2 2. ASSIGNMENT TO THE ASSIGNEE OF ANY RIGHT OF THE CREDITOR TO BRING
3 A VOIDABLE TRANSACTION ACTION RELATING TO THE CREDITOR'S CLAIM.
4 44-613. Rights of transferees
5 A. AN ASSIGNEE'S DISPOSITION OF AN ASSET:
6 1. TRANSFERS TO A TRANSFEREE FOR VALUE ALL OF THE ASSIGNEE'S RIGHTS
7 IN THE ASSET.
8 2. DISCHARGES THE ASSIGNEE'S LIEN AND, TO THE EXTENT THE ASSIGNMENT
9 CREATES A SECURITY INTEREST IN FAVOR OF THE ASSIGNEE, THE ASSIGNEE'S
10 SECURITY INTEREST.
11 3. DISCHARGES ANY SUBORDINATE SECURITY INTEREST OR OTHER LIEN
12 SUBORDINATE TO THE ASSIGNEE'S LIEN.
13 B. A TRANSFEREE THAT ACTS IN GOOD FAITH TAKES FREE OF THE RIGHTS
14 AND INTERESTS DESCRIBED IN SUBSECTION A OF THIS SECTION, EVEN IF THE
15 ASSIGNEE FAILS TO COMPLY WITH THIS CHAPTER OR THE REQUIREMENTS OF A
16 JUDICIAL PROCEEDING.
17 C. IF A TRANSFEREE DOES NOT TAKE FREE OF THE RIGHTS AND INTERESTS
18 DESCRIBED IN SUBSECTION A OF THIS SECTION, THE TRANSFEREE TAKES THE ASSET
19 SUBJECT TO ALL OF THE FOLLOWING:
20 1. THE ASSIGNEE'S RIGHTS IN THE ASSETS OF THE ASSIGNMENT ESTATE.
21 2. THE ASSIGNEE'S LIEN AND, IF APPLICABLE, SECURITY INTEREST.
22 3. ANY OTHER SECURITY INTEREST OR OTHER LIEN.
23 D. UNLESS OTHERWISE PROVIDED IN A RECORD, ANY WARRANTY ARISING BY
24 OPERATION OF OTHER LAW IS DISCLAIMED TO THE EXTENT PERMITTED BY OTHER LAW.
25 E. IF A SUBORDINATE SECURITY INTEREST OR OTHER LIEN IS DISCHARGED
26 UNDER THIS SECTION, THE ASSIGNEE MAY FILE A RECORD WITH THE OFFICIAL OR
27 OFFICE RESPONSIBLE FOR MAINTAINING AN OFFICIAL FILING, RECORDING,
28 REGISTRATION OR CERTIFICATE-OF-TITLE SYSTEM COVERING THE ASSET SECURED BY
29 THE SECURITY INTEREST OR OTHER LIEN. THE RECORD MUST STATE THAT THE
30 SECURITY INTEREST OR OTHER LIEN IS DISCHARGED AS A SUBORDINATE SECURITY
31 INTEREST OR OTHER LIEN IN CONNECTION WITH A DISPOSITION UNDER AN
32 ASSIGNMENT FOR THE BENEFIT OF CREDITORS OF THE ASSIGNOR WHOSE ASSET IS
33 SUBJECT TO THE SECURITY INTEREST OR OTHER LIEN.
34 44-614. Distributions; definition
35 A. EXCEPT AS PROVIDED IN SECTION 44-615, THE ASSIGNEE SHALL PAY
36 CLAIMS FROM THE ASSIGNMENT ESTATE ALLOWED UNDER SECTION 44-610 IN THE
37 ORDER OF PRIORITY STATED IN THIS SECTION.
38 B. UNLESS OTHERWISE AGREED BETWEEN THE ASSIGNEE AND A PROTECTED
39 SECURED CREDITOR, BEFORE DISTRIBUTIONS UNDER SUBSECTIONS C, D, E AND F OF
40 THIS SECTION AND IN ACCORDANCE WITH THE PRIORITIES OF CREDITORS WITH LIENS
41 UNDER OTHER LAW, THE PROTECTED SECURED CREDITOR SHALL RECEIVE THE ASSET OR
42 THE PROCEEDS FROM THE COLLECTION ON OR DISPOSITION OF THE ASSET TO THE
43 EXTENT OF THE VALUE OF THE PROTECTED SECURED CREDITOR'S INTEREST IN THE
44 ASSET, LESS THE ASSIGNEE'S REASONABLE AND NECESSARY EXPENSES OF PRESERVING
45 OR DISPOSING OF THE ASSET TO THE EXTENT THE EXPENSES BENEFIT THE PROTECTED

