

ALERT

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ENHANCING SUCCESS

PPSR GRACE PERIOD ENDING ON 31 JANUARY 2017 10 JANUARY 2017

The *Personal Property Securities Act 2009* (Cth) established a single national electronic database of personal property security interests, called the Personal Property and Securities Register (**PPSR**). Security interests over personal property registered on pre-existing public registers were automatically migrated to the PPSR on 30 January 2012.

A significant number of the migrated registrations contain defects and errors.

Under transitional provisions, a five year grace period operated to ensure the effectiveness of migrated security interest registrations (despite any defects) and to allow secured parties to rectify defects with their registrations on the PPSR. This transitional period ends on 31 January 2017.

What does this mean for you?

Any defects and omissions (including interests migrated without an end date) in registrations appearing on the PPSR may affect the enforceability and priority of a registered security interest.

If you are a secured party, you will need to review and make any required changes to your migrated security interests prior to 31 January 2017 to ensure that your interests are protected and that you maintain the highest priority possible.

What should you do?

Before 31 January 2017, you should carefully review your migrated registrations to ensure that the registrations are up to date, have an end date and contain all the required information to be effective. Reports on registrations held by a secured party are available on the PPSR website www.ppsr.gov.au.

If you have not done so already, you will need to create a "secured party group" on the PPSR in order to find and claim any migrated interests before you are able to review and, if necessary, amend registrations.

We recommend that you take this opportunity to carefully review both migrated and other registered security interests. It is also a good time to decide whether you (your team) require further training and advice on the PPSR and related matters.

We can assist with all aspects of the PPSR, including:

- establishing a secured party group and finding and claiming migrated interests;
- reviewing, amending and discharging registered security interests;
- providing practical training for staff regularly using the PPSR;
- reviewing or drafting security and other documentation required to protect your security interests under the regime; and
- advising on recovery of security property and enforcement action.

Should you have any queries in relation to this Alert please contact:

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