

**355.1-310 Subordinated obligations.**

An obligation may be issued as subordinated to performance of another obligation of the person obligated, or a creditor may subordinate its right to performance of an obligation by agreement with either the person obligated or another creditor of the person obligated. Subordination does not create a security interest as against either the common debtor or a subordinated creditor.

**Effective:** July 12, 2006

**History:** Created 2006 Ky. Acts ch. 242, sec. 24, effective July 12, 2006.