6-20/520.10 Chattel Paper

"Chattel paper" means a writing or writings which evidence both a monetary obligation and a security interest in or a lease of specific goods, but a charter or other contract involving the use or hire of a vessel is not chattel paper. When a transaction is evidenced both by such a security agreement or a lease and by an instrument or a series of instruments, the group of writings taken together constitutes chattel paper. (COMM 9102(a)(11); CCP 481.040, 680.140)

To levy upon chattel paper, the levying officer shall take the chattel paper into custody if it is in the possession of the judgment debtor or, if it is in possession of a third person, personally serve a copy of the writ and a notice of levy on the third person.

If the levying officer obtains custody of the chattel paper or if pursuant to a security agreement the judgment debtor has liberty to collect or compromise the chattel paper or to accept the return of goods or make repossessions, the levying officer shall, if instructed by the judgment creditor, serve a copy of the writ and a notice of levy on the account debtor either personally or by mail. (CCP 700.100)