

70A-9a-322 Priorities among conflicting security interests in and agricultural liens on same collateral.

- (1) Except as otherwise provided in this section, priority among conflicting security interests and agricultural liens in the same collateral is determined according to the following rules:
 - (a) Conflicting perfected security interests and agricultural liens rank according to priority in time of filing or perfection. Priority dates from the earlier of the time a filing covering the collateral is first made or the security interest or agricultural lien is first perfected, if there is no period thereafter when there is neither filing nor perfection.
 - (b) A perfected security interest or agricultural lien has priority over a conflicting unperfected security interest or agricultural lien.
 - (c) The first security interest or agricultural lien to attach or become effective has priority if conflicting security interests and agricultural liens are unperfected.
- (2) For the purposes of Subsection (1)(a):
 - (a) the time of filing or perfection as to a security interest in collateral is also the time of filing or perfection as to a security interest in proceeds; and
 - (b) the time of filing or perfection as to a security interest in collateral supported by a supporting obligation is also the time of filing or perfection as to a security interest in the supporting obligation.
- (3) Except as otherwise provided in Subsection (6), a security interest in collateral which qualifies for priority over a conflicting security interest under Section 70A-9a-327, 70A-9a-328, 70A-9a-329, 70A-9a-330, or 70A-9a-331 also has priority over a conflicting security interest in:
 - (a) any supporting obligation for the collateral; and
 - (b) proceeds of the collateral if:
 - (i) the security interest in proceeds is perfected;
 - (ii) the proceeds are cash proceeds or of the same type as the collateral; and
 - (iii) in the case of proceeds that are proceeds of proceeds, all intervening proceeds are cash proceeds, proceeds of the same type as the collateral, or an account relating to the collateral.
- (4) Subject to Subsection (5) and except as otherwise provided in Subsection (6), if a security interest in chattel paper, deposit accounts, negotiable documents, instruments, investment property, or letter-of-credit rights is perfected by a method other than filing, conflicting perfected security interests in proceeds of the collateral rank according to priority in time of filing.
- (5) Subsection (4) applies only if the proceeds of the collateral are not cash proceeds, chattel paper, negotiable documents, instruments, investment property, or letter-of-credit rights.
- (6) Subsections (1) through (5) are subject to:
 - (a) Subsection (7) and the other provisions of this part;
 - (b) Section 70A-4-210 with respect to a security interest of a collecting bank;
 - (c) Section 70A-5-118 with respect to a security interest of an issuer or nominated person; and
 - (d) Section 70A-9a-110 with respect to a security interest arising under Chapter 2, Uniform Commercial Code - Sales, or Chapter 2a, Uniform Commercial Code - Leases.
- (7) A perfected agricultural lien on collateral has priority over a conflicting security interest in or agricultural lien on the same collateral if the statute creating the agricultural lien so provides.

Enacted by Chapter 252, 2000 General Session