

PART F. LIENS

MVC: 01-3-325.

710:60-5-111. Perfecting liens

- A. **Documents required for perfecting lien.** Before perfecting a lien, a Cherokee Nation title, boat or motor title, or an Application for Cherokee Nation Title accompanying a Manufacturer's Statement of Origin or out-of-state, tribe, or territory title must be presented, along with a completed Lien Entry Form.
- B. **Lien Entry Form 2.11 to be typed written.** All lien entry forms must be typed. No handwritten forms will be accepted. This lien entry form consists of six (6) sheets, printed NCR paper. Each copy is numbered and notated as to its purpose. Copy 1 (white) Secured Party; Copy 2 (canary) CNTC; Copy 3 (green) CNTC release; Copy 4 (blue) debtor release; Copy 5 (pink) TC Agent and Copy 6 (dark yellow) debtor's notice.
- C. **Secured party information.** The secured party must have completed his part of the form, particularly the signature and date of execution. Strikeovers and off line printing are not acceptable.
- D. **Title to conform to lien entry form.** The name of the secured party will be entered on the face of the secured title exactly as it appears on the lien entry form.
- E. **Title receipt reflecting lien to be issued; fees.** When recording a lien on a registered vehicle, boat or motor, used as collateral, a title receipt must be issued to reflect the lien. A title fee in addition to the lien fee will be charged.
- F. **Procedure for removal of lien entry from title.** An owner may secure a new title omitting reference to a security interest by presenting the lien release and tendering payment for the new title.
- G. **Certain liens not perfectible under Motor Vehicle Code.** Lien Entry Forms cannot be accepted on any vehicle that cannot be issued a Cherokee Nation Certificate of Title. (i.e. farm tractors or mobilized farm machinery cannot be issued a title).
- H. **Lien Entry Form 69-01.** This lien entry form is formatted for personal computer use. All lien entry forms must be typed, computer generated, or printed in a legible manner. Forms with illegible information will not be accepted.

Four (4) identical copies of the completed lien entry form are to be generated by the lender and submitted to the CNTC or the TC Agent at the time of filing. One (1) copy is to be attached to the titling documentation; one (1) copy is to be sent to CNTC along with a copy of the lien fee receipt; one (1) copy is to be filed at the CNTC Agents office. One (1) copy of the LEF and one copy of the lien fee receipt and copies 1 (white), 3 (green), and 4 (blue) of lien entry for 2.11 is to be returned to the lender.

- I. Reassignment of lien.** A secured party may file a reassignment of a lien to another secured party by submitting to the Cherokee Nation Tax Commission Motor Vehicle Division a release of the initial lien, as well as a lien entry form and filing fees for the lien reassignment. The lien entry form is to state it is a reassignment of an existing lien. Upon receipt of proper documentation and payment, the Motor Vehicle Division will enter the new lien information to the vehicle record, reflecting the same effective date and time as the initial lien.
- J. Perfection Date.** For perfection of the security interest on a vehicle to begin from the date of execution of the entry form the Lien Entry Form (LEF) and all required documents and fees must be delivered by the lender to the CNTC Agent within twenty-five (25) days following execution of the security agreement. If this delivery is made more than twenty-five (25) days after the execution of the entry form, perfection of the security interest will occur at the time of delivery to the CNTC Agent. Perfection of a lien on a boat or outboard motor shall begin upon delivery to the CNTC Agent.
- K. Perfection Procedures.** The following should be followed by lenders in perfecting their liens under the described scenarios:

All lien entry forms must be typed, computer generated, or printed in a legible manner. Forms with illegible information will not be accepted.

A. New or Used Vehicle, Boat and Outboard Motor with Assigned MSO/Titles

NOTE: Do not include motor serial numbers on inboard boats lien filing documentation.

- 1) The debtor should surrender to the lender a signed application for Cherokee Nation title with either the assigned Manufactured Statement of Origin (if new) or the assigned out of state, other tribe, or territory title. If the vehicle is used with a Cherokee Nation title, the debtor should surrender the assigned Cherokee Nation title.
- 2) The lender should deliver the properly completed Lien Entry Forms (LEF), the application for Cherokee Nation title, assigned ownership documentation, \$10.00 lien fee to the TC Agent.
- 3) The TC Agent will stamp and record the date, time and receipt number on the face of the titling documentation and attach one copy of the LEF and one copy of the lien fee receipt. The agent will keep two (2) copies of the LEF and return one copy of the LEF, one copy of the lien fee receipt, the lien releases and title documentation to the lender.

- 4) The lender is to mail all the title documentation to the debtor along with copy 6 of LEF #2.11 or a notice that the debtor must register the vehicle and pay all fees and taxes within thirty (30) days from the date of purchase. The lender will retain the original LEF, lien releases and lien fee receipt.
- 5) The debtor must pay all applicable taxes and fees within thirty (30) days from the date of purchase to avoid penalty. The lien will appear on the face of the title when issued.

B. Registered Cherokee Nation Vehicle, Boat or Outboard Motor Used As Collateral.

- 1) The lender is to prepare a LEF reflecting the name of the person or persons listed on the face of the Cherokee Nation title and deliver the LEF, Cherokee Nation title and \$16.00 (\$10.00 lien fee + \$6.00 title fee) to CNTC or a TC Agent for processing.
- 2) The TC Agent will process the lien, making all required notations and receipts.
- 3) The TC Agent will issue an Add Lien Title, reflecting the perfected lien.