1 SECURED CREDITOR AND ARE INCURRED WITH THE PROTECTED SECURED CREDITOR'S
2 CONSENT OR ACQUIESCENCE. THE PROTECTED SECURED CREDITOR HAS AN UNSECURED
3 CLAIM UNDER SUBSECTION F, PARAGRAPH 2 OF THIS SECTION FOR THE AMOUNT OF
4 THE CLAIM THAT REMAINS AFTER DEDUCTING THE AMOUNT OR VALUE OF AN ASSET THE
5 PROTECTED SECURED CREDITOR RECEIVES UNDER THIS SUBSECTION. TO THE EXTENT
6 A CLAIM IS SECURED BY AN ASSET THE VALUE OF WHICH, AFTER THE DEDUCTIONS
7 PROVIDED UNDER THIS SUBSECTION, IS GREATER THAN THE AMOUNT OF THE CLAIM,
8 THE PROTECTED SECURED CREDITOR MAY RECEIVE INTEREST ON THE CLAIM AND ANY
9 REASONABLE FEES, COSTS OR CHARGES PROVIDED FOR UNDER THE AGREEMENT OR
10 OTHER LAW UNDER WHICH THE CLAIM AROSE.

11 C. AFTER THE DISTRIBUTIONS UNDER SUBSECTION B OF THIS SECTION, THE
12 ASSIGNEE SHALL PAY THE NECESSARY COSTS OF THE ADMINISTRATION OF THE
13 ASSIGNMENT ESTATE. THE COSTS INCLUDE:

14 1. FEES AND REIMBURSEMENTS OF THE EXPENSES OF THE ASSIGNEE AND ANY
15 PROFESSIONALS ENGAGED BY THE ASSIGNEE.

16 2. POST-ASSIGNMENT TAXES INCURRED BY THE ASSIGNEE.

17 3. POST-ASSIGNMENT RENT INCURRED BY THE ASSIGNEE IN OCCUPYING
18 PREMISES ON WHICH ASSETS OF THE ASSIGNMENT ESTATE ARE LOCATED OR THE
19 BUSINESS OF THE ASSIGNOR IS CONDUCTED.

20 4. POST-ASSIGNMENT LEASE PAYMENTS INCURRED BY THE ASSIGNEE IN
21 RENTING PERSONAL PROPERTY USED IN THE BUSINESS OF THE ASSIGNOR.

22 5. AMOUNTS REQUIRED TO BE PAID UNDER THE ASSIGNMENT AGREEMENT FOR
23 EXPENSES OF WINDING UP THE ASSIGNMENT UNDER SECTION 44-618.

24 D. AFTER THE DISTRIBUTIONS UNDER SUBSECTIONS B AND C OF THIS
25 SECTION, THE ASSIGNEE SHALL PAY CLAIMS ENTITLED TO PRIORITY UNDER FEDERAL
26 LAW, INCLUDING UNDER 31 UNITED STATES CODE SECTION 3713, FROM THE
27 ASSIGNMENT ESTATE.

