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## DRAFTING COMMITTEE

### PROPOSAL (submitted by the Delegation of the United States of America)

### PRELIMINARY DRAFT UNIDROIT CONVENTION ON INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT

#### *Article 1*

##### *Defined terms*

1. - In this Convention the following words are employed with the meanings set out below:

“agreement” means a security agreement, a title reservation agreement or a leasing agreement;

“applicable” law means the law applicable by virtue of the rules of private international law;

“assignment” means a consensual transfer, whether by way of security or otherwise, which confers on the assignee rights in the international interest;

“associated rights” means all rights to payment or other performance by the obligor under an agreement or a contract of sale secured by or associated with the an object;

“buyer” means a buyer under a contract of sale;

“chargee” means the grantee of an interest in an object under a security agreement;

“chargor” means the grantor of an interest in an object under a security agreement;

“conditional buyer” means the buyer under a title reservation agreement;

“conditional seller” means the seller under a title reservation agreement;

“contract of sale” means a contract for the sale of an object which is not an agreement;

“court” means a court of law or an administrative or arbitral tribunal established by a Contracting State;

“Intergovernmental Regulator” means, in respect of any Protocol, the intergovernmental regulator referred to in Article 17(1);

“international interest” means an interest to which Article 2 applies and which is constituted in conformity with Article 8;

“International Registry” means the international registry referred to in Article 16(3);

“leasing agreement” means an agreement by which one person (“the lessor”) grants a right to possession or control of an object (with or without an option to purchase) to another person (“the lessee”) in return for a rental or other payment;

“object” means ~~an~~ a uniquely identifiable object of a category listed in Article 3 covered by a protocol;

“obligee” means the chargee under a security agreement, the conditional seller under a title reservation agreement or the lessor under a leasing agreement;

“obligor” means the chargor under a security agreement, the conditional buyer under a title reservation agreement, the lessee under a leasing agreement [or the person whose interest in an object is burdened by a registrable non-consensual right or interest];

“officially organized obligor” means an obligor organized solely under the laws of a single State or political subdivision of a State if the State or subdivision must maintain a public record indicating that the obligor has been organized.

“prospective assignment” means an assignment that is intended to be made in the future, ~~whether or not~~ upon the occurrence of an ~~uncertain~~ event, whether or not the occurrence of the event is uncertain;

“prospective international interest” means an interest that is intended to be created or provided for as an international interest in the future, ~~whether or not~~ upon the occurrence of an ~~uncertain~~ event, whether or not the occurrence of the event is uncertain;

“principal place of business” means, if an obligor has more than one place of business, the obligor’s [headquarters] [chief executive] office.

“prospective sale” means a sale which is intended to be made in the future, ~~whether or not~~ upon the occurrence of an ~~uncertain~~ event, whether or not the occurrence of the event is uncertain;

“Protocol” means, in respect of any category of object and associated rights to which this Convention applies, the Protocol in respect of that category of object and associated rights;

“Qualified proceeds” means proceeds of an object payable by virtue of the loss or physical destruction of the object or payable by a Government or State entity in respect of the confiscation, condemnation, or requisition of the object

“registered” means registered in the International Registry pursuant to Chapter V;

“registered interest” means an international interest [or a registrable non-consensual right or interest] registered pursuant to Chapter V;

{“registrable non-consensual right or interest” means a right or interest registrable pursuant to an instrument deposited under Article 39;}

“Registrar” means, in respect of any category of object and associated rights to which this Convention applies, the person designated under Article 17(3);

“regulations” means regulations made, pursuant to the Protocol, by the Intergovernmental Regulator under Article 17(4);

“sale” means a transfer of ownership pursuant to a contract of sale;

“secured obligation” means an obligation secured by a security interest;

“security agreement” means an agreement by which a chargor grants or agrees to grant to a chargee an interest in or over an object to secure the performance of any existing or future obligation of the chargor or a third person;

“security interest” means an interest created by a security agreement;

“surety” means any guarantor, surety or other credit insurer under a guarantee (including a demand guarantee and a standby letter of credit) or credit insurance given to the chargee;

“title reservation agreement” means an agreement for the sale of an object on terms that ownership does not pass until fulfilment of the condition or conditions stated in the agreement;

“unregistered interest” means a consensual [or non-consensual right or] interest [(other than an interest to which Article 40 applies)] which has not been registered, whether or not it is registrable under this Convention; and

“writing” means an authenticated record of information (including information sent by teletransmission) which is in tangible form or is capable of being reproduced in tangible form.  
**[Consider conforming to UNCITRAL or other definition.]**

2. - In this convention words in the singular include the plural and words in the plural include the singular.