

355.9-325 Priority of security interests in transferred collateral.

- (1) Except as otherwise provided in subsection (2) of this section, a security interest created by a debtor is subordinate to a security interest in the same collateral created by another person if:
 - (a) The debtor acquired the collateral subject to the security interest created by the other person;
 - (b) The security interest created by the other person was perfected when the debtor acquired the collateral; and
 - (c) There is no period thereafter when the security interest is unperfected.
- (2) Subsection (1) of this section subordinates a security interest only if the security interest:
 - (a) Otherwise would have priority solely under KRS 355.9-322(1) or 355.9-324; or
 - (b) Arose solely under KRS 355.2-711(3) or 355.2A-508(5).

Effective: July 1, 2001

History: Created 2000 Ky. Acts ch. 408, sec. 65, effective July 1, 2001.