28 E. AFTER THE DISTRIBUTIONS UNDER SUBSECTIONS B, C AND D OF THIS
29 SECTION, THE ASSIGNEE SHALL PAY CLAIMS FROM THE ASSIGNMENT ESTATE FOR
30 WAGES, SALARIES OR COMMISSIONS EARNED NOT MORE THAN ONE HUNDRED EIGHTY
31 DAYS BEFORE THE EARLIER OF THE EFFECTIVE DATE OF THE ASSIGNMENT AGREEMENT
32 OR THE CESSATION OF THE ASSIGNOR'S BUSINESS. PAYMENT SHALL BE LIMITED TO
33 THE GREATER OF EITHER OF THE FOLLOWING:

34 1. THE AMOUNT OF THE CLAIM ALLOWED AS A PRIORITY CLAIM AHEAD OF
35 CLAIMS OF OTHER UNSECURED CREDITORS UNDER THE UNITED STATES BANKRUPTCY
36 CODE (11 UNITED STATES CODE SECTIONS 101 THROUGH 112).

37 2. THE AMOUNT ALLOWED AS A PRIORITY CLAIM AHEAD OF CLAIMS OF OTHER
38 UNSECURED CREDITORS UNDER APPLICABLE NON-BANKRUPTCY LAW.

39 F. AFTER THE DISTRIBUTIONS UNDER SUBSECTIONS B, C, D AND E OF THIS
40 SECTION, EACH CREDITOR SHALL RECEIVE A DISTRIBUTION OF THE ASSETS OF THE
41 ASSIGNMENT ESTATE IN THE FOLLOWING ORDER OF PRIORITY:

42 1. UNSECURED CLAIMS ENTITLED TO PRIORITY AHEAD OF CLAIMS OF OTHER
43 UNSECURED CREDITORS UNDER OTHER LAW.

44 2. UNSECURED CLAIMS NOT ENTITLED TO PRIORITY.

1 G. IF THE ASSETS AVAILABLE FOR DISTRIBUTION TO CLAIMS WITH EQUAL
2 PRIORITY UNDER SUBSECTION F OF THIS SECTION ARE INSUFFICIENT TO PAY THE
3 TOTAL AMOUNT OF THE CLAIMS WITH THAT PRIORITY, EACH CREDITOR WITH A CLAIM
4 WITH THAT PRIORITY SHALL RECEIVE A PRO RATA DISTRIBUTION OF THE AVAILABLE
5 ASSETS BASED ON THE PROPORTION THE AMOUNT OF THE CREDITOR'S CLAIM BEARS TO
6 THE TOTAL AMOUNT OF THE CLAIMS WITH THAT PRIORITY.

7 H. IF THE CLAIMS ENTITLED TO THE DISTRIBUTION UNDER SUBSECTIONS B,
8 C, D, E AND F OF THIS SECTION ARE PAID IN FULL, THE RESIDUE SHALL BE
9 DISTRIBUTED TO ALLOWED CLAIMS EVIDENCED BY A LATE-FILED PROOF OF CLAIM,
10 OTHER THAN A LATE-FILED CLAIM ALLOWED BY THE ASSIGNEE UNDER SECTION
11 44-610, SUBSECTION B, PARAGRAPH 2, AND, AFTER THE ALLOWED CLAIMS EVIDENCED
12 BY A LATE-FILED PROOF OF CLAIM HAVE BEEN PAID IN FULL, AS PROVIDED IN THE
13 ASSIGNMENT AGREEMENT.

14 I. AN ASSIGNEE MAY MAKE INTERIM DISTRIBUTIONS AFTER CONSIDERING
15 FUTURE EXPENSES AND THE RESERVES FOR DISPUTED CLAIMS ESTABLISHED UNDER
16 SECTION 44-611, SUBSECTION C.

17 J. FOR THE PURPOSES OF THIS SECTION, "PROTECTED SECURED CREDITOR"
18 MEANS A SECURED CREDITOR WHOSE LIEN:

19 1. IS A PERFECTED LIEN.

20 2. CANNOT BE AVOIDED BY THE ASSIGNEE UNDER SECTION 44-609,
21 SUBSECTION B, PARAGRAPH 12.

22 3. IS NOT SUBORDINATE TO THE ASSIGNEE'S LIEN.

23 44-615. Claim subordination

24 A. A SUBORDINATION AGREEMENT IS ENFORCEABLE UNDER THIS CHAPTER TO
25 THE SAME EXTENT THE AGREEMENT IS ENFORCEABLE UNDER OTHER LAW.

