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 lessee 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.

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