

# PPSA: KEY TERMS

## **PERSONAL PROPERTY**

Any form of a person's property, except land, interests in land, fixtures to land, and any other exceptions under law.

## **SECURITY INTEREST**

Interest in Personal Property created out of contracts between parties, securing payment of a debt or enforcement of an obligation.

## **SECURITY AGREEMENT**

An agreement or act that creates or provides for a Security Interest (commonly T&C's of sale, hire agreement or loan agreement)

## **RETENTION OF TITLE**

A contractual provision stating that title to goods being sold remains with the seller until certain obligations (normally payment of the purchase price) are met by the buyer.

## **GRANTOR**

The person who provides the Secured Party with a Security Interest (the customer, debtor, buyer, lessee).

## **SECURED PARTY**

The person who holds the Security Interest (the supplier, seller, lender, lessor).

## **ATTACHMENT**

Occurs when the Grantor has rights in Collateral and value is given for a Security Interest - in practice, if there is a contract to sell, supply or hire.

## **COLLATERAL**

Personal Property offered as security for a debt or other obligation. Must be described when registering on the PPSR.

## PROCEEDS

Identifiable or traceable Personal Property derived from dealing with Collateral - in practical terms, the money received from the sale of goods.

## ALLPAAP

All present and after-acquired property ('AllPAAP') is a class of Collateral that may be registered on the PPS Register and can be with out without exceptions.

## PMSI

A Purchase Money Security Interest (PMSI) is a special type of Security Interest granted to suppliers of goods or providers of credit which allowed the goods to be acquired or the debt for the goods to be incurred.

## FINANCING STATEMENT

The data registered in an application for Registration of a Security Interest on the PPS Register.

## REGISTER / REGISTRATION

The public register of Security Interests in Personal Property on the Personal Property Security Register. Proper registration of a Financing Statement on the Register will perfect a Security Interest

## PERFECTION

Giving a Security Interest the best priority and effectiveness (usually by Registration) and enabling it to be enforced.

## PRIORITY

The order that Security Interests are enforced, normally determined at the time of their creation (earlier in time Security Interests prevail).

## VERIFICATION STATEMENT

A document confirming the details of a Registration on the PPS Register - any mistakes will mean that the Registration is ineffective.



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