26 B. SUBJECT TO SUBSECTION C OF THIS SECTION, THE FOLLOWING CLAIMS
27 ARE SUBORDINATE TO A CLAIM OR INTEREST THAT IS SENIOR OR EQUAL IN PRIORITY
28 TO A CLAIM OR INTEREST REPRESENTED BY A SECURITY OR OTHER EQUITY INTEREST
29 IN THE ASSIGNOR OR AN AFFILIATE OF THE ASSIGNOR:

30 1. A CLAIM ARISING FROM RESCISSION OF A PURCHASE OR SALE OF THE
31 SECURITY OR OTHER EQUITY INTEREST.

32 2. A CLAIM FOR DAMAGES ARISING FROM THE PURCHASE OR SALE OF THE
33 SECURITY OR OTHER EQUITY INTEREST.

34 3. A CLAIM FOR REIMBURSEMENT OR CONTRIBUTION ALLOWED ON ACCOUNT OF
35 THE RESCISSION OR DAMAGE CLAIM.

36 C. IF THE SECURITY IS COMMON STOCK OR ANOTHER COMMON EQUITY
37 INTEREST, A CLAIM SUBJECT TO SUBORDINATION UNDER SUBSECTION B OF THIS
38 SECTION HAS THE SAME PRIORITY AS COMMON STOCK OR ANOTHER COMMON EQUITY
39 INTEREST.

40 44-616. Liability

41 A. AN ASSIGNOR IS NOT PERSONALLY LIABLE FOR AN ACT OR OMISSION BY
42 THE ASSIGNEE.

43 B. AN ASSIGNEE IS NOT PERSONALLY LIABLE FOR AN ACT OR OMISSION BY
44 THE ASSIGNOR.

1 C. A REPRESENTATIVE DESIGNATED BY AN ASSIGNOR UNDER SECTION 44-607,
2 SUBSECTION B, PARAGRAPH 4 IS EXCULPATED TO THE SAME EXTENT AS A PERSON
3 ACTING ON BEHALF OF THE ASSIGNOR UNDER OTHER LAW HAD THERE BEEN NO
4 ASSIGNMENT, EXCEPT FOR AN ACT OR OMISSION RESULTING FROM THE
5 REPRESENTATIVE'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT.

6 D. A TERM OF AN ASSIGNMENT AGREEMENT RELIEVING THE ASSIGNEE OF
7 LIABILITY IS UNENFORCEABLE TO THE EXTENT THE AGREEMENT RELIEVES THE
8 ASSIGNEE OF LIABILITY FOR AN ACT OR OMISSION COMMITTED IN BAD FAITH OR
9 WITH RECKLESS INDIFFERENCE TO THE PURPOSES OF THE ASSIGNMENT OR THE
10 INTERESTS OF THE CREDITORS OF THE ASSIGNMENT ESTATE.

11 E. EXCEPT AS PROVIDED IN SUBSECTION F OF THIS SECTION, AN ASSIGNEE
12 IS PERSONALLY LIABLE FOR BREACH OF A FIDUCIARY DUTY UNDER SECTION 44-608,
13 SUBSECTION A. IF THE ASSIGNEE IS LIABLE, BOTH OF THE FOLLOWING APPLY:

14 1. THE ASSIGNEE IS PERSONALLY LIABLE TO A CREDITOR FOR AN
15 INDIVIDUALIZED HARM TO THE CREDITOR IF THE HARM IS NOT SHARED BY ALL
16 CREDITORS OR A CLASS OF CREDITORS.

17 2. THE ASSIGNEE IS PERSONALLY LIABLE TO THE ASSIGNMENT ESTATE FOR A
18 HARM SHARED BY ALL CREDITORS OR A CLASS OF CREDITORS.

19 F. AN ASSIGNEE IS NOT LIABLE IF, IN THE PERFORMANCE OF THE
20 ASSIGNEE'S DUTIES AND EXERCISE OF THE ASSIGNEE'S POWERS, THE ASSIGNEE
21 RELIES IN GOOD FAITH ON ANY OF THE FOLLOWING:

22 1. A RECORD OF THE ASSIGNOR.

