

70A-9a-325 Priority of security interests in transferred collateral.

- (1) Except as otherwise provided in Subsection (2), 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) subordinates a security interest only if the security interest:
- (a) otherwise would have priority solely under Subsection 70A-9a-322(1) or Section 70A-9a-324; or
 - (b) arose solely under Subsection 70A-2-711(3) or 70A-2a-508(5).

Enacted by Chapter 252, 2000 General Session