

§ 25-12-104. Rights in controllable account, controllable electronic record, and controllable payment intangible.

(a) **Applicability of Section to Controllable Account and Controllable Payment Intangible.** – This section applies to the acquisition and purchase of rights in a controllable account or controllable payment intangible, including the rights and benefits under subsections (c), (d), (e), (g), and (h) of this section of a purchaser and qualifying purchaser, in the same manner this section applies to a controllable electronic record.

(b) **Control of Controllable Account and Controllable Payment Intangible.** - To determine whether a purchaser of a controllable account or a controllable payment intangible is a qualifying purchaser, the purchaser obtains control of the account or payment intangible if it obtains control of the controllable electronic record that evidences the account or payment intangible.

(c) **Applicability of Other Law to Acquisition of Rights.** – Except as provided in this section, law other than this Article determines whether a person acquires a right in a controllable electronic record and the right the person acquires.

(d) **Shelter Principle and Purchase of Limited Interest.** – A purchaser of a controllable electronic record acquires all rights in the controllable electronic record that the transferor had or had power to transfer, except that a purchaser of a limited interest in a controllable electronic record acquires rights only to the extent of the interest purchased.

(e) **Rights of Qualifying Purchaser.** – A qualifying purchaser acquires its rights in the controllable electronic record free of a claim of a property right in the controllable electronic record.

(f) **Limitation of Rights of Qualifying Purchaser in Other Property.** – Except as provided in subsections (a) and (e) of this section for a controllable account and a controllable payment intangible or law other than this Article, a qualifying purchaser takes a right to payment, right to performance, or other interest in property evidenced by the controllable electronic record subject to a claim of a property right in the right to payment, right to performance, or other interest in property.

(g) **No-Action Protection for Qualifying Purchaser.** – An action shall not be asserted against a qualifying purchaser based on both a purchase by the qualifying purchaser of a controllable electronic record and a claim of a property right in another controllable electronic record, whether the action is framed in conversion, replevin, constructive trust, equitable lien, or other theory.

(h) **Filing Not Notice.** – Filing of a financing statement under Article 9 of this Chapter is not notice of a claim of a property right in a controllable electronic record. (2025-25, s. 57.)