23 2. INFORMATION, AN OPINION, A REPORT OR A STATEMENT PRESENTED TO
24 THE ASSIGNEE BY THE ASSIGNOR'S OFFICER OR EMPLOYEE, A COMMITTEE OF THE
25 ASSIGNOR'S BOARD OF DIRECTORS, AN INDEPENDENT DIRECTOR OR MANAGER OF THE
26 ASSIGNOR OR ANOTHER REPRESENTATIVE OF THE ASSIGNOR.

27 3. INFORMATION, AN OPINION, A REPORT OR A STATEMENT PRESENTED TO
28 THE ASSIGNEE BY ANOTHER PERSON THAT HAS BEEN SELECTED WITH REASONABLE CARE
29 BY OR ON BEHALF OF THE ASSIGNEE AS TO A MATTER THE ASSIGNEE REASONABLY
30 BELIEVES IS WITHIN THE OTHER PERSON'S PROFESSIONAL OR EXPERT COMPETENCE.

31 44-617. Assignee removal; successor assignee

32 A. THE ASSIGNOR OR A CREDITOR MAY REQUEST A COURT OF COMPETENT
33 JURISDICTION IN THIS STATE TO REMOVE THE ASSIGNEE, IF THE ASSIGNOR OR
34 CREDITOR HAS A REASONABLE BELIEF THAT GROUNDS FOR REMOVAL EXIST UNDER
35 SUBSECTION B OF THIS SECTION.

36 B. AFTER A REQUEST UNDER SUBSECTION A OF THIS SECTION OR ON THE
37 COURT'S INITIATIVE IN AN ACTION PENDING BEFORE THE COURT UNDER SECTION
38 44-620, THE COURT MAY REMOVE AN ASSIGNEE EITHER:

39 1. FOR CAUSE, INCLUDING THE ASSIGNEE'S FRAUD, DISHONESTY,
40 INCOMPETENCE, GROSS MISMANAGEMENT OR FAILURE TO COMPLY WITH THIS CHAPTER.

41 2. IF REMOVAL OF THE ASSIGNEE BEST SERVES THE INTERESTS OF THE
42 CREDITORS.

43 C. AFTER AN ASSIGNEE RESIGNS, OR IS REMOVED, DIES, OR BECOMES
44 INCAPACITATED, A SUCCESSOR ASSIGNEE PROVIDED FOR IN THE ASSIGNMENT
45 AGREEMENT BECOMES THE ASSIGNEE, UNLESS THE SUCCESSOR ASSIGNEE IS NOT

1 ELIGIBLE TO BE AN ASSIGNEE UNDER SECTION 44-603, SUBSECTION A OR IS
2 SUBJECT TO REMOVAL UNDER SUBSECTION B OF THIS SECTION. A COURT SHALL
3 APPOINT A SUCCESSOR ASSIGNEE IF EITHER:

4 1. THE ASSIGNMENT AGREEMENT DOES NOT PROVIDE FOR A SUCCESSOR
5 ASSIGNEE.

6 2. THE SUCCESSOR ASSIGNEE PROVIDED FOR IN THE ASSIGNMENT AGREEMENT
7 IS INELIGIBLE TO BE AN ASSIGNEE UNDER SECTION 44-603, SUBSECTION A OR IS
8 SUBJECT TO REMOVAL UNDER SUBSECTION B OF THIS SECTION.

9 D. EXCEPT AS PROVIDED IN SECTION 44-616, AN ASSIGNEE WHO RESIGNS,
10 OR IS REMOVED, DIES, OR BECOMES INCAPACITATED, IS DISCHARGED FROM THE
11 ASSIGNEE'S DUTIES UNDER THIS CHAPTER WHEN THE ASSIGNEE, OR A
12 REPRESENTATIVE OF A DECEASED OR INCAPACITATED ASSIGNEE:

13 1. ACCOUNTS FOR AND TURNS OVER TO THE SUCCESSOR ASSIGNEE ALL ASSETS
14 OF THE ASSIGNMENT ESTATE.

