

355.9-618 Rights and duties of certain secondary obligors.

- (1) A secondary obligor acquires the rights and becomes obligated to perform the duties of the secured party after the secondary obligor:
 - (a) Receives an assignment of a secured obligation from the secured party;
 - (b) Receives a transfer of collateral from the secured party and agrees to accept the rights and assume the duties of the secured party; or
 - (c) Is subrogated to the rights of a secured party with respect to collateral.
- (2) An assignment, transfer, or subrogation described in subsection (1) of this section:
 - (a) Is not a disposition of collateral under KRS 355.9-610; and
 - (b) Relieves the secured party of further duties under this article.

Effective: July 1, 2001

History: Created 2000 Ky. Acts ch. 408, sec. 136, effective July 1, 2001.