

MOST COMMON UCC FILING MYTHS - **BUSTED!**



MYTH 1

"I'll always be behind the bank."

Bank relationships change (*like refinancing*).

You may find you need to subordinate to a bank, but you will still remain ahead of other secured creditors.



MYTH 2

"My customer's bank won't let them sign it."

The bank should not have a problem with you being a secured creditor.

The bank may ask you to subordinate, but they shouldn't take issue with your security interest.

UCC Filing Facts

UCC filings allow creditors to secure accounts receivable, inventory, or equipment by leveraging their customer's assets as collateral.

A UCC filing, also known as a UCC Financing Statement or UCC-1, is a document filed with the Secretary of State.

The UCC serves as a public notice of your legal claim to certain collateral owned by your customer, protecting you if your customer doesn't pay.

In 2024 Chapter 11 bankruptcies, **secured creditors recovered approximately 98% of their claims** -- that's 77% more than the unsecured creditors.

Our holistic and cost-effective UCC filing programs will reduce your DSO, improve your cash flow, and afford you the right to repossess your inventory or equipment.

We are UCC experts and we will help you implement a full service UCC Filing Program.

Need help with a single filing? We do that too!

**CONTACT US NOW
TO GET STARTED!**



MYTH 3

"It'll hurt my customer's credit."

UCC filings do not impair your debtor's credit rating.

The filings will appear on the credit report, but simply to provide confirmation that another creditor has a secured position or that you pledged collateral for trade credit.



MYTH 4

"My customer will leave me."

Are you certain your competitors aren't filing UCCs or, at the very least, including security language in their agreements?

Company's file UCCs, and it's a normal aspect of doing business.



MYTH 5

"It's not worth the hassle."

A nominal fee could save you hundreds of thousands of dollars in the event your debtor defaults.

It may seem like a hassle to you, but to us it's second nature - filing UCCs and ensuring you're a secured creditor is what we do best!