15 2. SUBMITS TO CREDITORS A REPORT SUMMARIZING THE RECEIPTS AND
16 DISBURSEMENTS MADE DURING THE SERVICE OF THE ASSIGNEE.

17 E. SUBJECT TO AN APPLICABLE PRIVILEGE, A COURT MAY ORDER AN
18 ATTORNEY, ACCOUNTANT OR OTHER PERSON THAT HAS INFORMATION IN A RECORD
19 RELATING TO THE ASSIGNMENT ESTATE OR THE ASSIGNOR'S FINANCIAL AFFAIRS TO
20 TURN OVER OR DISCLOSE THE RECORD TO THE SUCCESSOR ASSIGNEE.

21 44-618. Winding up

22 A. ON COMPLETION OF AN ASSIGNEE'S DUTIES, THE ASSIGNEE SHALL SEND A
23 CREDITOR WHOSE CLAIM IS ALLOWED UNDER SECTION 44-610, AND NOT SATISFIED IN
24 FULL, A FINAL ACCOUNTING SUFFICIENT TO INFORM THE CREDITOR OF ALL MATERIAL
25 ASPECTS OF THE ASSIGNMENT, INCLUDING:

26 1. A DESCRIPTION OF THE ACTIONS TAKEN BY THE ASSIGNEE UNDER THE
27 ASSIGNMENT.

28 2. A SUMMARY OF THE ASSETS RECEIVED BY THE ASSIGNEE AT THE
29 COMMENCEMENT OF THE ASSIGNMENT AND THE ASSETS RECEIVED BY THE ASSIGNEE
30 DURING THE ASSIGNMENT.

31 3. A SUMMARY OF DISBURSEMENTS MADE BY THE ASSIGNEE DURING THE
32 ASSIGNMENT FOR THE PURPOSE OF ADMINISTERING THE ASSIGNMENT ESTATE,
33 INCLUDING THE FEES CHARGED BY THE ASSIGNEE, AND PAYMENTS TO PROFESSIONALS,
34 FOR RENT AND FOR BUSINESS PURCHASES.

35 4. A SUMMARY OF COLLECTIONS AND DISPOSITIONS OF ASSETS BY THE
36 ASSIGNEE.

37 5. A SUMMARY OF DISTRIBUTIONS MADE OR PROPOSED TO BE MADE BY THE
38 ASSIGNEE FOR CREDITOR CLAIMS.

39 6. A DESCRIPTION OF ADDITIONAL WORK TO BE DONE BY THE ASSIGNEE TO
40 COMPLETE THE ADMINISTRATION OF THE ASSIGNMENT ESTATE AND THE DISTRIBUTIONS
41 UNDER SECTION 44-614.

42 7. OTHER INFORMATION CONSIDERED REASONABLY NECESSARY BY THE
43 ASSIGNEE.

44 B. EXCEPT AS OTHERWISE PROVIDED IN THE FINAL ACCOUNTING OR IF THE
45 ASSIGNEE HAS NOT FULFILLED THE ASSIGNEE'S DUTIES UNDER THIS CHAPTER, THE

1 ASSIGNEE IS DISCHARGED FROM THE ASSIGNEE'S DUTIES UNDER THIS CHAPTER WHEN
2 THE ASSIGNEE SENDS THE FINAL ACCOUNTING AND DISTRIBUTES ALL THE ASSETS OF
3 THE ASSIGNMENT ESTATE.

4 C. IF THE FINAL ACCOUNTING DESCRIBES ADDITIONAL WORK UNDER
5 SUBSECTION A, PARAGRAPH 6 OF THIS SECTION, THE ASSIGNEE SHALL EXERCISE THE
6 POWERS APPROPRIATE TO COMPLETE THE WORK.

7 44-619. Interstate matters

8 A. SUBJECT TO SUBSECTION B OF THIS SECTION, AN ASSIGNMENT MADE
9 UNDER THE LAW OF ANOTHER STATE MUST BE RECOGNIZED AND ENFORCED ON AN ISSUE
10 IF THE RESULT FOR THE ISSUE WOULD BE SUBSTANTIALLY SIMILAR TO THE RESULT
11 FOR THE ISSUE IF THE ASSIGNMENT HAD BEEN MADE UNDER THIS CHAPTER.

