

336.9-325 PRIORITY OF SECURITY INTERESTS IN TRANSFERRED COLLATERAL.

(a) **Subordination of security interest in transferred collateral.** Except as otherwise provided in subsection (b), a security interest created by a debtor is subordinate to a security interest in the same collateral created by another person if:

(1) the debtor acquired the collateral subject to the security interest created by the other person;

(2) the security interest created by the other person was perfected when the debtor acquired the collateral; and

(3) there is no period thereafter when the security interest is unperfected.

(b) **Limitation of subsection (a) subordination.** Subsection (a) subordinates a security interest only if the security interest:

(1) otherwise would have priority solely under section 336.9-322(a) or 336.9-324; or

(2) arose solely under section 336.2-711(3) or 336.2A-508(5).

History: 2000 c 399 art 1 s 45