

ALERT: PERSONAL PROPERTY SECURITIES ACT 2009

Migration of Security Interests

The migration of security interests from transitional registers started on **21 November 2011**.

From this date, data will be transferred, or migrated, from the transitional registers of a Commonwealth, State or Territory in relation to personal property to the Personal Property Securities Register (**PPS Reg**). The registers include such registers as the ASIC Register of Company Charges, and the Australian Shipping Register and REVS.

The migration is of transitional security agreements. These are security agreements (e.g. fixed and floating charges) that are in force immediately before the commencement of operation of the PPS Reg and will continue in force after the commencement of operation of the PPS Reg.

Some of the data that will be transferred will have defects because the information will not comply with the information on a Financing Statement. A Financing Statement is the online form which contains all the information that will need to be completed when the PPS Reg is operational. The PPSA permits the Registrar to cure relevant defects arising from the migration of this data. However, the absence of required information (such as serial numbers) may have consequences and secured parties should take the opportunity as soon as practicable to check security interests that have been migrated to the PPS Reg. A migrated registration is temporarily unaffected by a defect for the period starting at the registration time and ending either at an end time stated in the financing statement or, if no end time is stated, 60 months after the commencement time (section 337(4)).

If there is a seriously misleading defect in any data the registration may be held ineffective.

The PPS Reg will commence operation on **Monday 30 January 2012**. The PPS Reg will be found on the Australian Government Insolvency and Trustee Service Australia (ITSA) at www.itsa.gov.au. If you anticipate that you will be a frequent user of the PPS Reg, ITSA has an application for credit on its website together with its Terms and Conditions.

For further assistance please:

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