12 B. IF A CLAIM FOR WAGES, SALARIES OR COMMISSIONS OR A CLAIM OF A
13 GOVERNMENTAL UNIT EXISTS IN ANOTHER STATE, FOR THE PURPOSE OF DETERMINING
14 THE PRIORITY OF THE CLAIM UNDER SECTION 44-614, SUBSECTION E, PARAGRAPH 2,
15 THE ASSIGNEE SHALL USE THE AMOUNT ASSERTED OR DETERMINED UNDER THE LAW OF
16 THE OTHER STATE.

17 C. IF AN ASSIGNEE DETERMINES THAT A CREDITOR SHOULD RECEIVE THE
18 TREATMENT THE CREDITOR WOULD RECEIVE UNDER AN ASSIGNMENT MADE UNDER THE
19 LAW OF ANOTHER STATE, THE ASSIGNEE MAY TREAT THE CREDITOR AS THE CREDITOR
20 WOULD BE TREATED IN THE OTHER STATE.

21 44-620. Court action

22 A. A COURT OF COMPETENT JURISDICTION IN THIS STATE MAY HEAR AND
23 RESOLVE A MATTER INVOLVING THE ADMINISTRATION OF AN ASSIGNMENT OR THE
24 EXERCISE OF AN ASSIGNEE'S POWERS AND DUTIES, INCLUDING A REQUEST FOR
25 INSTRUCTIONS OR APPROVAL OR TO DECLARE RIGHTS.

26 B. WITHOUT LIMITING THE RIGHTS OF THE ASSIGNEE OR A CREDITOR OR
27 OTHER INTERESTED PERSON TO REQUEST THE COURT TO HEAR OR RESOLVE A MATTER
28 UNDER SUBSECTION A OF THIS SECTION, ON REQUEST OF THE ASSIGNEE, THE COURT
29 MAY ISSUE AN ORDER RELATING TO THE ADMINISTRATION OF THE ASSIGNMENT OR THE
30 EXERCISE OF THE ASSIGNEE'S POWERS AND DUTIES, INCLUDING AN ORDER FOR
31 DISPOSITION OF AN ASSET OR THE INCURRENCE OF AN OBLIGATION.

32 C. ACCEPTANCE OF THE ASSIGNMENT BY THE ASSIGNEE CONSTITUTES THE
33 ASSIGNEE'S CONSENT TO THE JURISDICTION OF THE COURT.

34 44-621. Ancillary assignee

35 A. EXCEPT AS PROVIDED IN OTHER LAWS OF THIS STATE GOVERNING A
36 PERSON FROM ANOTHER STATE SERVING AS A FIDUCIARY IN THIS STATE, A COURT OF
37 COMPETENT JURISDICTION IN THIS STATE MAY APPOINT A PERSON SERVING AS AN
38 ASSIGNEE IN AN ASSIGNMENT IN ANOTHER STATE, OR THE PERSON'S NOMINEE, AS AN
39 ANCILLARY ASSIGNEE RELATING TO ASSIGNED ASSETS LOCATED IN THIS STATE OR
40 SUBJECT TO THE JURISDICTION OF A COURT IN THIS STATE, IF BOTH:

41 1. THE PERSON OR NOMINEE WOULD BE ELIGIBLE TO SERVE AS AN ASSIGNEE
42 UNDER SECTION 44-603.

43 2. THE APPOINTMENT FURTHERS THE PERSON'S POSSESSION, CUSTODY,
44 CONTROL OR DISPOSITION OF AN ASSIGNED ASSET UNDER THE ASSIGNMENT IN THE
45 OTHER STATE.

1 B. THE COURT MAY ISSUE AN ORDER THAT IMPLEMENTS AN ORDER ENTERED IN
2 ANOTHER STATE APPOINTING OR DIRECTING AN ASSIGNEE OR OTHERWISE CONCERNING
3 AN ASSIGNMENT IN THE OTHER STATE.

