

§ 25-9-314. Perfection by control.

(a) Perfection by control. – A security interest in investment property, deposit accounts, letter-of-credit rights, electronic chattel paper, or electronic documents may be perfected by control of the collateral under G.S. 25-7-106, 25-9-104, 25-9-105, 25-9-106, or 25-9-107.

(b) Specified collateral: time of perfection by control; continuation of perfection. – A security interest in deposit accounts, electronic chattel paper, letter-of-credit rights, or electronic documents is perfected by control under G.S. 25-7-106, 25-9-104, 25-9-105, or 25-9-107 when the secured party obtains control and remains perfected by control only while the secured party retains control.

(c) Investment property: time of perfection by control; continuation of perfection. – A security interest in investment property is perfected by control under G.S. 25-9-106 from the time the secured party obtains control and remains perfected by control until:

- (1) The secured party does not have control; and
- (2) One of the following occurs:
 - a. If the collateral is a certificated security, the debtor has or acquires possession of the security certificate;
 - b. If the collateral is an uncertificated security, the issuer has registered or registers the debtor as the registered owner; or
 - c. If the collateral is a security entitlement, the debtor is or becomes the entitlement holder. (1997-181, s. 5; 2000-169, s. 1; 2006-112, s. 52.)