C. Continuation of Existing Lien

Cherokee Nation Regulations provide for a mandatory lien filing for any lender reflected on a Cherokee Nation title, out of state, other tribe, other territory, or assigned MSO. In that situation (i.e. absent proper lien entry filing documentation provided by the lien holder). The TC Agent will complete a lien entry form and collect a fee of \$10.00 to file the lien. The agent will make all required notations, produce receipts and distribute appropriately. The lien will be carried forward and appear on the face of the Cherokee Nation title when issued to the debtor.

D. Release of Lien

- 1) Within seven (7) business days after the satisfaction of a secured interest, the lender must furnish a **signed and dated** copy of the lien release to the Cherokee Nation Tax Commission and the debtor.
- 2) Upon release of the security interest, the owner may obtain a new certificate of title omitting the security interest. The title will be issued upon proof of release and payment of a \$6.00 title fee.

[**Authority:** Legislative Act 01-01 as amended “The Cherokee Nation Motor Vehicle Licensing And Tax Code” § 101, 201, 202, 205; amended effective 1-1-2012]

MV: 01-3-326. Out-of-state lienholder notification

- A. Procedures for entry of state, other tribe, or territory lien on Oklahoma title documents.** Effective **January 15, 2001**, the Tax Commission Agent or the Tax Commission must complete a lien entry form on a state, other tribe, or territory vehicle registering for the first time in Cherokee Nation, if the state, tribe, or territory document contains the name of a secured party on its face, or if the state certificate is being held by the secured party in that state or any other state. The owner of such a vehicle shall file an affidavit with the Commission or the revenue agent, stating that title to the vehicle is being held by a secured party and has not been issued pursuant to the laws of the state, tribe, or territory where titled, and that there is an existing lien or encumbrance on the vehicle. The current name and address of the secured party or lien holder shall also be stated in the affidavit. The lien will be shown on the face of the original title.
- B. Notification procedure.** The lien entry form and releases will then be mailed to the creditor along with a form cover letter informing the creditor and asking them to send in the title so that the Cherokee Nation title with their lien may be delivered to the debtor.
- C. Fees.** The total charge for completing and recording the lien as set forth by the Cherokee Nation Tax Commission will be paid by the person registering the vehicle (owner).
- D. Releasing liens.** When releasing the lien, the lien holder shall return copy numbers 3 and 4 of the lien entry form or, if unavailable, a notarized lien satisfied statement. If those were not furnished and the owner does present the state, tribe, or territory title with the release portion signed and dated, a release lien title can be issued.

Amendment: (effective September 9, 2009)

- a) Or, one (1) of the following may be accepted to release a perfected lien on a Cherokee Nation title:
 - 1. “Original” #1 (white), or “certified” copy of #1 release signed and dated of Cherokee Nation lien entry form.
 - 2. “Certified copy of #4 (blue) of Cherokee Nation lien entry form release signed and dated.
 - 3. A **faxed** copy of the lien release statement may be accepted, **provided** the fax clearly originated from the lien holder **and** all other lien release statement requirements are satisfied:(notarized signature of the secured party’s representative, must include the name of the secured party, name of the debtor(s) and VIN of the vehicle).
 - 4. A verified non-perfected or perfected lien carried forward from an Oklahoma title may be released with the lien print out from Oklahoma Tax Commission database (“release status”), or copy # 4 lien release.
- b) **If the lender is out of business and no longer available, their lien may be released by the following procedure:**

- 1) A certified letter, restricted delivery, requesting a lien release and listing the year, make and vehicle identification number is to be sent to the lender's address listed on the Motor Vehicle Division file.

- 2) The administering agency of the lienholder (e.i., Oklahoma Used Motor Vehicle and Parts Commission if an Oklahoma used dealer; State Bank Department if a bank, savings and loan or credit union; Department of Consumer Credit if a finance company) is to be contacted and written confirmation requested that the lienholder is no longer in business at the address requested. If an out of state lienholder, that state's equivalent agency is to be contacted. If the response from the administering agency is that the lender was taken over by another business entity, that entity will have to be contacted for a release.

[**Authority:** Legislative Act 01-01 as amended "The Cherokee Nation Motor Vehicle Licensing And Tax Code" § 101, 201, 202, 205; amended 9-9-2009; amended effective 1-1-2012]

MV: 01-3-327. Providing lien information to lien holders

Upon written request, and remittance of the applicable fee, a lien holder may obtain lien information from the Cherokee Nation computer system on any vehicle on which they hold a valid security interest. The fee for obtaining such information from the Cherokee Nation Tax Commission is set forth by the Commission.

[**Authority:** Legislative Act 01-01 as amended "The Cherokee Nation Motor Vehicle Licensing And Tax Code" § 101, 201, 202, 205]

MV: 01-3-328. Recording liens on certificate of title

- A. Lien perfected with M.S.O.** When an M.S.O. is presented stamped "Lien Perfected", the lien noted on the assignment of the M.S.O. or #6 copy, will be shown on the title receipt issued. The lien must show the date and time shown on the stamp.
- B. Cherokee Nation Title on which a lien perfected.** When presenting a Cherokee Nation Title on which a lien perfected stamp appears, the lien information from the back of the title or from copy #6 of the Lien Entry Form will be transferred to the face of the title issued.
- C. Generally, lien information is shown on the face of the transferred title receipt.** When transferring an assigned Cherokee Nation Certificate of Title with a lien on the face of the assigned title, the lien information must be shown on the face of the transferred title receipt issued, unless a lien release is received.

[**Authority:** Legislative Act 01-01 as amended "The Cherokee Nation Motor Vehicle Licensing And Tax Code" § 101, 201, 202, 205]