4 C. UNLESS THE COURT ORDERS OTHERWISE, AN ANCILLARY ASSIGNEE
5 APPOINTED UNDER SUBSECTION A OF THIS SECTION HAS THE RIGHTS, POWERS AND
6 DUTIES OF AN ASSIGNEE APPOINTED UNDER THIS CHAPTER.

7 D. ON NOTIFICATION IN A RECORD BY AN ANCILLARY ASSIGNEE APPOINTED
8 PURSUANT TO SUBSECTION A OF THIS SECTION, A PERSON IN POSSESSION, CUSTODY
9 OR CONTROL OF AN ASSIGNED ASSET IN THIS STATE, OTHER THAN A CREDITOR
10 HOLDING A LIEN OR A RIGHT OF SETOFF OR RECOUPMENT RELATING TO THE ASSET,
11 SHALL TURN OVER THE ASSET TO THE ANCILLARY ASSIGNEE.

12 44-622. Provisions variable by agreement

13 A. EXCEPT AS PROVIDED IN THIS SECTION AND SECTION 44-609,
14 SUBSECTION B, THE PROVISIONS OF THIS CHAPTER MAY NOT BE VARIED BY
15 AGREEMENT.

16 B. THE DUTIES UNDER SECTION 44-607, SUBSECTION A AND SECTION
17 44-608, SUBSECTION A MAY NOT BE DISCLAIMED BY AGREEMENT. AN ASSIGNOR AND
18 THE ASSIGNEE MAY DETERMINE BY AGREEMENT THE STANDARDS MEASURING THE
19 FULFILLMENT OF THE DUTIES OF THE ASSIGNOR UNDER SECTION 44-607 AND THE
20 ASSIGNEE UNDER SECTION 44-608 IF THE STANDARDS ARE NOT MANIFESTLY
21 UNREASONABLE.

22 C. EXCEPT AS PROVIDED IN SECTION 44-616, SUBSECTION D, THE
23 ASSIGNMENT AGREEMENT MAY LIMIT THE ASSIGNEE'S LIABILITY UNDER SECTION
24 44-616 AND MAY REQUIRE THE ASSIGNEE BE INDEMNIFIED BY THE ASSIGNMENT
25 ESTATE.

26 D. EXCEPT AS PROVIDED UNDER SECTION 44-606, SUBSECTION A, WHENEVER
27 THIS CHAPTER REQUIRES AN ACTION TO BE TAKEN WITHIN A REASONABLE TIME, A
28 TIME NOT MANIFESTLY UNREASONABLE MAY BE FIXED BY AGREEMENT.

29 E. THE ASSIGNMENT AGREEMENT MAY PROVIDE FOR DUTIES OF THE ASSIGNEE
30 IN ADDITION TO THOSE IN THIS CHAPTER.

31 44-623. Uniformity of application and construction

32 IN APPLYING AND CONSTRUING THIS CHAPTER, A COURT SHALL CONSIDER THE
33 PROMOTION OF UNIFORMITY OF THE LAWS AMONG STATES THAT ENACT IT.

34 44-624. Relation to electronic signatures in global and
35 national commerce act

36 THIS CHAPTER MODIFIES, LIMITS OR SUPERSEDES THE ELECTRONIC
37 SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT (15 UNITED STATES CODE
38 SECTIONS 7001 THROUGH 7031) BUT DOES NOT MODIFY, LIMIT OR SUPERSEDE 15
39 UNITED STATES CODE SECTION 7001(c), OR AUTHORIZE ELECTRONIC DELIVERY OF
40 ANY OF THE NOTICES DESCRIBED IN 15 UNITED STATES CODE SECTION 7003(b).

41 44-625. Transitional provision

42 THIS CHAPTER APPLIES TO AN ASSIGNMENT MADE ON OR AFTER THE EFFECTIVE
43 DATE OF THIS CHAPTER.

S.B. 1252

APPROVED BY THE GOVERNOR APRIL 9, 2026.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 9, 2026.