

355.9-204 After-acquired property -- Future advances.

- (1) Except as otherwise provided in subsection (2) of this section, a security agreement may create or provide for a security interest in after-acquired collateral.
- (2) A security interest does not attach under a term constituting an after-acquired property clause to:
 - (a) Consumer goods, other than an accession when given as additional security, unless the debtor acquires rights in them within ten (10) days after the secured party gives value; or
 - (b) A commercial tort claim.
- (3) A security agreement may provide that collateral secures, or that accounts, chattel paper, payment intangibles, or promissory notes are sold in connection with, future advances or other value, whether or not the advances or value are given pursuant to commitment.

Effective: July 1, 2001

History: Repealed and reenacted 2000 Ky. Acts ch. 408, sec. 34, effective July 1, 2001.
-- Amended 1986 Ky. Acts ch. 118, sec. 61, effective July 1, 1987. -- Created 1958 Ky. Acts ch. 77, sec. 9-204, effective July 1, 1960.